



Schroder Sustainable Global Core PIE Fund

February 2026

Investment Report

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Schroders

Schroder Sustainable Global Core PIE Fund

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Total returns (NZD, %)	1 Month %	3 Months %	6 Months %	YTD %	1 Year %	SI p.a.* %
Portfolio (Net)	1.97	-0.57	8.61	-0.70	15.33	24.65
Benchmark [^]	1.50	-0.75	7.77	-1.38	13.22	23.07
Excess (Net)	+0.47	+0.18	+0.84	+0.68	+2.11	+1.58

Performance – Hedged

Total returns (NZD, %)	1 Month %	3 Months %	6 Months %	YTD %	1 Year %	SI p.a.* %
Portfolio (Net)	1.32	3.19	9.87	3.22	19.44	21.69
Benchmark [^]	0.86	2.90	9.13	2.45	17.90	20.65
Excess (Net)	+0.46	+0.29	+0.74	+0.77	+1.54	+1.04

Source: Schroders, FundRock as of February 2026. 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

Markets were unsettled in February, with headline equity indices delivering mixed returns and volatility rising as investors reassessed growth prospects and policy expectations. Weakness in large US Technology stocks weighed on cap weighted indices, particularly as questions emerged around returns on artificial intelligence related capital expenditure. Beneath the surface, however, market breadth improved, with equal weight indices, mid-caps and more cyclical segments showing relative resilience.

International (Ex US) markets generally outperformed the US. Japan and the UK were among the stronger developed markets, supported by domestic factors and sector composition, while emerging markets also advanced. Value and cyclical exposures performed relatively well in several regions, reflecting both valuation support and rotation away from the most crowded growth trades.

Sector performance reflected this rotation. Resources were among the more resilient areas, supported by commodity price dynamics, whilst Industrials held up relatively well, particularly outside the US. In contrast, Information Technology and Communications lagged, as software and other AI related segments faced increased scrutiny. Defensive sectors such as Healthcare and Consumer Staples provided relative stability as volatility picked up toward month end.

Commodity markets were mixed. Precious metals stabilised following January's sharp swings and continued to attract demand as portfolio diversifiers. Energy markets were influenced by inventory dynamics through most of the month, before geopolitical developments late in February altered the backdrop. The outbreak of direct military conflict between the United States and Iran on the final day of the month marked a significant escalation in Middle East tensions. While markets had limited time to price the development before month end, concerns around potential disruption to energy supply routes intensified and contributed to a more defensive tone as trading moved into March.

Fund commentary

Global equities advanced in February, with performance broadening beyond the US as international markets outperformed. Overall, exposure to quality cyclicals and more affordable areas positioned the portfolio well in a market environment characterised by rotation in leadership and increasing return dispersion. Against this backdrop, the portfolio delivered positive relative performance.

Industrials were the standout contributor, led by Manufacturing, Construction and Defence & Aerospace exposures across North America, Europe and Japan. Information Technology also added, supported by Hardware and Application Software. Consumer Staples and Healthcare contributed modestly.

Financials were the primary detractor, with weaker performance across banks. Materials and Real Estate also detracted slightly.

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.

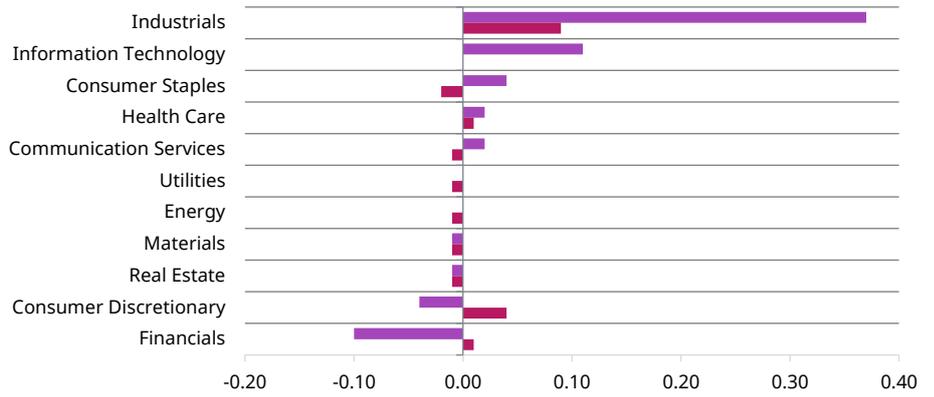
At the end of the month, some of the largest overweights in the portfolio were within Industrials and Healthcare, driven by higher than index exposure to Manufacturing and Pharmaceuticals respectively. We continue to favour securities exhibiting high quality characteristics and at favourable valuations while maintaining diversification across the portfolio. The most notable underweight was in Consumer Discretionary where we maintain our underweight exposure.

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

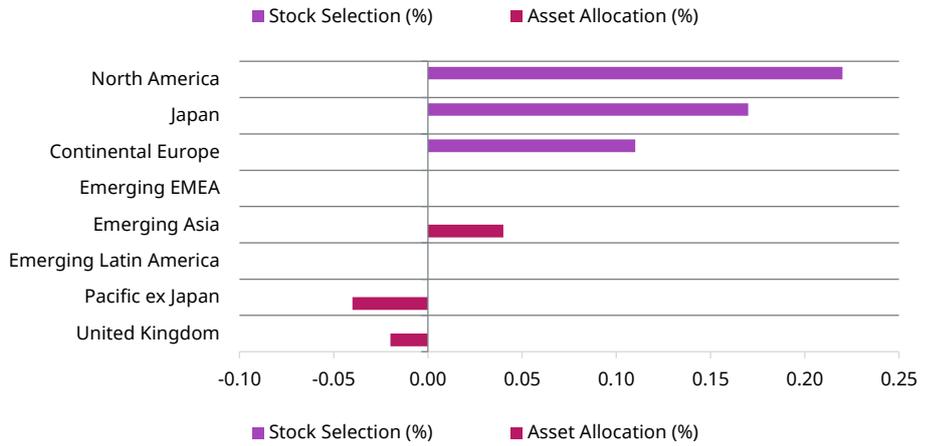
Attribution

Relative Fund Performance vs MSCI World ex Tobacco

Sector
1 month to 28 Feb 2026



Region
1 month to 28 Feb 2026



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 28 Feb 2026

Stock	Contribution %
Howmet Aerospace	0.05
Furukawa Electric	0.05
ATI	0.05
Fujikura	0.05
Mitsui Mining	0.04

Top 5

detractors

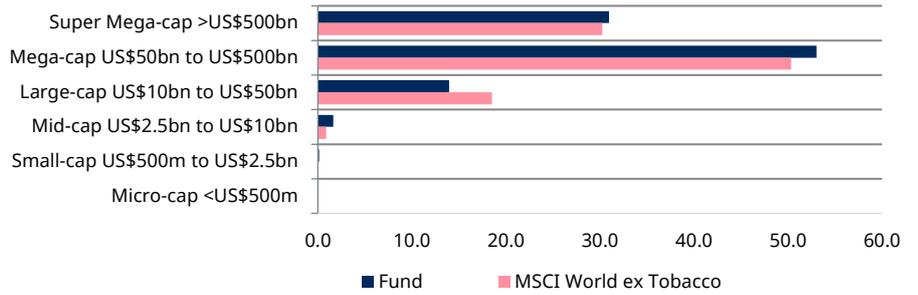
1 month to 28 Feb 2026

Stock	Contribution %
Boston Scientific	-0.06
Commonwealth Bank	-0.03
CBRE	-0.03
Agnico Eagle Mines	-0.03
Heidelberg Materials	-0.02

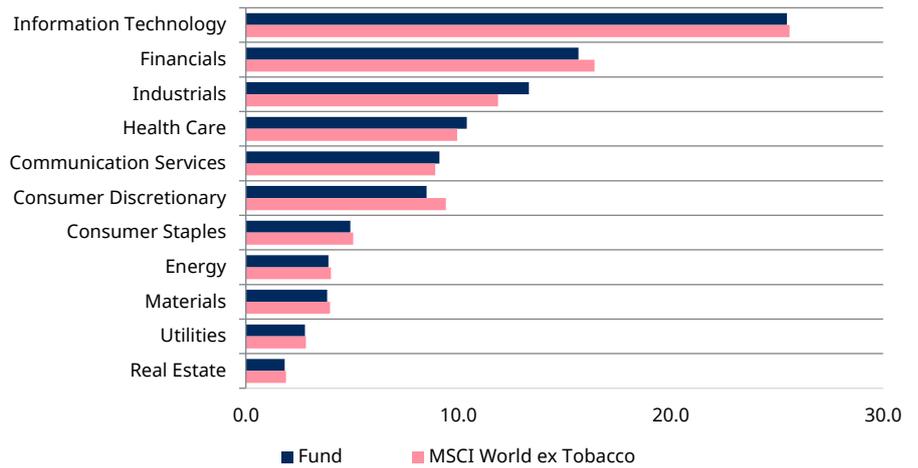
The attribution analysis shown above is intended to provide an indicative summary of the contributions to relative performance. The information is generated using Aladdin, a multi-currency performance analytical system.

Portfolio Analysis

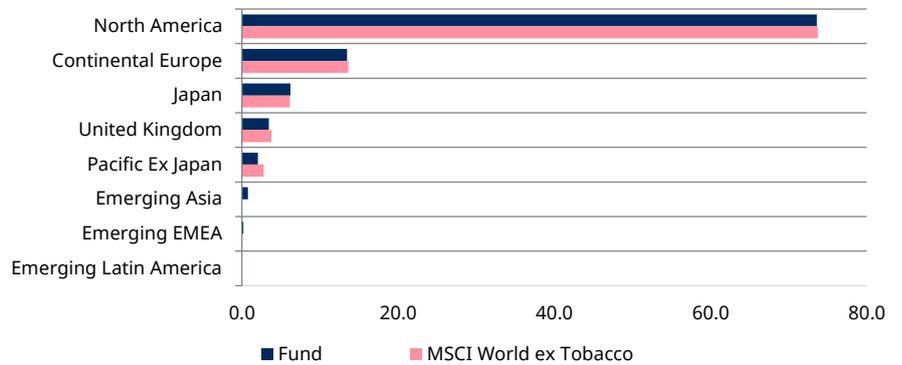
Portfolio Weightings Market Capitalisation (%) at 28 Feb 2026



Sector (%) at 28 Feb 2026



Region (%) at 28 Feb 2026



Source: Schroders & Investment Team Classifications.

Schroder Sustainable Global Core PIE Fund

Portfolio Characteristics at 28 Feb 2026

Characteristics	Fund	Index
Ex-ante Tracking error*	0.9%	-
Active share	25.6%	-
Number of stocks	495	1,314
Dividend Yield	1.4%	1.5%
Price to book	4.4	4.0
Price to earnings	23.8	23.3
Price to free cash flow	35.0	34.0
Return on capital employed	23.5	22.4
Return on equity	26.2	25.3
Operating margin	25.4	25.3
Company market cap (weighted average US\$ mn)	930,577	916,574
Carbon intensity (CO2 t/M\$ sales)	78.7	100.8

Top 5

Overweight positions

28 Feb 2026

Stock	Fund Weight %	Index Weight %	Active Weight %
Cardinal Health	0.32%	0.06%	0.25%
Italgas	0.24%	-	0.24%
Mckesson	0.37%	0.15%	0.22%
Terna	0.23%	0.02%	0.21%
GTT	0.20%	-	0.20%

Top 5

Underweight positions

28 Feb 2026

Stock	Fund Weight %	Index Weight %	Active Weight %
Boeing	-	0.21%	-0.21%
Commonwealth Bank	0.05%	0.25%	-0.20%
Honeywell	-	0.18%	-0.18%
Lockheed Martin	-	0.16%	-0.16%
Agnico Eagle Mines	-	0.15%	-0.15%

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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