Additional Information to the PDS

Dated: 4 June 2025

Issuer and responsible entity

Contact details
Schroder Investment Management Australia Limited
(ABN 22 000 443 274)
(AFSL No. 226 473)

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Important information

The information in this document forms part of the Product Disclosure Statement (**PDS**) of each Fund listed in this Additional Information booklet.

You should read this booklet together with the relevant PDS before making a decision to invest in a Fund. Certain sections of this booklet may not apply to all Funds.

This Additional Information booklet is issued by Schroder Investment Management Australia Limited ABN 22 000 443 274 (**Schroders**) as Responsible Entity for each Fund. References to '**Schroders Group**' are to Schroders plc and its subsidiaries. No Schroders Group company, other than us, makes any statement or representation in this document.

The information contained in each PDS and this Additional Information booklet is general information only and does not take into account your objectives, financial situation or needs. Before acting on the information contained in each PDS and this Additional Information booklet you should consider the appropriateness of the information having regard to your objectives, financial situation and needs. You should seek financial advice tailored to your objectives, financial situation and needs before making an investment decision.

Schroder Funds	Sub-Sector	Class of Fund	ARSN	APIR	Beneficiary Lodgement Code	PDS date
Schroder Australian Equity Fund	Australian Equities	Professional	089 953 248	SCH0002AU	AEF	4 June 2025
Schroder Equity Opportunities Fund	Australian Equities	Wholesale	128 708 645	SCH0035AU	EOF	4 June 2025
Schroder Equity Opportunities Fund	Australian Equities	Professional	128 708 645	SCH5738AU	EOP	4 June 2025
Schroder Wholesale Australian Equity Fund	Australian Equities	Wholesale	100 857 823	SCH0101AU	WAE	4 June 2025
Schroder Wholesale Australian Equity Fund	Australian Equities	Professional	100 857 823	SCH6237AU	WEP	4 June 2025
Schroder Absolute Return Income Fund	Fixed Income	Wholesale	092 060 172	SCH0103AU	HSF	4 June 2025
Schroder Absolute Return Income Fund	Fixed Income	Professional	092 060 172	SCH0024AU	HSS	4 June 2025
Schroder Australian High Yielding Credit Fund	Fixed Income	Wholesale	098 143 796	SCH0778AU	HSW	4 June 2025
Schroder Australian High Yielding Credit Fund	Fixed Income	Professional	098 143 796	SCH7855AU	HS2	4 June 2025
Schroder Fixed Income Fund	Fixed Income	Wholesale	089 952 849	SCH0028AU	FIF	4 June 2025
Schroder Fixed Income Fund	Fixed Income	Professional	089 952 849	SCH0016AU	FIS	4 June 2025
Schroder Global Equity Alpha Fund	Global Equities	Wholesale	678 278 370	SCH8242AU	GAW	4 June 2025
Schroder Global Equity Alpha Fund	Global Equities	Professional	678 278 370	SCH0554AU	GAP	4 June 2025
Schroder Multi-Asset Income Fund	Multi-Asset	Wholesale	163 314 305	SCH0096AU	R3W	4 June 2025
Schroder Real Return Fund	Multi-Asset	Wholesale	132 446 103	SCH0047AU	RRW	4 June 2025
Schroder Real Return Fund	Multi-Asset	Professional	132 446 103	SCH0039AU	RRF	4 June 2025
Schroder Sustainable Growth Fund	Multi-Asset	Wholesale	092 337 203	SCH0102AU	SBF	4 June 2025
Schroder Sustainable Growth Fund	Multi-Asset	Professional	092 337 203	SCH0010AU	BFS	4 June 2025
Schroder Global Core Fund	QEP Global Equities	Wholesale	092 337 365	SCH0003AU	GES	4 June 2025
Schroder Global Sustainable Equity Fund	QEP Global Equities	Wholesale	136 596 257	SCH0040AU	GDB	4 June 2025
Schroder Global Value Fund	QEP Global Equities	Wholesale	114 292 009	SCH0030AU	GAV	4 June 2025
Schroder Global Value Fund (Hedged)	QEP Global Equities	Wholesale	115 597 272	SCH0032AU	GVH	4 June 2025
Schroder Global Emerging Markets Fund	Regional and Overseas Equities	Wholesale	121 251 410	SCH0034AU	GEM	4 June 2025

Contents

1. Significant features of a Fund

1.1 Our legal relationship with investors

The Corporations Act, general law and the Constitution set out the rights and interests of the unitholders in a Fund as investors and also set out the rights, duties and obligations of Schroder Investment Management Australia Limited (**Schroders**) as the Responsible Entity of each Fund.

Compliance plan

In accordance with the Corporations Act, a compliance plan has been prepared for each Fund and lodged with ASIC. Each compliance plan, among other things, sets out the measures that Schroders will apply to ensure that the relevant Fund is operated in accordance with the Constitution and the Corporations Act. Each compliance plan will be audited at least once a year by an external auditor who will report on their findings to Schroders. A compliance committee, with a majority of external members, has been established for the purpose of, amongst other things, monitoring Schroders' adherence to each Fund's compliance plan.

Constitution

Each Fund is governed by its Constitution. The main provisions of each Fund's Constitution are summarised below. Each Constitution is legally binding between Schroders and each unitholder in the relevant Fund. To the extent there is any inconsistency between this Additional Information booklet, a Fund's PDS and the Constitution for the Fund, the provisions of the Constitution will prevail. Subject to the Corporations Act, Schroders, as the Responsible Entity, may amend each Constitution. We will provide a copy of each Constitution on request at no charge.

Rights and liabilities of unitholders

Each unit carries with it an equal beneficial interest in the relevant unit class of a Fund as a whole but not in any particular asset of the Fund. Fund income is only distributed to registered unitholders entitled to a distribution as at the last Business Day of the distribution period. Unitholders may not interfere with Schroders' powers or exercise any rights in respect of any investment of a Fund. Under each Constitution and the Corporations Act unitholders may:

– transfer units in a Fund;

– requisition, attend and vote at meetings of a Fund;

– share in the income and capital distributions of a Fund; and

– participate in the winding up of a Fund.

Generally, the Constitution limits a unitholder's liability to Schroders as the Responsible Entity to the value of that unitholder's investment in a Fund. However, no absolute assurance can be given due to the fact that this has not been tested in superior courts.

Liability of Schroders as the responsible entity

Subject to the Corporations Act, and except in the case of its own fraud, gross negligence, or wilful default, Schroders is not liable to Unitholders for any loss or damage suffered in any way relating to a Fund. Schroders is not liable to any person except to the extent that it is in fact able to be indemnified out of the assets of a Fund. To the extent permitted by law, Schroders is indemnified out of the assets of each Fund for any liability incurred by it in relation to the proper performance of its duties in relation to the Fund.

Retirement and removal of Schroders as the responsible entity

Schroders may be removed as responsible entity of a Fund in the circumstances set out in its Constitution and the Corporations Act, including where unitholders pass an extraordinary resolution to remove Schroders as the Responsible Entity. Schroders may also retire voluntarily and if it does so it must call a meeting of unitholders who may choose a replacement by extraordinary resolution.

Termination of a Fund

Schroders may terminate a Fund at any time by giving notice to unitholders or in the circumstances provided in the Corporations Act, including pursuant to an extraordinary resolution passed by unitholders. Where a Fund is terminated, Schroders must dispose of all the assets of the Fund and distribute the net proceeds to unitholders in proportion to the number of units held by them.

1.2 Keeping you informed

Unitholders may receive the following reports:

– confirmations for their initial investment and all subsequent transactions;
– periodic transaction statements;
– distribution summaries;
– annual tax statements providing details required to complete Australian taxation returns. Investors who redeemed during any year and who have received a distribution during that period will also receive an annual tax statement; and
– annual audited financial statements.

If you are a retail client as defined in the Corporations Act, you are entitled to a periodic statement on your investments.

If you are investing through a platform such as an IDPS or IDPS like platform then reports on your investment will come from the operator of that platform, not from Schroders.

Potential investors or current investors may obtain copies of audited financial statements and/or details of the underlying investments or current unit prices for a Fund by contacting Schroders.

Under the Constitution of a Fund, Schroders or its nominee has certain discretions in calculating unit prices. A documented unit pricing discretions policy is maintained relating to the exercise of these discretions. A copy of the policy and documents relating to it are available free of charge on our website www.schroders.com.au or by contacting Schroders.

Online account access

Online account access is available for direct investors providing easy and convenient online access for you to:

– check the total value of your investments in each Fund;
– view your account summary, containing details such as the class of units you are invested in, the number of units you hold, their unit price and their total current value; and
– review your recent transaction history

Investors who wish to access their unit holding information online should register for this service at www.schroders.com.au. Investors will then be mailed a login ID, temporary password and activation instructions. We will provide your adviser or authorised representative with a separate login ID and password to access your account information.

Access is subject to terms and conditions that will be available online upon accessing this service.

Continuous disclosure

Where a Fund has become a 'disclosing entity' as defined in the Corporations Act, it will be subject to continuous disclosure and reporting obligations under the Corporations Act. We will meet our continuous disclosure obligations by publishing material information on our website www.schroders.com.au rather than lodging copies of those documents with ASIC. Copies of any documents lodged with ASIC in relation to each Fund may be obtained from, or inspected at, an ASIC office. You have a right to obtain a copy of the following documents from us at no charge:

– a Fund's annual financial report most recently lodged with ASIC;
– any half-yearly report lodged with ASIC after lodgement of the latest annual report and before the date of the relevant PDS, as applicable; and
– any continuous disclosure notices given by a Fund after lodgement of the latest annual report and before the date of the relevant PDS, as applicable.

1.3 How to invest in a Fund

You can apply to invest in the Fund by completing an application and returning it to us together with the application money. Hard copy application forms are available on our website at www.schroders.com.au. An online application process is also available on our website for certain investor types. By submitting an application, you are confirming that you have received and read this PDS. Schroders is not admitting any newFunds as mFund products. Any existing investors can continue to transact via ASX's mFund for the Funds still admitted there, until further notice.

Initial investment

The minimum initial investment is $500,000 for the Professional Class and $20,000 for the Wholesale Class of a Fund. Initial applications may require supporting identification documents as part of the requirements of the AML/CTF Law and the DDO Regime. These identification and verification requirements are outlined in the customer identification forms or online application process (as applicable). Initial applications received by facsimile or email will not be accepted without prior agreement by Schroders. All initial applications will only be accepted if Schroders is satisfied with all details disclosed in the application, associated client identification documents have been received, and Schroders is satisfied that the issue of units to the applicant is not contrary to the DDO Regime, the AML/CTF Law and any other applicable law.

Application requests will generally be funded in cash. Schroders may from time to time and in its absolute discretion accept application requests by transfer of investments in-kind or by a switch of units into the Fund **('in specie' transfers)**. If agreed to by Schroders and a unitholder, investments that relate to 'in specie' transfers will be valued on the date units are created. All costs including any applicable stamp duty and other taxes incurred as a result of the transfer will be payable by the unitholder. Advance notice is required for all transactions the subject of 'in specie' transfers.

Additional investments

The minimum additional investment is $50,000 for the Professional Class and $5,000 for the Wholesale Class of a Fund. Unitholders may make additional investments via BPAY® or by forwarding payment in accordance with the 'Payment options' (refer below) together with a completed additional application form (which can be downloaded from www.schroders.com.au), by giving a duly authorised written notification in a form acceptable to Schroders, or (for certain investor types) through our online application process.

You should be aware that any additional investments will be deemed to have been made on the terms of the current PDS.

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Cut-off times

The cut-off time for Schroders is normally 2pm Sydney time on a Dealing Day and 11.15am for transactions made via mFund (in respect of those Funds still admitted to mFund). Please note that the cut-off times for other administration platforms or certain ASX brokers may be earlier than Schroders' normal cut-off times.

Where application instructions are received by the relevant cut-off time on a Dealing Day and accepted by Schroders, units will normally be allocated at the unit price calculated for that Dealing Day.

Where an application instruction is received after the relevant cut-off time on a Dealing Day, the instruction will normally be treated as being received on the following Dealing Day.

For the Schroder Global Emerging Markets Fund, Schroders requires notice of at least one Dealing Day to process an application. Accordingly, where application instructions for that Fund are received by 2pm Sydney time on a Dealing Day and accepted by Schroders, the application will normally be processed on the following Dealing Day (**Transaction Day**) and units will be normally allocated at the unit price calculated for the Transaction Day.

The cut-off times may be changed by Schroders at its discretion without notice. Typically an earlier cut-off time will be adopted on days when financial markets have shortened trading hours.

Please note that when investing via mFund, any errors made on the application instruction, including missing or incorrect bank details, may result in the order being automatically rejected by the registry system. Any rejected orders will not be processed and will require re-submission.

Investment of application monies

Schroders may invest the application monies accompanying an application for units (**Application Amount**) immediately upon receipt and acceptance of the application, even though the payment for the units (**Investment**) is not cleared.

If Schroders has invested the Application Amount and cleared funds are not received by Schroders within such period from receipt of the application as Schroders determines, then:

- Any units that have been allocated to the applicant will be voided and treated as though they were never issued; and
- Schroders may take such steps as it considers necessary or desirable to unwind the Investment; and
- The investor will be liable to Schroders on behalf of the Fund for all liability, loss, costs, charges and expenses arising from, or incurred by the Fund, as a result of:
    - i. Schroders making and unwinding the Investment; and
    - ii. Schroders not receiving the cleared funds from the investor on the date that Schroders made the Investment.

Payment options

For applications made through administration platforms or through mFund, the payment options will depend on the requirements of the relevant administration platform or ASX broker.

For applications lodged directly with Schroders, there are three options for payment set out below. Please note that Schroders does not accept direct debit as a payment option. In the case of applications for amounts in excess of $5 million, payments should be paid by direct deposit via Real Time Gross Settlement (**RTGS**). Any other payment method for such large applications may delay processing of the application.

Please note that the beneficiary lodgement code set out in the table at the start of this document should be quoted on all payment methods.

Physical cash will not be accepted at any time.

To avoid processing delays, investors are strongly advised to contact Schroders at least 24 hours prior to lodging applications of significant value (or to confirm whether an application amount will be considered to be significant by Schroders).

Investors should contact Schroders if they have not received a confirmation of investment within 5 Business Days after making a payment.

1. Direct deposit

Deposit application money directly into the following account:

Name of bank:	JPMorgan Chase Bank N.A.
Branch:	Sydney Australia
Name of bank account:	Schroder Applications Trust Account No.1
SWIFT:	CHASAU2X
BSB:	212 200
Account number:	01003 6955

Where funds are electronically transferred or deposited directly to the bank account, details of the deposit should accompany the application form. Schroders will accept notice of electronic transfer of funds as if deposited and cleared.

Physical cash will not be accepted at any time.

2. BPAY®

For initial applications submitted via our Online Application Form and additional applications, payment can be made via BPAY using your on-line banking facility. Applications made by BPAY do not need to be accompanied by a paper instruction.

For additional applications received by BPAY, we will issue units when the money is received from your nominated financial institution. There may be a delay between the BPAY instruction and the day the units are issued.

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3. Cheque payments

Please make cheques payable to: **'Schroder Applications Trust Account No.1'** and cross **'Not Negotiable'**.

Schroders will only accept cheques drawn from an Australian ADI.

Schroders will accept and process cheques received as cleared funds if received by 2pm Sydney time on a Dealing Day.

Discretion to reject applications

Schroders has absolute discretion to reject an application. Considerations which Schroders may take into account in exercising such discretion include, but are not limited to:

- compliance with our obligations under the AML/CTF Law and the DDO Regime;
- compliance with our internal policies and procedures;
- ensuring the best interests of unitholders;
- our ability to invest the application monies in an orderly fashion; and
- market closures or jurisdictional holidays, prevailing market conditions and suitability for investment.

Other things you should know

The money paid to acquire units, or additional units, in a Fund may be held by Schroders or its custodian in a trust account for the benefit of the applicant until Schroders issues units to the applicant. Any income attributable to that application money will not be payable to the applicant on money held prior to the issue of units or if the application money is returned to the applicant. Any interest earned on such application money will become an asset of the relevant Fund.

If you are investing in a Fund indirectly through an intermediate investment operator such as an IDPS, please discuss the application requirements with your intermediate investment operator.

Cooling-off period

A 14-day cooling-off period applies to investments in a Fund made by 'retail clients' as defined in the Corporations Act. If you are a retail client, your cooling-off period will begin when you receive your transaction confirmation or on the 5th Business Day after units are issued (whichever is earlier) and will end on the 14th day after that date. The confirmation statement you receive on the initial application will state the date on which the units were issued.

During this 14-day period, retail clients have the right to cancel their initial investment by sending an authorised instruction to Schroders. The investor's initial investment will then be repaid after Schroders makes adjustments for changes in the value of the investment, reasonable administrative and transaction costs incurred by Schroders or a Fund and any tax payable. There may be capital gain/ loss tax implications if you happen to receive more or less back than you originally invested.

The cooling-off period will end if and when an investor exercises any right in relation to their units during the 14-day period. The cooling-off period does not apply in certain circumstances, such as where investments are made by wholesale clients.

1.4 How to withdraw from a Fund

Unitholders may request to withdraw some or all of their investment in a unit class of a Fund by completing a withdrawal form that can be downloaded from www.schroders.com.au, giving a duly authorised written notification in a form acceptable to Schroders or, if the units are held via mFund, by placing a sell order with certain ASX brokers. Certain investor types can also request to withdraw online.

The minimum withdrawal amount is $50,000 for the Professional Class and $5,000 for the Wholesale Class of a Fund, unless the withdrawal relates to all the units held by that unitholder. Where payment instructions are not to a pre-nominated account, failure to provide the original withdrawal instruction to Schroders may cause delays in processing the instruction. Schroders does not accept instructions to pay to a third-party and will not initiate payments to accounts with non-Australian ADIs unless otherwise agreed to by Schroders.

Schroders will only accept withdrawal requests if they are signed by the authorised signatories for the investment who have been duly nominated by the investor.

Schroders will normally pay withdrawal proceeds within 7 Business Days of accepting a valid withdrawal request. Schroders has up to 40 Business Days (or such shorter period as outlined in the Constitution of the relevant Fund, and subject to our right to suspend or stagger withdrawals) after the date on which the withdrawal request has been received in which to pay the withdrawal amount. For the maximum withdrawal period relevant to each Fund (subject to any rights to suspend or stagger fund redemptions that Schroders may have), please refer to the table below. It should be noted that, in accordance with the Constitution, the Corporations Act, or AML/CTF Law obligations, Schroders may suspend or stagger the withdrawal of units. For example, Schroders may suspend the withdrawal of units in a number of circumstances including where it is impractical to calculate the current unit value, due to, for instance, the closure of a securities exchange or as otherwise required by law.

Withdrawal requests will generally be met from cash resources or by the disposal of investments in a Fund. Schroders may satisfy withdrawal requests by transfer of transferable investments to the unitholder **('in specie' transfer')**. If agreed to by Schroders and a unitholder, investments that relate to an 'in specie' transfer will be valued on the date units are cancelled.

All costs including any applicable stamp duty and other taxes incurred as a result of the transfer will be payable by the unitholder. Advance notice is required for all 'in specie' transfers.

If your investment account balance falls below the minimum balance of $500,000 for a Professional Class or $20,000 for a Wholesale Class of a Fund as a result of transactions you have made or attempt to make on your investment account, Schroders may cause your units to be compulsorily withdrawn without further notice to you.

Investors should contact Schroders if they have not received a confirmation of withdrawal within 5 Business Days after submitting a withdrawal request.

Withdrawal period of up to 30 days
Schroder Australian Equity Fund
Schroder Global Core Fund
Schroder Sustainable Growth Fund
Schroder Fixed Income Fund
Schroder Australian High Yielding Credit Fund

Withdrawal period of up to 30 Business Days
Schroder Absolute Return Income Fund
Schroder Global Value Fund
Schroder Global Value Fund (Hedged)
Schroder Global Emerging Markets Fund
Schroder Wholesale Australian Equity Fund
Schroder Global Equity Alpha Fund

Withdrawal period of up to 40 Business Days
Schroder Equity Opportunities Fund
Schroder Real Return Fund
Schroder Global Sustainable Equity Fund
Schroder Multi-Asset Income Fund

Cut-off times

The cut-off time for Schroders is normally 2pm Sydney time on a Dealing Day, and 11.15am for transactions made via mFund. Please note that the cut-off times for other administration platforms or certain ASX brokers may be earlier than Schroders' normal cut-off times.

Withdrawal requests received by the relevant cut-off time on a Dealing Day and accepted by Schroders will normally be processed at the unit price calculated for that Business Day.

Where a withdrawal request is received after the relevant cut-off time on a Dealing Day, the withdrawal request will normally be treated as being received on the following Dealing Day.

The cut-off times may be changed by Schroders at its discretion without notice. Typically, an earlier cut-off time will be adopted on days when financial markets have shortened trading hours.

Staggering of withdrawals

In the case of the Funds listed below, where Schroders believes it is in the best interests of unitholders, Schroders may satisfy a withdrawal request by staggering the withdrawal dates. This means that a withdrawal request may be processed progressively over a period of up to 40 Business Days (or such shorter period as outlined in the Constitution) at the withdrawal price calculated on the Business Day on which each partial withdrawal is processed.

Funds with the ability to effect 'staggering of withdrawals' are:

- Schroder Australian Equity Fund
- Schroder Australian High Yielding Credit Fund
- Schroder Equity Opportunities Fund
- Schroder Fixed Income Fund
- Schroder Global Core Fund
- Schroder Multi-Asset Income Fund
- Schroder Sustainable Growth Fund

Compulsory withdrawals

Schroders may, in limited circumstances and having regard to the best interests of unitholders as a whole, cause a unitholder's units to be compulsorily withdrawn without further notice to the unitholder. For example, this may occur where units would otherwise be acquired or held in violation of the terms and conditions of the PDS, the relevant Constitution, or in breach of law or requirements of any country or government or regulatory authority. Schroders may also exercise its right to prevent adverse consequences for a Fund, including a requirement to register under or otherwise comply with unfavourable laws and regulations of any country or authority.

In addition, where Schroders or a Fund incurs a liability in respect of a specific unitholder (for example, where the attribution of income results in a withholding tax liability for a Fund in respect of a particular unitholder that cannot reasonably be met using cash distributions payable to the unitholder), the relevant unitholder agrees that they will be deemed to have made a withdrawal request in respect of such units as are necessary for the liability to be met out of the withdrawal proceeds, and to have instructed Schroders to apply the proceeds of the withdrawal to satisfy the liability on behalf of the unitholder.

1.5 Non-dealing days

Schroders may take into consideration the impact that market closures will have on a Fund's ability to access investment markets, and may elect to designate such market closures as non-dealing days for certain Funds. Where Schroders designates a Business Day as a non-dealing day, instructions received on the non-dealing day will be treated as being received on the following Business Day. A list of the designated non-dealing days is published in the Policies and Notices section on Schroders' website at www.schroders.com.au and is regularly updated.

1.6 Terms and conditions of application and withdrawal

Units in a Fund will only be allocated following receipt and acceptance by Schroders of a completed application form, which accompanies the PDS and this Additional Information booklet, plus any other required documentation. Schroders has absolute discretion to accept or reject any application. Please refer to the 'How to invest in a Fund' section for further information on applications. Please note that Schroders may require additional information or documentation about the investor(s) in addition to those detailed in the application form before accepting any applications.

Withdrawal requests from a Fund will only be processed following receipt and acceptance by Schroders of a properly completed withdrawal form or other properly authorised instruction. Please refer to the 'How to withdraw from a Fund' section for further information.

Conditions and acknowledgements

An investor agrees to be bound by the following terms and conditions:

1. Electronic communications terms and conditions

By sending an electronic communication (such as an email) the investor accepts the following terms and conditions:

- The investor authorises Schroders and any of its authorised agents to act upon instructions given electronically with respect to units subscribed for (and any further units purchased) or any matter in connection with them without any liability in respect of any transfer, payment or any other act done in accordance with such instructions, including payment of proceeds from sales of units.
- The investor bears the risk that someone who knows their account details may send Schroders an instruction to apply or withdraw electronically. Any action taken by that person will be deemed to be taken by the investor. Schroders is not responsible to the investor for any fraudulently completed communications. Schroders will not compensate the investor for any losses.
- The investor bears the risk that the use of this arrangement may result in the duplication of instructions received by Schroders. Schroders will not compensate investors for any losses arising from the processing of duplicate instructions.
- The investor agrees to release, discharge and indemnify Schroders, and any other related or associated entities of Schroders, from and against any and all actions, proceedings, accounts, claims, costs, demands, charges and expenses, losses and liabilities, however arising out of the use of this arrangement.
- Schroders will only act on a completed communication which has been received by Schroders. A record on the investor's email software showing that an email has been sent is not evidence that the email was received by Schroders. Schroders is not liable for any loss or delay resulting from the non-receipt of any transmission.
- Initial applications, instructions to change payment details or signatories sent electronically will not be accepted without prior agreement by Schroders.
- The investor bears the risk of delays in processing instructions if an electronic communication is incorrectly sent (for example, an email to the wrong email address).
- Schroders may cancel this arrangement or vary these conditions on 14 days' notice.

2. Signatories' terms and conditions

- If the application form is signed under power of attorney, the attorney declares that he/she has not received notice of revocation of that power. A certified copy of the power of attorney should be submitted unless it has previously been provided to Schroders.
- If investing as trustee on behalf of a superannuation fund or trust, the trustee confirms that they have the power and authority under the relevant trust deed to invest on behalf of the superannuation fund or trust.
- If investing on behalf of an unincorporated entity, the officer confirms that they have the power and authority under the relevant Rules/Constitution to invest on behalf of the entity.
- In the case of joint applications, the investors agree to hold the units as joint tenants and acknowledge that, unless otherwise stated, either investor is able to operate the account, including making withdrawal requests and additional applications.

- If investing as a company/incorporated association, the investor confirms that they are officers of the company/incorporated association and that they have the authority to bind the company/incorporated association to the investment. If they are a sole signatory signing on behalf of a company, the investor confirms that they are signing as the sole director/secretary of the company.
- Applicants must be 18 years of age or over (otherwise applications must be made in the name of parent/guardian and signed by parent/guardian).
- Where a document received by Schroders bears a signature of an investor that has been applied electronically, or includes a scanned or other form of electronic copy of a signature of an investor, and the signature appears to be authentic, Schroders will be entitled to assume (without making any further enquiries) that the investor has applied, or has authorised the application of, the signature and authorised Schroders to act on the document as if it had been signed by the investor, and the investor agrees to release, discharge and indemnify Schroders, and any other related or associated entities of Schroders, from and against any and all actions, proceedings, accounts, claims, costs, demands, charges and expenses, losses and liabilities, however arising as a result of the above.
- By making an application for units in the Fund the investor:
    - Agrees to be bound by the provisions of the PDS, this Additional Information booklet, the application form and the Fund's Constitution (which may be amended from time to time).
    - Acknowledges that Schroders reserves the right to refuse an application for units at its discretion.
    - Declares that the application was included in, or accompanied by, the current PDS and Additional Information booklet, which they have read.
    - Acknowledges that neither Schroders nor any other person guarantees the return of capital, or the performance of any Fund.
    - Acknowledges that telephone conversations with Schroders may be recorded.
    - Authorises Schroders to apply the Tax File Number or Australian Business Number quoted to all investments in the name of the investor.
    - Authorises Schroders to collect, hold, use and disclose personal information about the investor in accordance with Schroders' Privacy Statement and the privacy statement in the Additional Information booklet, including for direct marketing.

3. Adviser/consultant/broker and authorised signatories' terms and conditions

If the adviser/consultant/broker or authorised signatories section of the application form has been completed, the investor confirms that the following terms and conditions will apply to the appointment (subject to applicable legal requirements):

- Schroders will only pay the investor. Payment to third parties is not permitted.
- Schroders may treat the exercise of any power by a person reasonably believed to be acting as an investor's adviser/consultant/broker or authorised signatory as if the investor had personally exercised those powers. An investor cannot claim that their adviser/consultant/broker or authorised signatory was not acting on their behalf until the arrangement is discontinued by written notice being received by Schroders.
- Schroders is authorised to disclose information about an investor's investment in a Fund to the investor's adviser/consultant/broker or authorised personnel of the adviser/consultant/broker.
- The investor's adviser/consultant/broker or authorised signatory does not have the power to appoint another authorised signatory for an investor's investment. Only the investor has this power.
- The investor agrees to release, discharge and indemnify Schroders and any other related or associated entities of Schroders from and against any and all actions, proceedings, accounts, claims, costs, demands, charges and expenses, losses and liabilities, however arising out of the use of this arrangement or the appointment or exercise of powers by the adviser/consultant/broker or authorised signatory.
- If the payment is made in accordance with the request or instructions of the adviser/consultant/broker or authorised signatory, the investor shall have no claim against Schroders and any related or associated entities in relation to the payment.
- Any document or information required to be provided to the investor under any law that is given by Schroders to the adviser/consultant/broker or authorised signatory, in accordance with the requests or instructions of the adviser/consultant/broker or authorised signatory, shall be to the complete satisfaction of the obligation of Schroders, notwithstanding whether the document or information was requested, made or received without the investor's knowledge or authority.
- The investor is bound by the actions of the adviser/ consultant/broker or authorised signatory in relation to the operation of their investment in a Fund.
- A person who gives another person access to the application form must at the same time and by the same means give the other person access to the PDS and any supplementary document. While the PDS is current, Schroders will send paper copies of the PDS, any supplementary document and the application form on request without charge.
- Schroders may cancel this arrangement or vary these conditions without notice.

4. AML/CTF acknowledgement

By applying to invest in a Fund you warrant that:

- You comply and will continue to comply with applicable AML and CTF laws and regulations, including but not limited to the law and regulations of Australia in force from time to time (AML/CTF Law);
- You are not aware and have no reason to suspect that:
  - The monies used to fund your investment in a Fund have been or will be derived from or related to any money laundering, terrorism financing or similar activities illegal under applicable laws or regulations or otherwise prohibited under any international convention or agreement ('illegal activity'); or
  - The proceeds of your investment in a Fund will be used to finance any illegal activities.
- You will provide us with all additional information and assistance that we may request in order for us to comply with any AML/CTF Law; and
- You have disclosed to us if you are a 'politically exposed' person or organisation for the purposes of any AML/CTF Law.

You acknowledge that Schroders may, in its sole and absolute discretion but otherwise in accordance with the law, vary the terms of this Additional Information booklet and the relevant PDS or alter the arrangements in respect of a Fund, where Schroders is required to do so due to changes in AML/CTF law.

By applying to invest in a Fund, you also acknowledge that we may decide to delay or refuse any request or transaction, including by suspending the issue or withdrawal of units in a Fund, if we are concerned that the request or transaction may breach any obligation of, or cause us to commit or participate in an offence under any AML/CTF Law, and we will incur no liability to you if we do so. You further acknowledge that Schroders is under no obligation to inform you of its intention to do any of the above, or the fact that it has done any of the above, nor is Schroders obliged to provide you with its reasons for any such actions.

5. Foreign Account Tax Compliance Act (FATCA) acknowledgement

Certain 'foreign financial institutions' (**FFIs**) are required to comply with FATCA. To avoid withholding tax of 30% on payments of US income or gross proceeds of the sale of certain US investments, the Funds as an FFI must comply with certain reporting requirements. These include the collection and reporting of certain information about US and US-owned investors to the US tax authorities. The Funds may request certain information from investors in the Funds to comply with each Fund's obligations under FATCA.

Schroders may be required to deduct and withhold tax from payments made to non-US investors in the Funds if the investors are FFIs and they fail to comply with the reporting requirements imposed under FATCA.

You acknowledge that where Schroders becomes aware at any time that units in a Fund are beneficially owned by a US person, a US owned non-US entity, a non-participating FFI or a person who fails to provide the requisite documentation in relation to its US tax status, Schroders may at its sole discretion compulsorily redeem those units.

6. Common Reporting Standard (CRS)

Australian financial institutions (**AFIs**) are required to comply with the Common Reporting Standard (**CRS**). CRS provides a global standard for the collection of financial account information on account holders who are foreign tax residents. The Funds as AFIs must comply with the reporting requirements. As investors in the Funds, you are required to certify certain information about your tax residency status before we accept your application. Under CRS, we will be required to report details of foreign tax residents together with details of their investments to the Australian Taxation Office (**ATO**). The ATO may exchange financial account information with participating foreign jurisdictions.

You agree to provide all the necessary information and certifications required by Schroders to meet our obligations under CRS.

7. US Persons

Neither Schroders nor the units in the Funds have been registered under the United States Investment Company Act of 1940, the United States Securities Act of 1933 (**US Securities Act**) or any other US law or regulation. Schroders generally will not accept applications made by US Persons (as that term is defined in the US Securities Act), and Schroders will generally cause the compulsory withdrawal of any units held by a US Person, if to do otherwise may cause adverse consequences for a Fund, including requirements to register under or otherwise comply with US laws and regulations.

By making an application for units in a Fund, each investor:

- Confirms that they are not a US Person (or a person covered under any similar definition under any other applicable US law), unless otherwise notified to Schroders in writing; and
- Undertakes to inform Schroders in writing as soon as practicable if, after units are issued to them, they later become a US Person (or a person covered under any similar definition under any other applicable US law).

1.7 Warning statement for New Zealand investors

If you are a New Zealand investor we are required to provide the following warning statement to you under New Zealand law.

Warning Statement

- This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

- This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
- There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
- The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
- Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (http://www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.
- The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
- If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

Currency exchange risk

- The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
- If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Dispute resolution process

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

1.8 India related investment restrictions

This offer is not in the form of a prospectus or a statement in lieu of a prospectus as per the provisions of the (Indian) Companies Act, 2013 and has not been or will not be registered thereunder as a prospectus or a statement in lieu of a prospectus. The information set out herein does not constitute, and may not be used for or in connection with, an offer for solicitation to do business or purchase any securities or shares by any Resident Indians or by persons resident in any other jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. For any Funds that are Foreign Portfolio Investors under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 (the **SEBI Regulations**) and that may invest more than 50% of their assets in Indian securities, this offer may not be distributed directly or indirectly in India or to resident Indians, and the interests are not being offered and may not be sold directly or indirectly in India or to or for the account of any resident Indians. No regulatory authority in India has confirmed the accuracy or determined the adequacy of this offer. Subscription of units in the Funds which are Foreign Portfolio Investors under the SEBI Regulations accepted from or held by: (a) a person who is a Resident Indian; (b) a person who is a Non-Resident Indian; (c) a person who is an Overseas Citizen of India; or (d) a person who is controlled by any of the persons mentioned in (a) through (c); or (e) a person whose Beneficial Owner-India is, any of the persons listed in (a) through (c), is subject to approval by the Responsible Entity. This subjectivity applies to anyone who is currently a person listed in (a) through (e) above or becomes a person listed in (a) through (e) above in the future.

"**Beneficial Owner – India**" means:

(i) if the unitholder is a company, natural person(s), who whether acting alone or together, or through one or more juridical person:

a. has a controlling ownership interest, i.e. ownership of or entitlement to more than 10% of shares or capital or profits of the company, or

b. who exercises control (i.e. includes the right to appoint majority of the board of directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of shareholding or management rights or shareholders agreements or voting agreements, or in any other manner) through other means;

(ii) if the unitholder is a partnership firm, any natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of/entitlement to more than 10% capital or profits of the partnership, or who exercises control (i.e. includes the right to control the management or policy decision) through other means. In case the partnership has a general partner / limited partnership structure, identification of beneficial owner will be on ownership or entitlement basis and control basis;

(iii) if the unitholder is an unincorporated association or body of individuals, natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than 15% of the property or capital or profits of such association or body of individuals;
(iv) in case no natural person is identified under (i), (ii), or (iii), the relevant natural person who holds the position of a senior managing official of the unitholder;
(v) if the unitholder is a trust, the author of the trust, the trustee, the beneficiaries with 10% or more interest in the trust, and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

"**Non-Resident Indian**" as the term is defined under rule 2 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, which term currently means, an individual resident outside India who is a citizen of India.

"**Overseas Citizen of India**" as the term is defined under rule 2 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, which term currently means, an individual resident outside India who is registered as an Overseas Citizen of India Cardholder under Section 7 (A) of the Citizenship Act, 1955.

"**Resident Indian**" means a person resident in India in terms of Section 2(v) of the Foreign Exchange Management Act, 1999, which term currently includes:
(i) a person residing in India for more than 182 days during the course of the preceding financial year but does not include:

(A) a person who has gone out of India or who stays outside India, in either case:

(1) for or on taking up employment outside India, or

(2) for carrying on outside India a business or vocation outside India, or

(3) for any other purpose, in such circumstances as would indicate his/her intention to stay outside India for an uncertain period;

(B) a person who has come to or stays in India, in either case, otherwise than:

(1) for or on taking up employment in India, or

(2) for carrying on in India a business or vocation in India, or

(3) for any other purpose, in such circumstances as would indicate his intention to stay in India for an uncertain period;

(ii) any person or body corporate registered or incorporated in India
(iii) an office, branch, or agency in India owned or controlled by a person resident outside India
(iv) an office, branch, or agency outside India owned or controlled by a person resident in India.

1.9 Privacy

Schroders must comply with the Privacy Act and the Australian Privacy Principles (**APPs**). The Privacy Act and APPs generally regulate the collection, storage, quality, use and disclosure of personal information. Schroders may collect personal information from investors to provide its products and services. The Corporations Act, AML/CTF Act and DDO Regime may require Schroders to collect some personal information about you. In accordance with Schroders' Privacy Statement, in most cases, investors have rights to access their personal information. Schroders can use your personal information to assess your application for the investment product and, if you obtain the product, to manage that product. If you do not want us to use your personal information for direct marketing purposes please contact our Client Services team at the address set out below.

Schroders may disclose your personal information to anyone you have authorised or any adviser, consultant, broker or dealer group advising you or acting on your behalf, government departments or agencies as well as any related entities of Schroders and anyone acting on Schroders and/or the adviser/consultant/broker/dealer group's behalf such as external service suppliers who supply administrative, financial or other services to assist Schroders and/or the adviser/consultant/broker/dealer group in providing financial services. If we are not able to collect all the personal information we require, we may not be able to assess your application for the investment product or manage the product. Schroders or its external service providers may be required to transfer your personal information to entities located outside of Australia including London, Luxembourg, India and Singapore where it may not receive the level of protection afforded under Australian law.

Please note that if you provide personal information to Schroders about another person, you warrant that you are authorised by that person to do so and that you have informed that person of the information in this Privacy section.

Enquiries regarding access to personal information must be in writing and addressed to:

Schroder Investment Management Australia Limited
GPO Box 5059
Sydney NSW 2001

Further information on how Schroders handles personal and sensitive information can be found in the Privacy Statement that is available on the Schroders website www.schroders.com.au. A copy of this Privacy Statement may be obtained free of charge upon request. The Privacy Statement also contains information about how you can access and correct the information about you held by Schroders as well as how complaints may be made and how they will be dealt with by Schroders.

1.10 Labour standards and environmental, social and ethical considerations

In this section, references to 'Schroders' means Schroder Investment Management Australia Limited as Responsible Entity for each Fund. References to 'Schroders Group' are to Schroders plc and its subsidiaries.

Schroders takes into account ethical and labour standards and environmental, social and governance (**ESG**) considerations as part of its investment process, further detail of which is provided below and in the PDS for each relevant Fund. Schroders recognises that different asset classes, strategies, and investment time horizons require our investment teams to adopt different perspectives pertaining to ESG to strengthen effective decision making. Other than as set out in the relevant PDS and this Additional Information booklet, Schroders does not have a pre-determined view as to what constitutes ESG Considerations or a fixed methodology for taking these considerations into account when selecting, retaining or realising investments in a Fund. Schroders does not implement a consistent, firm-wide weighting system for taking into account ESG Considerations. The analysis of ESG Considerations often relates, but is not limited to, issues such as climate change, environmental performance, labour standards and board composition.

Where Schroders has delegated some or all of the investment management for a Fund to another wholly-owned entity within the Schroders Group, ESG Considerations can be implemented in different ways by the underlying investment manager for the purposes of selecting, retaining or realising investments of the Fund.

You may have differing views, opinions and understanding of the meaning of the terminology used in this section, to Schroders and/or its third-party providers, and therefore your expectations of permitted investments may be different to the actual investments of a Fund.

1.10.1 How Schroders categorises its funds from an ESG perspective

Schroders categorises its Funds broadly into two categories: **ESG Integrated** and **Sustainable Investment Funds**.

At the date of this document, Schroders offers two Sustainable Investment Funds (see the 'Sustainable Investment Funds' section). All other Funds listed in this document are ESG Integrated Funds that are not designed for investors who wish to screen out particular types of companies or investments not covered in Schroders' Exclusions Policy, or who are looking for funds that meet specific ESG goals. Schroders' Exclusions Policy details the exclusionary criteria applied in the management of Schroders ESG Integrated funds (**Exclusions Policy**). More information on this Policy is available in the 'Negative Screens' section below.

At a high level, the differences between the two categories are set out as follows:

	ESG Integrated Funds Primary aim is to achieve investors' financial objectives while incorporating some ESG factors into the investment process	**Sustainable Investment Funds** Funds which aim to achieve both an investment objective alongside a Sustainability objective
Sustainable objective/s E.g. sustainability score and/or carbon intensity score lower than the benchmark	✗	✓
Negative Screens According to Schroders' Exclusions Policy*	✓	✓
Negative Screens Fund specific exclusions in addition to Schroders' Exclusions Policy, as detailed in each relevant Fund's PDS*	✗	✓
Negative Screens According to Schroders Group's Global Norms framework^	✗	✓
Monitoring Checks to monitor continuous compliance with negative screens	✓	✓
Active Ownership Dialogue, engagement and voting	✓	✓

*These activities are subject to exceptions and limitations, addressed further below in the 'Negative Screens' section.

^Schroders Group's 'Global Norms List' comprises companies assessed by Schroders Group to have breached global norms, resulting in considerable environmental or social damage. The list includes firms that are identified as harmful, have inadequately addressed the issue through clear communication and action, and have not provided sufficient remedy for stakeholders. Assessments can be based on both Schroders Group's proprietary research, incorporating insights from company engagement, and third-party data. Information that is relied upon can be quantitative or qualitative. Neither Schroders or Schroders Group can guarantee the accuracy of third-party data. Assessing companies involves judgment and subjectivity across Schroders Group-chosen metrics, potentially causing a lag between incident occurrence and listing due to the need for thorough review by Schroders Group. More information can be found in the definition of 'Global Norms List' in the Glossary.

ESG Integrated Funds

ESG integration is the process of identifying, analysing and incorporating relevant and material ESG Considerations into investment decisions as well as the ongoing monitoring of Funds and engagement with investee company or assets' management teams. We consider that examining a wider range of factors than may be captured in traditional investment analysis allows a more complete view of potential investment drivers and better-informed investment decisions as a result.

Schroders subscribes to external ESG research providers including: MSCI ESG research, Bloomberg and Refinitiv, which is subject to periodic review and change.

Limitations on ESG Integration

ESG integration is only applicable where Schroders has discretion over security selection and does not apply to Indirect Investments. Each Fund's exposure to Indirect Investments will fluctuate. Please refer to the Glossary for a definition of this term.

As a result of utilising third-party data, data errors may occur. Where Schroders is aware of such errors, we will seek to investigate and resolve data queries where possible with the third-party provider.

Please see further below for specific limitations relating to Negative Screens.

Negative Screens

Negative Screens refers to the deliberate exclusion of companies from an investment portfolio based on a defined set of ESG-related criteria (**Negative Screens**).

Our ESG Integrated Funds are subject to Schroders' Exclusions Policy, which is available on our website https://api.schroders.com/document-store/Excluded%20Securities.pdf. This policy applies to all Direct Investments in company-issued public securities held either by Schroders or other Schroders Group managed funds that apply Schroders' exclusions and where Schroders has discretion over security selection (please see below for more information).

The criteria for the main groups of companies that we seek to exclude are set out in the following page. Note that the descriptions of the exclusion criteria reflect the methodologies of our third-party providers. They are valid as at the date of the publishing of this Additional Information booklet and may be subject to change without notice.

The following table summarises the Negative Screens Schroders applies when we directly invest in Australian and International listed shares and Australian and International corporate bonds, with the exceptions to these Negative Screens also set out in the table below and relevant footnotes. Where Schroders does not rely on proprietary methodology (noted below in the table), the application and interpretation of exclusionary screening criteria and terminology is determined by the third-party provider (including but not limited to MSCI). Schroders relies on the accuracy of data from our third-party providers. The providers' interpretation of the criteria and terminology may differ to that of an investor in the Funds. The exclusion thresholds apply to any combination of the activities listed in the 'description of exclusion criteria' column. Unless otherwise stated, the thresholds apply only to a company's direct involvement in the excluded activities, as determined by Schroders (in the case of a proprietary methodology) or the relevant third-party provider (e.g. MSCI). These Negative Screens do not apply to Indirect Investments across both our ESG Integrated and Sustainable Investment Funds.

Sector/activity	Description of Exclusion Criteria	Exclusion threshold for Schroders' Direct Investments
Thermal coal mining	Mining of thermal coal and its sale to external parties. This does not include revenue from metallurgical coal, coal mined for internal power generation, intra-company sales of mixed thermal coal, and revenue from coal trading.	More than 20% of gross revenue (reported or estimated)
Tobacco, nicotine alternatives and tobacco-based products	Companies involved in the production of tobacco products, including nicotine alternatives and tobacco-based products, such as cigars, chewing tobacco, vaping and e-cigarette products. This exclusion does not apply to companies generating revenue from the sale and distribution of tobacco, such as supermarkets.	More than 10% of gross revenue (reported or estimated)
Nuclear weapons	Companies with revenue from nuclear weapons, intended and dual-use (ie. civilian and military use) components for such products, delivery platforms capable of deploying nuclear weapons, essential components for such delivery platforms, and support services for such products.	More than 5% of gross revenue (reported or estimated)
Controversial weapons	Schroders Group's proprietary process on controversial weapons seeks to exclude companies we identify as being involved in the production, stockpiling, transfer and use of controversial weapons, including cluster munitions, anti-personnel mines and chemical and biological weapons. This is a firmwide exclusion that applies to all Schroders and Schroders Group managed funds. [1]	Schroders Group's proprietary methodology

Important information:
Information relating to the non-proprietary methodologies described above are based on MSCI information, including, but not limited to the MSCI Business Involvement Screening Research Methodology, the MSCI Fossil Fuels and Power Generation Metrics Methodology, data supplied through and defined within the MSCI ESG Manager platform, and the relevant universe coverage, and may be subject to change without notice. For more information on the MSCI screening methodology and specific details on each sector/activity, please refer to the MSCI website for ESG and climate disclosures. Some useful documents include the MSCI Business Involvement Screening Research Methodology and the MSCI Fossil Fuels and Power Generation Metrics Methodology.[2]
Please refer to the 'Negative Screens' and 'Monitoring' sections for further details on how Schroders monitors and applies these exclusions

[1] More information can be found at: https://www.schroders.com/en/global/individual/about-us/what-we-do/sustainable-investing/our-sustainable-investment-policies-disclosures-voting-reports/group-exclusions/

[2] Note that these documents and their links may change as MSCI make updates from time to time.

Limitations of Negative Screens

In applying Schroders' Exclusions Policy to ESG Integrated Funds:

- Certain financial instruments such as securities issued by government, semi-government or supranational entities, derivatives, alternative investments such as private equity, private debt or direct investments into infrastructure, as well as financial instruments where the underlying end recipient is unknown or investment decisions are not within our control (this includes, but is not limited to, commercial mortgage backed securities, residential mortgage backed securities, asset backed securities, collateralised loan obligations, collateralised mortgage obligations and insurance linked securities) are not captured within the Exclusions Policy. This is because such securities or issuers are not able to be reasonably screened for involvement in the above mentioned activities.
- Indirect Investments in our Funds may inadvertently result in an exposure to companies that would normally be excluded by our screens. These exposures are subject to a de minimis threshold of typically less than 1% of the Fund's total assets at any one time.

Schroders' Sustainable Investment Funds apply additional screens relevant to the Fund's investment strategy. These are discussed further below in the sections relating to the Schroder Sustainable Growth Fund and the Schroder Global Sustainable Equity Fund. The above limitations also apply to screens applied to these two funds.

Monitoring

Schroders does not employ a bespoke approach for monitoring and reviewing ESG Considerations relevant to our Funds. Where ESG Considerations form part of a Fund's investment guidelines by way of Negative Screens, exclusions and limits are coded into the portfolio compliance framework to seek to ensure that pre- and post-trade compliance correctly flags the securities that should not enter the Fund. As at the date of this document, the list of companies excluded under Schroders' Exclusion Policy are updated according to the below schedule. This may change from time to time.

– Thermal coal mining: updated quarterly
– Tobacco, nicotine alternatives and tobacco-based products: updated daily
– Nuclear weapons: updated daily
– Controversial weapons: updated annually

Automated daily pre- and post-trade compliance checks of the Fund's investments occurs against the current list of companies falling under Schroders' Exclusions Policy. These compliance checks are only performed on Direct Investments (please see the preceding 'Negative Screens' section for more information).

If an investee company's exposure to an excluded activity exceeds the threshold set out in Schroders' Exclusions Policy due to a change in third-party data or any other error, there may be certain circumstances where we continue to hold the investment, for example where the data change is inconsistent with other external sources of information such as current company annual reports, sustainability reports or financial statements. In these instances, we will investigate the matter and aim to resolve such situations as quickly as possible but acknowledge it may take some time as we may be subject to third-party provider review processes. Upon completion of the investigation, should the company's revenue exposure remain higher than the threshold in Schroders' Exclusions Policy, the relevant investment in that company will be divested by the Fund in an orderly manner as determined by Schroders as responsible entity for that Fund, having regard to the best interests of investors of the Fund as a whole.

Given the list of companies excluded are updated according to the schedule mentioned earlier in this section, when a company's involvement in an excluded activity contravenes Schroders' Exclusion Policy, it will be captured in the next review. The time period that the revenue or involvement data relates to is subject to the third-party data providers' processes and may differ between companies depending on their reporting periods. Data may not relate to the company's most recent reporting year.

Active Ownership

Active Ownership refers to the influence that can be applied to management teams and relevant stakeholders of investee companies and assets by asset owners via engagement and voting activities, so that more sustainable practices (as defined by the Manager from time to time) are properly considered in managing those companies and assets. This is intended to protect and enhance the value of investments.

We manage investments across a wide range of asset classes which bring different ownership rights and opportunities for influence. More details about our approach to active ownership can be found in the Schroders Group Sustainable Investment Policy: https://mybrand.schroders.com/m/6197143c263420f5/original/Schroders-Group-Sustainable-Investment-Policy.pdf.

Dialogue and engagement

Dialogue and engagement with investee companies may enable us to gain insight into companies' practices and future plans relating to ESG Considerations, raise concerns with company management, and influence them towards behaviour we consider to strengthen the long-term competiveness and value of businesses. Schroders engages through various forms of communication such as phone calls and meetings as and when we deem necessary. Schroders may engage on various ESG-related topics it deems to be important, such as reducing carbon emission output and responsible treatment of employees and customers.

Where we have engaged repeatedly with an investee company or asset and seen no meaningful progress, we may escalate our concerns. Decisions on whether and how to escalate are based on the materiality of each issue, its urgency, the extent of our concern and whether the company has demonstrated progress through previous engagements. The possible actions we may take to escalate an engagementare outlined in the Engagement Blueprint for listed assets (see below). Schroders Group's Engagement Blueprint sets out the long-term outcomes we desire to see from companies in areas of climate change, natural capital and biodiversity, human rights, human capital management, diversity and inclusion and corporate governance. The Engagement Blueprint can be accessed here: https://mybrand.schroders.com/m/68c16247d2149269/original/Schroders-Engagement-Blueprint.pdf

Voting

Some asset classes afford investors voting rights. We recognise our responsibility to make considered use of voting rights. We vote on both shareholder and management resolutions, many of which are corporate governance-related, such as the approval of directors and accepting reports and accounts. The overriding principle governing our approach to voting is to act in line with our fiduciary responsibilities in what we deem to be the interests of our clients.

Further information on our voting policy and practices can be found in the Schroders Group Sustainable Investment Policy and monthly disclosure of our global voting can be found here: https://viewpoint.glasslewis.com/WD/?siteId=Schroders%20Investment%20Management%20Vote%20Disclosure

In the event we are undertaking significant Active Ownership activities, we will provide regular updates to investors of any outcomes we consider significant.

Sustainable Investment funds

As at the date of this document, our Sustainable Investment funds are the **Schroder Sustainable Growth Fund** and the **Schroder Global Sustainable Equity Fund**.

Our Sustainable Investment Funds apply the investment approach described above for ESG Integrated funds and also go further by incorporating ESG criteria within the investment process that are unique to the relevant Fund, as detailed in each Sustainable Investment Fund's PDS and this document. Please see the table at the beginning of section 1.9.1 comparing ESG Integrated Funds with Sustainable Investment Funds for more information.

Schroders does not adopt a 'one-size-fits-all' approach to how it determines sustainable investment. At a minimum, Schroders' Sustainable Investment Funds will:

a. Have ESG Integration in the investment process applied via Schroder's Exclusion Policy (Negative Screens), Monitoring, and Active Ownership.

b. Additional Negative Screens, including Schroders Group's 'Global Norms List' and any further Negative Screens as determined by the Fund's investment team.

c. Both an investment objective alongside a sustainability objective (see below).

1.10.2 Schroder Sustainable Growth Fund

ESG Considerations are taken into account for the Schroder Sustainable Growth Fund ("the Fund") in the following ways:

1. **Climate Change Adjustment in the SAA**: The Fund's strategic asset allocation ("SAA") is formulated using Schroders' proprietary medium-term projections for asset class returns and risk expectations. This only applies for equities and fixed income securities (both corporate bonds and government bonds) and does not apply to cash, derivatives or alternatives such as insurance linked securities, private equity, private debt or infrastructure. This includes a climate change adjustment based on estimated costs or benefits of rising temperatures and potential regulatory and behavioural changes. The climate change adjustment takes into account physical costs (the effect of rising temperatures on an economy's growth rate), transition costs (the impact of steps taken to mitigate temperature increases such as carbon taxes, and investments in clean energy), stranded assets (losses incurred where carbon-based forms of energy are written off) and the net impact on inflation. The asset class return and risk expectations, inclusive of the climate change adjustment, impact the asset allocation decision making framework for this Fund, both in terms of setting the strategic asset allocation benchmark (SAA benchmark), as well as tactical portfolio positioning relative to the SAA benchmark. For example, the return expectation of an asset class may be negatively impacted by transition costs and stranded assets as part of the climate change adjustment, in which case holding all other investment considerations equal, would see the portfolio weight towards that asset class potentially lowered.
2. **Allocations to other funds**: The Fund can make allocations to Sustainable Finance Disclosure Regulation (SFDR) Article 8 and 9 funds that are managed by Schroders Group. Please see the Glossary for definitions of Article 8 and 9 funds. Where the investment allocation to an Article 8 and 9 fund constitutes sufficient scale to enable the establishment of a separately managed portfolio, we shall do so. We consider such separately managed portfolios to be Direct Investments and we will seek to apply the exclusions relating to the Sustainable Growth Fund to these holdings, subject to any asset classes or security types where screening cannot reasonably be done (please see 'Negative Screens' section above for a definition of Direct and Indirect

Investments and what assets are screened). Where the investment allocation does not have sufficient scale to meet the minimum investment size required to create a separately managed account, we instead invest as a unit holder into the underlying Article 8 or 9 fund. We consider such allocations as Indirect Investments and we are unable to guarantee that the Negative Screens of the Sustainable Growth Fund will be applied to that allocation. As such, in addition to any exceptions held by the Fund as determined by the Fund's investment team and explained in the 'Seeking to drive more sustainable practices' section of this booklet, the Fund may, from time-to-time, inadvertently have a small indirect exposure to companies that would normally be excluded by its Negative Screens. This would typically be <1% of the Fund's NAV. However, we engage with the underlying fund's manager to understand and report on their rationale for such holdings in the monthly fund commentary (please see point 5 below for a link to the commentary). While the underlying Article 8 and 9 funds would be subject to certain screens, we are unable to guarantee that all of the Schroder Sustainable Growth Fund's screens would be applied. Please see the 'Negative Screens specific to the Schroder Sustainable Growth Fund' section for more information. Typically up to 40% of the Funds' NAV may be invested in Article 8 and 9 funds, and these underlying funds may not apply all of the Schroder Sustainable Growth Fund's ESG Considerations. Nevertheless, Schroders conducts due diligence prior to investing in the underlying Article 8 and 9 funds and regularly reviews the underlying fund's ESG Considerations.

3. **Negative Screens**: The Fund applies exclusionary screens comprising of the following categories in relation to its Direct Investments (please see 'Negative Screens' section above for defintions of Direct and Indirect Investments, and what assets are screened): 1) those listed in the Schroders Exclusions Policy (as explained further above under 'Negative Screens'); 2) companies on Schroders Group's 'Global Norms List' (please see the Glossary and table in section 1.9.1 for further information); and 3) additional fund-specific exclusions which are explained further below.
4. **Sustainability Scores and Carbon Intensity Scores** – as explained further below under 'Sustainability Objectives'.
5. **Seeking to drive more sustainable practices**: individual companies identified by the Fund's Negative Screens may still be held by exception if the Fund's investment team believes the company is, or has committed to, contributing positively to either of the Fund's two sustainability objectives (**Sustainability Objective and Carbon Intensity Objective as defined in the Fund's PDS**), or broader ESG initiatives. Some examples of ESG initiatives that we may consider include, but are not limited to, the issuance of green bonds; businesses that have science based targets ratified by the Science Based Target Initiative (SBTi) to align their business models to the Paris Agreement; or businesses which have set significant carbon emissions intensity reduction targets. Holdings in such companies will vary from time to time. A list of these companies, their aggregate weightings as well as the rationale for inclusion in the Fund can be found in the monthly commentary for the Fund, which is published monthly for both the Professional and Wholesale investment classes.

Negative Screens specific to the Schroder Sustainable Growth Fund

The Schroder Sustainable Growth Fund applies the exclusions outlined in the table below to its investment universe for its Direct Investments. Please refer to the 'Negative Screens' section above for more information regarding the limitations of Negative Screens. Specifically, the Negative Screens do not apply to the Fund's Indirect Investments; typically, Schroders anticipates this may be approximately 20-40% of the NAV of the Fund. Additional exceptions to the application of Negative Screens are explained above in the 'Seeking to drive more sustainable practices' paragraph.

As mentioned previously, the Fund has Indirect Investments which include instances where the Fund invests as a unit holder into SFDR Article 8 or 9 funds managed by Schroders Group (please see the Glossary for definitions of Article 8 and 9 funds). These underlying funds will typically have their own exclusions which may differ from that of the Schroder Sustainable Growth Fund. As at the date of the publication of this Additional Information booklet, the Article 8 and 9 funds that the Fund is currently invested in would, at a minimum, abide by the Schroders Group exclusions relating to: controversial weapons and thermal coal mining (see our Schroders Group exclusions for more information: https://www.schroders.com/en/global/individual/about-us/what-we-do/sustainable-investing/our-sustainable-investment-policies-disclosures-voting-reports/group-exclusions/), and Schroders Group's proprietary 'Global Norms List.' As at the date of this Additional Information booklet, these underlying funds implement further exclusions (up to a certain threshold) typically relating to thermal coal energy generation and the tobacco value chain (ie. production, distribution, supply, retailing, licensing). Generally, the Fund's total exposure to Article 8 and 9 funds could be approximately 20-40% of the NAV of the Fund, though the exposure may move beyond this band if required to achieve the Fund's sustainability and investment return objectives (see above). As a result, in addition to any exceptions held by the Fund as determined by the Fund's investment team and explained in the 'Seeking to drive more sustainable practices' section of this booklet, the Fund may inadvertently have a small indirect exposure to companies that would normally be excluded by its Negative Screens through its investment in these funds. This would typically be <1% of the Fund's NAV.

In applying the Negative Screens the revenue or involvement of a company will be based on information provided by third-party data providers such as, but not limited to, MSCI. The time period that the revenue or involvement data relates to is subject to the third-party data providers' processes and may differ between companies depending on their reporting periods. Data may not relate to the company's most recent reporting year. Compliance with the exclusion lists is checked daily. As at the date of this document, the list of companies falling under each exclusion is updated according to the below schedule, which may change from time to time.

– Schroders Group proprietary methodology for controversial weapons: updated annually
– Schroders Group proprietary methodology for Global Norms: updated as needed
– Other exclusions, based on revenue or involvement data derived from third parties such as MSCI: updated daily

The following table summarises the Negative Screens Schroders applies when we directly invest in Australian and International listed shares and Australian and International corporate bonds, with the exceptions to these Negative Screens also set out in the table below and relevant footnotes. Where Schroders does not rely on proprietary methodology (noted below in the table), the application and interpretation of exclusionary screening criteria and terminology is determined by the third-party provider (including but not limited to MSCI). Schroders relies on the accuracy of data from our third-party providers. The providers' interpretation of the criteria and terminology may differ to that of an investor in the Funds. The exclusion thresholds apply to any combination of the activities listed in the 'description of exclusion criteria' column. Unless otherwise stated, the thresholds apply only to a company's direct involvement in the excluded activities.

Sector/activity	Description of Exclusion Criteria	Exclusion threshold for Schroders' Direct Investments
Fossil fuels mining, production and extraction	Mining of thermal coal and its sale to external parties. This does not include revenue from metallurgical coal, coal mined for internal power generation, intra-company sales of mixed thermal coal, and revenue from coal trading. Conventional oil and gas production and extraction Unconventional oil and gas production and extraction	More than 10% of gross revenue (reported or estimated)
Fossil Fuel power generation	Fossil fuel power generation including thermal coal, liquid fuel and natural gas. This does not include revenue generated from the sale and distribution of fossil fuel.	More than 20% of gross revenue (reported or estimated)
Alcohol	Production, distribution or retail sale of alcoholic products as well as suppliers for alcoholic products. This also includes revenue from licensing a brand name to alcoholic products.	More than 10% of gross revenue (reported or estimated)
Tobacco, nicotine alternatives and tobacco-based products	Production of tobacco manufacture of nicotine alternatives and tobacco-based products, such as cigars, chewing tobacco, vaping and e-cigarette products. This exclusion does not apply to companies generating revenue from the sale and distribution of tobacco, such as supermarkets.	More than 0% of gross revenue (reported or estimated) [3]
	Distribution or retail of tobacco products as well as licensing of brand names for and suppliers for tobacco products.	More than 10% of gross revenue (reported or estimated)
Gambling	Operation or ownership of gambling facilities, online gambling websites, platforms, or mobile applications (this includes but is not limited to: casinos, slot machines or sporting events that permit wagering), licensing of brand names to gambling products, providing products or support services fundamental to gambling operations (this includes but is not limited to: slot machines or lottery terminals). This does not include companies retailing lottery tickets.	More than 5% of gross revenue (reported or estimated)
Adult Entertainment	Production, distribution or retailing of adult entertainment products or services.	More than 5% of gross revenue (reported or estimated)

[3] This threshold applies to companies and their majority-owned subsidiaries (at least 50% ownership). This does not apply to companies' minority-owned subsidiaries (less than 50% ownership).

Sector/activity	Description of Exclusion Criteria	Exclusion threshold for Schroders' Direct Investments
Controversial Weapons	We utilise two levels of screening on controversial weapons for this Fund. 1) Schroders Group's proprietary process on controversial weapons seeks to exclude companies we identify as being involved in the production, stockpiling, transfer and use of controversial weapons, including cluster munitions, anti-personnel mines and chemical and biological weapons. This is a firmwide exclusion that applies to all Schroders and Schroders Group managed funds.[4] 2) An additional screen is applied seeking to exclude companies involved in the production of whole weapon systems, delivery platforms or components of cluster munitions; production of whole weapon systems or components of landmines and biological or chemical weapons; production of depleted uranium weapons, blinding laser weapons, incendiary weapons, or weapons with non-detectable fragments; or is involved indirectly through ownership ties to companies involved in such products. Nuclear weapons are not considered for this screen.	1) Schroders Group's proprietary methodology 2) Any tie to the excluded activities, as determined by MSCI
Uranium mining	Operation or ownership of active uranium mines.	More than 5% of gross revenue (reported or estimated)
Nuclear Weapons	Companies with revenue from nuclear weapons, intended and dual-use (ie. civilian and military use) components for such products, delivery platforms capable of deploying nuclear weapons, essential components for such delivery platforms, and support services for such products.	More than 0% of gross revenue (reported or estimated) [5]
Conventional Weapons and Civilian Firearms	Production of conventional weapons including components or support systems and services Production, wholesale or retail of firearms and ammunition intended for civilian use.	More than 5% of gross revenue (reported or estimated)

[4] More information can be found at: https://www.schroders.com/en/global/individual/about-us/what-we-do/sustainable-investing/our-sustainable-investment-policies-disclosures-voting-reports/group-exclusions/

[5] This threshold applies to companies and their majority-owned subsidiaries (at least 50% ownership). This does not apply to companies' minority-owned subsidiaries (less than 50% ownership).

Sector/activity	Description of Exclusion Criteria	Exclusion threshold for Schroders' Direct Investments
Global Norms	Schroders Group's 'Global Norms List' comprises companies assessed by Schroders Group to have breached global norms, resulting in considerable environmental or social damage. The list includes firms that are identified as harmful, have inadequately addressed the issue through clear communication and action, and have not provided sufficient remedy for stakeholders. Assessments can be based on both Schroders Group's proprietary research, incorporating insights from company engagement, and third-party data. Information that is relied upon can be quantitative or qualitative. Neither Schroders or Schroders Group can guarantee the accuracy of third-party data. Assessing companies involves judgment and subjectivity across Schroders Group-chosen metrics, potentially causing a lag between incident occurrence and listing due to the need for thorough review by Schroders Group. More information can be found in the Glossary.	Schroders Group's proprietary methodology

Important information:
Information relating to the non-proprietary methodologies described above are based on MSCI information, including, but not limited to the MSCI Business Involvement Screening Research Methodology, the MSCI Fossil Fuels and Power Generation Metrics Methodology, data supplied through and defined within the MSCI ESG Manager platform, and the relevant universe coverage, and may be subject to change without notice. For more information on the MSCI screening methodology and specific details on each sector/activity, please refer to the MSCI website for ESG and climate disclosures. Some useful documents include the MSCI Business Involvement Screening Research Methodology and the MSCI Fossil Fuels and Power Generation Metrics Methodology.[6]
Please refer to the 'Negative Screens' and 'Monitoring' sections for further details on how Schroders monitors and applies these exclusions

[6] Note that these documents and their links may change as MSCI make updates from time to time.

Sustainability Objectives

As mentioned in the Fund's Product Disclosure Statement, the Fund has two sustainability objectives; 1) achieve a Fund sustainability score (Sustainability Score) of at least 2% better than the Fund's SAA benchmark (Sustainability Objective) and 2) achieve a Fund carbon intensity score (Carbon Intensity Score) of less than 60% of the Fund's SAA benchmark (Carbon Intensity Objective).

The Sustainability Score of the Fund is measured by SustainEx™, Schroders Group's proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using a range of different indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. It does this using third-party data such as, but not limited to, MSCI and Refinitiv, as well as Schroders Group's own estimates and assumptions, and the outcome may differ from other sustainability tools and measures. Schroders Group cannot confirm the accuracy, completeness and adequacy of third-party data and estimates. Schroders Group also draws information on investee companies from publicly available corporate information and company meetings, from broker reports, industry bodies, and research organisations, think tanks, legislators, consultants, Non-Governmental Organisations and academics. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage. The result is expressed as an aggregate score of the sustainability indicators for each issuer, specifically a notional percentage (positive or negative) of sales or GDP of the relevant underlying issuer. For example, a score of +2% would mean an issuer contributes $2 of Schroders Group's assessment of relative notional positive impact (i.e. benefits to society) per $100 of sales or GDP. Generating proprietary scores involves an element of judgment and subjectivity across the different metrics chosen by Schroders Group, and, as Schroders Group's proprietary sustainability tools evolve, changes made to how metrics are applied may result in changes to the score of any issuer and ultimately the overall Fund score. At the same time the issuer's performance might improve or deteriorate. An issuer will be scored across applicable metrics and may score higher or lower on some metrics than on others. The scores are combined to provide an overall net score for the issuer. The Sustainability Score of the Fund is derived from the SustainEx™ scores of issuers for Direct Investments and those Indirect Investments, such as those held by underlying funds managed by Schroders Group, where data is available.

Schroders Group's proprietary tools, including SustainEx™, may not cover all of the Fund's holdings from time to time, in which case Schroders Group may use alternative methods such as qualitative research to assess relevant holdings in the Fund. The Fund includes investments that are treated as neutral for sustainability purposes, such as cash and cash equivalents and derivatives used with the aim of reducing risk (hedging) or managing the Fund more efficiently. It also includes investments that are not scored by our proprietary sustainability tool (eg. index derivatives, or where data is not available) and so do not contribute towards the Fund's Sustainability Score. The SustainEx™ score shows month-end data. Should the fund not reach its Sustainability Objective, the investment team will investigate the drivers as to why the Fund is not achieving this objective, and will seek to either change the asset allocation or security selection within the Fund's holdings so that the objective will be achieved.

The Carbon Intensity Score contributes to a company's overall Sustainability Score and is a measure of a company's carbon emissions, having regard to the size of the company. The Carbon Intensity Score is calculated as the Weighted Average Carbon Intensity of the Fund and the data is sourced from third-party data and covers both scope 1 (direct emissions resulting from energy production) and scope 2 (indirect emissions, resulting from energy use) emissions of companies, normalised by $million of sales in USD, which allows for comparison between companies of different sizes. Where a data point is not available, the provider may make use of estimated data. Third-party data may not cover all companies held in the Fund. By achieving a lower Carbon Intensity Score than the benchmark, we consider the Fund will likely reduce its exposure to companies with business models most at risk to the transition to net zero emissions, relative to its SAA benchmark. The Fund's Carbon Intensity Score is predominantly comprised of the Fund's holdings and the company emissions data and reported revenues, where data is available, of Direct and Indirect Investments in listed equities and corporate bonds.

The Fund can still hold individual companies that have a large carbon footprint as long as the Fund's Carbon Intensity Objective is achieved.

The Fund's Sustainability Score and Carbon Intensity Score are measured daily and reported to investors monthly (via the monthly fund reports available at schroders.com.au), on both an absolute basis and relative to the SAA benchmark.

Limitations to the above methodologies and data mainly arise from data errors, data availability, specifically the lack of company reported data in some cases and data estimation as detailed above. Due to the range of data sources and due to combining both qualitative and quantitative elements involving a degree of subjectivity and judgement from the Fund's investment team, we believe that these data limitations do not in aggregate materially impact our ability to meet the sustainability objectives of the Fund.

1.10.3 Schroder Global Sustainable Equity Fund

The Fund's sustainability objective is for the Weighted Average Carbon Intensity of the Fund to be lower relative to the MSCI AC World ex Australia ex Tobacco Index Weighted Average Carbon Intensity. It seeks to achieve this objective by:

1. **Negative Screens** - applying revenue exclusion screens including those listed in Schroders' Exclusions Policy (as explained further above under 'Negative Screens') as well as the

additional Negative Screens which are explained further below.

2. **Assessment of ESG Considerations** - as explained further below under 'Assessment of ESG Considerations'.
3. **Seeking to drive more sustainable practices via active ownership** - as explained previously under 'Active Ownership'.

Assessment of ESG Considerations

ESG Considerations are taken into account when selecting, retaining and realising investments for the Fund. Companies in the Fund's investment universe are assessed on their governance, environmental and social profile, across a wide range of underlying measures. The ESG characteristics of a company will impact the eligibility of the company for inclusion and sizing of its position in the Fund.

Governance is a key dimension within the proprietary sustainability framework applied within the Fund's quantitative investment process. Our governance assessment is applied universally, across our entire investment universe, rewarding what we consider to be highly rated companies whilst penalising (i.e. reducing the chance of its inclusion and/or position size in the Fund) those with poorer standards and actively avoiding the worst. We include a breadth of underlying terms within our governance assessment, capturing material areas such as management structure (including board independence) alongside accounting quality, the treatment of shareholders by assessing ownership structures and dividend policy as well as measuring shareholder dissent.

Environmental Considerations include a breadth of underlying terms, capturing material areas such as climate change (including carbon emissions and company carbon reduction comittments) and biodiversity (including pollution and resource use).

Social criteria reflects areas such as business practices, safety, employee welfare, supply chain management and data privacy. Companies will be given a rating depending on whether the investment team considers the relevant criteria to be positive (for example, implementing good governance policies) or negative (for example poor supply chain management), and the rating will determine eligibility for inclusion and position sizing in the Fund.

When identifying and assessing a company's applicable ESG Considerations, sources of information include quantitative information such as fundamental accounting data and third-party ESG data as well as qualitative information gained from our Active Ownership activities described above.

Negative Screens specific to the Schroder Sustainable Global Sustainable Equity Fund

Subject to any exceptions (see below), the Schroder Global Sustainable Equity Fund applies the exclusions on the following page to its investment universe in relation to its Direct Investments. As mentioned above in the 'Negative Screens' section, the exclusions do not apply to Indirect Investments. However, these holdings are still included when calculating the Fund's Weighted Average Carbon Intensity.

In applying the Negative Screens, the revenue or involvement of a company will be based on information provided by third-party data providers such as, but not limited to, MSCI. The time period that the revenue or involvment data relates to is subject to the third-party data providers' processes and may differ between companies depending on their reporting periods. Data may not relate to the company's most recent reporting year. Compliance with the exclusion lists is checked daily. As at the date of this document, the list of companies falling under each exclusion is updated according to the below schedule, which may change from time to time.

– Schroders Group proprietary methodology for controversial weapons: updated annually
– Schroders Group proprietary methodology for Global Norms: updated as needed
– Other exclusions, based on revenue or involvement data derived from third parties such as MSCI: updated daily

The following table summarises the Negative Screens Schroders applies when we directly invest in International listed shares, with the exceptions to these Negative Screens also set out in the table below and relevant footnotes. Where Schroders does not rely on proprietary methodology (noted below in the table), the application and interpretation of exclusionary screening criteria and terminology is determined by the third-party provider (including but not limited to MSCI). Schroders relies on the accuracy of data from our third-party providers. The providers' interpretation of the criteria and terminology may differ to that of an investor in the Funds. The exclusion thresholds apply to any combination of the activities listed in the 'description of exclusion criteria' column. Unless otherwise stated, the thresholds apply only to a company's direct involvement in the excluded activities.

Sector/activity	Description of Exclusion Criteria	Exclusion threshold for Schroders' Direct Investments
Thermal coal mining	Mining of thermal coal and its sale to external parties. This does not include revenue from metallurgical coal; coal mined for internal power generation; intra-company sales of mined thermal coal; and revenue from coal trading.	More than 0% of gross revenue (reported or estimated)
Thermal coal power generation	Thermal coal based power generation.	More than 0% of gross revenue (reported or estimated)
Thermal coal reserves	Evidence of ownership of thermal coal reserves including those that own less than 50% of a reserves field.	True
Unconventional Oil & Gas	Unconventional oil and gas production and extraction. This does not include conventional oil and gas production.	More than 10% of gross revenue (reported or estimated)
Palm oil	The production or distribution of palm oil. This does not include the manufacturing or sale of products that use palm oil as an ingredient or component.	More than 5% of gross revenue (reported or estimated)
Adult Entertainment	Production, distribution or retailing of adult entertainment products or services.	More than 5% of gross revenue (reported or estimated)
Alcohol	Production, distribution or retail of alcoholic products as well as suppliers for alcoholic products. This also includes revenue from licensing a brand name to alcoholic products.	More than 5% of gross revenue (reported or estimated)
Civilian Firearms	Production, wholesale or retail of firearms and ammunition intended for civilian use.	More than 5% of gross revenue (reported or estimated)
Weapons	Production of conventional weapons including components or support systems and services	More than 5% of gross revenue (reported or estimated)
Gambling	Operation or ownership of gambling facilities, online gambling websites, platforms, or mobile applications (this includes but is not limited to: casinos, slot machines or sporting events that permit wagering). Licensing of brand names to gambling products. Providing products or support services fundamental to gambling operations (this includes but is not limited to: slot machines or lottery terminals). This does not include companies retailing lottery tickets.	More than 5% of gross revenue (reported or estimated)

Sector/activity	Description of Exclusion Criteria	Exclusion threshold for Schroders' Direct Investments
Predatory lending	Provision of products and services associated with predatory lending.	More than 5% of gross revenue (reported or estimated)
Tobacco, nicotine alternatives and tobacco-based products	Distribution, retail and production of tobacco products as well as licensing of brand names for and suppliers for tobacco products.	More than 5% of gross revenue (reported or estimated)
Nuclear Weapons	Companies with revenue from nuclear weapons, intended and dual-use (ie. civilian and military use) components for such products, delivery platforms capable of deploying nuclear weapons, essential components for such delivery platforms, and support services for such products.	More than 0% of gross revenue (reported or estimated)
Controversial Weapons	We utilise two levels of screening on controversial weapons for this Fund. 1) Schroders Group's proprietary process on controversial weapons seeks to exclude companies we identify as being involved in the production, stockpiling, transfer and use of controversial weapons, including cluster munitions, anti-personnel mines and chemical and biological weapons. This is a firmwide exclusion that applies to all Schroders and Schroders Group managed funds. [7] 2) An additional screen is applied seeking to exclude companies involved in the production of whole weapon systems, delivery platforms or components of cluster munitions; production of whole weapon systems or components of landmines and biological or chemical weapons; production of depleted uranium weapons, blinding laser weapons, incendiary weapons, or weapons with non-detectable fragments; or is involved indirectly through ownership ties to companies involved in such products. Nuclear weapons are not considered for this screen.	1) Schroders Group's proprietary methodology 2) Any tie to the excluded activities, as determined by MSCI
Global Norms	Schroders Group's 'Global Norms List' comprises companies assessed by Schroders Group to have breached global norms, resulting in considerable environmental or social damage. The list includes firms that are identified as harmful, have inadequately addressed the issue through clear communication and action, and have not provided sufficient remedy for stakeholders. Assessments can be based on both Schroders Group's proprietary research, incorporating insights from company engagement, and third-party data. Information that is relied upon can be quantitative or qualitative. Neither Schroders or Schroders Group can guarantee the accuracy of third-party data. Assessing companies involves judgment and subjectivity across Schroders Group-chosen metrics, potentially causing a	Schroders Group's proprietary methodology

[7] More information can be found at: https://www.schroders.com/en/global/individual/about-us/what-we-do/sustainable-investing/our-sustainable-investment-policies-disclosures-voting-reports/group-exclusions/

Sector/activity	Description of Exclusion Criteria	Exclusion threshold for Schroders' Direct Investments
	lag between incident occurrence and listing due to the need for thorough review by Schroders Group. More information can be found in the Glossary.	
Nuclear Power	Generation of nuclear power as well as nuclear power reactor design and engineering, uranium enrichment and processing, and ownership or operation of active uranium mines.	More than 5% of gross revenue (reported or estimated)
Shale gas	Shale gas production. This does not include non-extraction activities (e.g. exploration, surveying, processing, refining); ownership of shale gas reserves with no associated extraction revenues; revenue from intra-company sales.	More than 5% of gross revenue (reported or estimated)
Oil sands	Oil sands extraction for companies that own oil sands reserves and disclose evidence of deriving revenue from oil sands extraction.	More than 5% of gross revenue (reported or estimated)
Shale oil	Shale oil production. This does not include non-extraction activities (e.g. exploration, surveying, processing, refining); ownership of shale oil reserves with no associated extraction revenues; revenue from intra-company sales.	More than 5% of gross revenue (reported or estimated)

Important information:
Information relating to the non-proprietary methodologies described above are based on MSCI information, including, but not limited to the MSCI Business Involvement Screening Research Methodology, the MSCI Fossil Fuels and Power Generation Metrics Methodology, data supplied through and defined within the MSCI ESG Manager platform, and the relevant universe coverage, and may be subject to change without notice. For more information on the MSCI screening methodology and specific details on each sector/activity, please refer to the MSCI website for ESG and climate disclosures. Some useful documents include the MSCI Business Involvement Screening Research Methodology and the MSCI Fossil Fuels and Power Generation Metrics Methodology.[8]
Please refer to the 'Negative Screens' and 'Monitoring' sections for further details on how Schroders monitors and applies these exclusions.

[8] Note that these documents and their links may change as MSCI make updates from time to time.

Sustainability Objectives
The Fund's sustainability objective is for the Weighted Average Carbon Intensity of the Fund to be lower relative to the MSCI AC World ex Australia ex Tobacco Index Weighted Average Carbon Intensity. This will be achieved by selecting companies using Schroders Group's own proprietary tools to identify and assess a company's environmental characteristics. More specifically, companies in the investment universe are assessed on their environmental profile. Environmental considerations include a breadth of underlying terms, capturing material areas such as climate change (including carbon emissions and company carbon reduction comittments) and biodiversity (including pollution and resource use).
The Weighted Average Carbon Intensity of the Fund is an aggregated measure of companies' carbon emissions, having regard to the size of the company. The Fund's Weighted Average Carbon Intensity is sourced from third-party data and covers both scope 1 (direct emissions resulting from energy production) and scope 2 (indirect emissions, resulting from energy use) emissions of companies, normalised by $million of sales in USD, which allows for comparison between companies of different sizes. Where a data point is not available, the provider may make use of estimated data. Third-party data may not cover all companies held in the Fund. By achieving a lower Weighted Average Carbon Intensity than the benchmark, we consider the Fund will likely reduce its exposure to companies with business models most at risk to the transition to net zero emissions, relative to its benchmark. The Weighted Average Carbon Intensity of the Fund is comprised of the fund's holdings, company emissions data and reported revenues, where available, for listed equities. Company emissions data and reported revenues are sourced from third party data providers. Should the fund not reach its sustainability objective, the investment team will investigate the drivers as to why the Fund is not achieving this objective, and will seek to take corrective action in an orderly manner as determined by Schroders as responsible entity for that Fund having regard to the best interests of investors of the Fund as a whole so that the objective will be achieved.
The Fund can still hold individual companies that have a large carbon footprint as long as the Fund's Sustainability Objective is achieved.
The Fund's Weighted Average Carbon Intensity is reported to investors monthly (via the monthly fund reports available at schroders.com.au), on both an absolute basis and relative to the benchmark.
Schroders also draws information on investee companies from publicly available corporate information and company meetings, from broker reports, industry bodies, and research organisations, think tanks, legislators, consultants, Non-Governmental Organisations and academics.
Limitations to the above mentioned methodology and data mainly arise from data errors, data availability, specifically the lack of company reported data in some cases and data estimation as detailed above. Due to the range of data sources and due to combining both qualitative and quantitative elements involving a degree of subjectivity and judgement from the Fund's investment team, we believe that these data limitations do not in aggregate materially impact our attainment of the sustainability objective of the Fund.

Custodian

Custody is the safekeeping of assets. The Responsible Entity has appointed a custodian to hold and maintain certain Fund assets(the **Custodian**). The Custodian's role as custodian is limited to holding the assets of the Funds on behalf of the Responsible Entity. The Custodian has no supervisory role in relation to the operation of the Funds. Any Fund assets not held by the Custodian are held directly by the Responsible Entity. A custodian is the legal owner of assets, but not the beneficial owner. Custodians do not decide which assets are bought or sold. They simply hold the assets on behalf of and as instructed by the Responsible Entity.
We will pay the Custodian a fee for acting as a Fund's custodian. This fee is not an additional fee to you and is paid by Schroders out of the management fee we receive which is described in the PDS for each Fund.
The Custodian may be changed from time to time and we may change the Custodian where we are satisfied that the proposed new custodian meets applicable regulatory requirements. You will not be notified of a change in custodian.

Related party transactions

Schroder Investment Management Australia Limited is a wholly owned subsidiary of Schroders plc and is part of the Schroders Group. For these purposes, a related party includes certain entities and individuals that have a close relationship with Schroders including, but not limited to, Schroders plc itself, other subsidiaries of Schroders plc and other funds operated or managed by members of the Schroders Group.
We may from time to time use the services (including, but not limited to, investment management and administration) of related parties or enter into financial or other transactions with related parties in relation to the assets of a Fund, including by investing the assets of a Fund into other funds or mandates managed by us or by other members of the Schroders Group. Where we enter into such arrangements, they will be based on arm's length commercial terms or as otherwise permissible under the law. Where a Fund invests in an underlying fund that is managed by a wholly-owned member of the Schroders Group, Schroders will typically implement an arrangement to offset any fees payable to that wholly-owned group entity so that they are not an additional cost to you. However, fees payable to external managers and managers related to, but not wholly owned by, the Schroders Group will still typically be borne by the Fund.
Schroders may, as Responsible Entity of a Fund and having regard to its duties as Responsible Entity of that Fund, invest in a fund or mandate managed by a related party that is either wholly or partially owned by the Schroders Group. Where it does so, investors in the Fund will bear a portion of the fees charged by the related party to the underlying fund or mandate as indirect costs of their investment in the Fund. Where applicable, the costs are included in the fees and costs summary in the PDS of the Fund.

In the course of managing a Fund we may come across conflicts in relation to our duties to a Fund, related funds and our own interests. We have internal policies and procedures in place to manage all actual and perceived conflicts of interest appropriately. These policies and procedures are reviewed on a regular basis and may change from time to time. In addition to complying with these policies and procedures, all conflicts will be resolved in a fair and reasonable manner, in accordance with the relevant law and ASIC's requirements.

2. Significant risks of investing in a Fund

2.1 About a Fund's risk level

We disclose the risk level of a Fund using the Standard Risk Measure, which is based on the estimated number of negative annual returns that the Fund may experience in any 20-year period. In other words, it is a measure of the expected variability of the return of the Fund. The Standard Risk Measure for a Fund, together with explanatory notes, can be found in our 'Standard Risk Measures' paper, which is available on our website www.schroders.com.au or which can be obtained free of charge by contacting Schroders.

2.2 Investment risks

As highlighted in each PDS, the significant factors that may affect the performance or value of your investment may include, but are not limited to the following risks. The particular risks applying to a Fund are set out in the PDS for that Fund.

Market risk
The market as a whole, or a particular market segment or asset class, may be affected by events such as changes in legislation, government policy, monetary policy, economic policy, political events, technological change, changes in global economic conditions (e.g. growth and inflation) and pandemics or health crises. These events can be unpredictable and can have broad ranging impacts. The assets of the Fund are exposed to market risk to varying degrees, and there is a risk that occurrence of such events may have an adverse impact on the value of some or all of the assets of the Fund, causing reductions in the value of the Fund's units.

Equities risk
Over the longer term, equities have generally outperformed other asset classes; however, returns can be volatile. Equity performance will generally be based on, amongst other things, the underlying strength of the cash flows, balance sheet and management of a company. Also affecting the performance of equity markets are changes in global economic conditions (e.g. growth and inflation) interest rates and bond yields.

Interest rate risk
The performance of fixed interest and debt securities will be sensitive to movements in domestic and international interest rates (e.g. increases in interest rates result in the capital value of fixed interest investments falling). Investments with longer terms and fixed coupon payments are more likely to be affected by interest rate changes than shorter term investments or floating rate securities.

Credit risk
Credit risk arises when an issuing entity defaults or a borrower does not meet its interest and/or principal payment obligations, which results in a loss of capital to the Fund. Investments in debt securities with a lower credit rating generally have a higher risk that the issuing entity will be unable to pay interest and principal when due.
Credit ratings are scales by which the future relative creditworthiness of a security is measured and express an opinion about the vulnerability of default. Credit ratings may be issued by an independent credit rating agency, or represent internal ratings prepared by Schroders. A change in a published credit rating can impact the price and liquidity of the security(ies) being re-rated.
Investors should not rely on credit ratings in making investment decisions or view them as assurances of credit quality or the likelihood of default.

Entity risk
An investment in any entity, such as a share or corporate bond in a company, is exposed to changes within that entity, or to its business environment. These events include changes to operations and/or management, changes to product distribution, legal action against the entity or profit and loss announcements. These changes may affect the value of the Fund's investments (and thus the value of the Fund). In addition, there is a risk that if the entity becomes insolvent, the Fund's right of recovery against the assets of the entity may rank lower than the secured creditors of the entity.

International investments risk
International investments will give exposure to potentially additional risks that are not typically associated with investments in Australia. International investments risk includes but is not limited to political and economic uncertainties, regulatory and legal risk, currency risk, interest rate risk and liquidity risk.

Emerging Markets/Frontier Markets risk
Risks associated with investments in Emerging Markets/Frontier Markets include, but are not limited to, significantly greater price volatility than in developed markets, substantially less liquidity and significantly smaller market capitalisation of securities markets, more government intervention in the economy, higher rates of inflation, currency volatility, less government supervision and regulation of securities markets and participants in those markets and a higher degree of political uncertainty.

Currency risk
Units in the Fund are denominated in Australian dollars. However, investments of the Fund may be denominated in other currencies. Movements in the exchange rate between the Australian Dollar and other currencies may cause the value of these investments to fluctuate when expressed in Australian Dollars. Currency risk is

minimised to the extent that investments are currency hedged.

Derivatives risk
Derivatives are contracts between two parties that usually derive their value from the price of an underlying physical asset or market index. They can be used to manage certain risks; however, they can magnify existing risks or create exposure to additional risks. These risks include the possibility that the derivative position is difficult or costly to reverse; that the value of the derivative does not move in line with the underlying physical position; or that the parties do not perform their obligations under the contract.

Over-the-counter (OTC) derivatives risk
Instruments traded in OTC markets may trade in smaller volumes, and their prices may be more volatile than instruments principally traded on exchanges. Such instruments may be less liquid than more widely traded instruments and may be more exposed to default and counterparty risks. This, in turn, may expose the Fund to the risk that a counterparty will not settle a contract, causing the Fund to suffer a loss. In addition, the prices of such instruments may include a dealer mark-up which the Fund may pay as part of the purchase price.

The extent of counterparty risk for OTC instruments depends on whether it is traded and settled between two counterparties or cleared through a Central Counterparty Clearinghouse (**CCP**) or clearing broker. Those trades not cleared through a CCP are exposed to the risk that a counterparty will not settle a contract resulting in a loss to the Fund. This risk is mitigated to the extent that collateral is transferred or pledged in favour of the Fund and available to cover any potential default.

For OTC instruments that are centrally cleared, the counterparty risk is primarily borne by the CCP as the CCP performs both the clearing and settlement functions. Counterparty risk to the CCP or clearing broker is mitigated to the extent that collateral is exchanged and held by the CCP. There is a risk of loss by the Fund of its collateral in the event of default of the clearing broker or CCP.

Asset liquidity risk
Asset liquidity risk relates to the probability of loss arising from the difficulty of selling an investment due to insufficient buyers or sellers in the open market or other prevailing market conditions. The level of liquidity can fluctuate especially for smaller or microcap company shares, high yield and corporate debt. In these circumstances, in addition to the potential loss that the Fund may suffer if required to sell assets, the generally acceptable timeframe for satisfying withdrawal requests may not be able to be met and/or the transaction costs associated with the withdrawal may be higher.

The maximum timeframe in which a withdrawal request may be processed is set out in the Constitution. Where the Fund is not liquid (as defined in the Corporations Act), you may only withdraw when we make an offer to withdraw to all unitholders, as required by the Corporations Act.

Alternatives risk
The Fund may invest in Alternatives in order to achieve its performance objective. Alternatives refers to the broad range of assets falling outside the "traditional" asset classes of equities, fixed income and cash, including private equity and debt, commodities, and insurance-linked securities. Alternatives is a broad definition and different types of Alternatives will carry different types of risks. The key risks associated with the Alternatives which the Fund may hold include (but are not limited to):

– illiquidity and pricing risk – Alternatives which are not publicly traded on an exchange, such as private debt and private equity, are generally less liquid and have less efficient price discovery mechanisms, which can create uncertainty in their market value and make it more difficult to realise them at their market value if required to do;

– weather events and natural disasters – Alternatives which are linked to physical assets, such as real estate, commodities and insurance-linked securities, are more vulnerable to events such as extreme weather, climate change, natural disasters, environmental issues and other matters which can be difficult to predict and which are beyond the Fund’s control; and

– complexity – investments into Alternatives can have more complex structures than traditional assets, their features are generally less well understood, and investing in certain types of Alternatives may require specialist knowledge or training. Compared to traditional assets, there is a greater risk of the investment team overlooking or misjudging a relevant factor when investing in Alternatives.

Counterparty risk
The Fund may conduct transactions through or with brokers, clearing houses, market counterparties and other agents and counterparty risk may arise from those transactions. It also may arise from ‘over the counter’ transactions involving derivatives. The Fund is also, to a certain extent, reliant on external services providers, such as the registrar and the custodian, to provide services in connection with the operation of the Fund and its investment activities.

There is a risk that these counterparties fail to meet their contractual obligations resulting in loss of capital to the Fund. There is also a risk that external service providers may default on the performance of their obligations or seek to terminate these arrangements resulting in the Fund having to seek an alternative service provider meaning that investment activities and other functions of the Fund may be affected.

If you have invested via mFund, then you may be exposed to some additional counterparty risks. Losses can be incurred if a counterparty fails to deliver on its contractual obligations, experiences financial difficulty or abandons the mFund settlement service. In addition, there is a risk that the ASX may suspend or revoke the admission of a Fund to the mFund settlement service, that the ASX’s systems could fail, or that there could be errors in connection with the system.

Regulatory and legal risk
Governments or regulators may pass laws, create policy, or implement regulation that affects the Fund or its underlying investments or the Responsible Entity's ability to execute its investment strategies. Such initiatives may impact either a specific transaction type or market, and may be either country specific or global and may include the imposition or tightening of exchange controls or other limitations on repatriation of foreign capital. Such changes may result in the Fund failing to achieve its investment objectives.

Pricing risk
While assets in the Fund are generally priced by us using independent pricing sources, there may be circumstances in which it is difficult for the fair value of assets to be determined, for example, where the Fund holds securities that have been suspended or are not traded on a recognised stock exchange, or the Fund holds difficult-to-value assets like loans or other assets that are not regularly or easily traded.
In these circumstances, there is a risk that the valuation of the security or asset may not accurately reflect its true value or what could be realised in an orderly sale of that security or asset.

Conflicts of interest risk
A conflict of interest arises when a party is subject to multiple competing interests. In the context of the Fund, this may arise where Schroders directly or indirectly (including via joint venture), one of its agents or service providers, or their respective directors or employees, has a personal interest that is inconsistent with the best interests of investors, or if Schroders is required to make decisions which may affect different unitholders or other stakeholders (including its joint ventures) with competing interests. Schroders maintains a conflicts of interest policy to ensure that all conflicts of interest (actual or perceived) are identified and appropriately managed.

Cyber security risk
Unitholder details as well as the Fund's holdings are held electronically. There is a risk of financial loss, disruption or damage from either internal or external, accidental or malicious conduct targeting either Schroders or any of Schroders' agents or service providers resulting in unauthorised access to digital systems, networks or devices for the purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption.

Sustainability risk
The risk that any Sustainable Investment Fund (as defined in the 'Labour standards and environmental, social and ethical considerations' section of this document) may have limited exposure to some companies, industries or sectors and may forego certain investment opportunities, or dispose of certain holdings, that do not align with its sustainability criteria applied by Schroders as the investment manager. Accordingly, the relevant fund may invest in companies that do not reflect the beliefs and values of any particular investor.

Negative Screening risk
Schroders applies some Negative Screens including revenue based exclusions with data from MSCI or other third parties, please refer to the 'Labour standards and environmental, social and ethical considerations' section in this document for more details on how Schroders applies the Negative Screens. While MSCI (or other relevant data provider, as applicable) covers a large portion of the investible universe, it does not have coverage for all companies. In these instances where accurate revenue data may not be readily available, there may be the risk the Fund has exposure to companies where their revenues potentially exceed the stated screening thresholds. Furthermore, given the periodic update schedule of the MSCI revenue data in some Schroders screening processes, the Fund may also temporarily hold exposure to companies where revenues may potentially exceed the stated thresholds, prior to their divestment. The Fund may on an exceptions basis, hold securities in companies that do not meet the Negative Screens, with further detail provided in the 'Labour standards and environmental, social and ethical considerations' section of this document.

Sustainability-related terminology risk
You may have differing views, opinions and understanding of the meaning of the terminology used in this document, to Schroders or MSCI or other third party providers, and therefore your expectations of permitted investments may be different to the actual investments of the Fund.

Fund risk
The following risks are inherent in the Fund:

- the investment team may change, which may affect the Fund's future performance;
- investing in the Fund may result in a different outcome to investing directly because of the application of tax laws to the Fund, income or capital gains accrued in the Fund, the deduction of fees and costs, and the impact of investments into and withdrawals out of the Fund by other investors;
- investments into and withdrawals out of the Fund by other investors may also impact the taxable income distributed to an investor during a financial year as those cash flows trigger asset purchases and sales;
- the costs of your investment may increase through an increase in fees and costs. If management fee increases occur, we will provide at least 30 days' prior written notice of any such increase (see 'Changing the fees' in the 'More detailed information about fees and costs' section of this document);
- the Fund may be terminated; and
- investing in a fund with a smaller number of investments may lead to more volatile returns than investing in a fund with a more diversified portfolio.

As stated above, as a result of these risks, the value of an investment in the Fund may change.

Class risk
Each Fund has been established as a separate class of units in a registered managed investment scheme. The assets are held on trust for the investors. There is a risk that investors of different classes, may be exposed to liabilities of another class of units and they could lose some or all of their investment in the Fund. There is also a risk that in the event of insolvency, the assets of the Fund could be made available to creditors of another class of units in respect of the relevant scheme.

3. More detailed information about fees and costs

Additional explanation of fees and costs

The investment returns of a Fund will be impacted by the fees and expenses incurred. The formula below broadly outlines the fees and costs associated with your investment in a Fund. Further information on how these fees and costs are calculated is set out below in this section 3.

Total fees and costs = management fees and costs (comprised of the management fee, indirect costs and expense recoveries (if incurred)) + performance fee (if applicable) + transaction costs + buy-sell spread

The fees and costs of each Fund are set out in each individual PDS for the relevant Fund in the 'Fees and costs' section.
All estimates of fees in the relevant PDS are based on information as at the date of the relevant PDS (with the exception of performance fees which are calculated using an average of the previous 5 years) and reflect the typical ongoing amounts for the current financial year. All costs (with the exception of the costs disclosed for Funds which have not been offered for a full financial year) reflect the actual amount incurred for the previous financial year, including Schroders' reasonable estimates where Schroders was unable to determine the exact amount or information was not available at the date of the relevant PDS. For those Funds which have not been offered for a full financial year, the costs reflect Schroders' reasonable estimates as at the date of the PDS of the costs that will apply for the current financial year (adjusted to reflect a 12-month period).
Investors in the Funds typically will not bear any establishment fees, contribution fees, withdrawal fees, exit fees or switching fees.

Management fees and costs

Management fees and costs include the amounts payable for administering a Fund, amounts paid for investing in the assets of a Fund and other expenses and reimbursements in relation to a Fund and investments.
The management fees and costs of a Fund will generally comprise of a management fee, indirect costs and any recoverable expenses (if incurred).

1. Management fees

This is the fee for Schroders' services as Responsible Entity in overseeing the operations of the Fund and/or for providing access to the Fund's underlying investments.
Schroders is entitled to management fees as set out in each individual PDS for the relevant Fund and these fees are calculated based on the NAV of that Fund (inclusive of GST less any RITC entitlement). Schroders may rebate all or part of its management fees to 'wholesale clients' as defined in the Corporations Act on an individually negotiated basis. For further information on negotiated fees, see the 'Differential Fees' section below.
Other fees and costs may apply to the Fund. Unless otherwise agreed, Schroders may change the amount of any management fees set out in the relevant PDS (including increasing fees up to the maximum set out in the Constitution) without your consent. Management fees disclosed in each Fund's PDS will not be increased without providing at least 30 days' advance notice to you.
Each Fund's estimated and/or historical management fees may not be an accurate indicator of the actual management fees you may pay in the future. Details of any future changes to management fees will be provided on Schroders' website at www.schroders.com.au where they are not otherwise required to be disclosed to investors under law.

2. Indirect costs

Indirect costs include any amount that we know or reasonably ought to know, or where this is not the case, may reasonably estimate, has reduced or will reduce (as applicable), whether directly or indirectly the return of a Fund, or the amount or value of the income of, or property attributable to, a Fund or an interposed vehicle (including an underlying fund) in which that Fund invests.
The management fees and costs figure disclosed in the fees and costs summary of each Fund's PDS includes the estimated indirect costs of each Fund, which is the amount actually incurred by each Fund for the previous financial year, including Schroders' reasonable estimates where Schroders was unable to determine the exact amount or information was unavailable at the date of the relevant PDS, or, where a Fund has not been offered for a full financial year as at the date of the PDS, an amount that reflects Schroders' reasonable estimate of the costs for the current financial year as at the date of the relevant PDS adjusted to reflect a 12 month period. These indirect costs are reflected in the unit price of your investment in the relevant Fund and include any underlying (indirect) management fees and costs and other indirect costs. The indirect costs may vary from year to year, including to the extent that they rely on estimates.
These indirect costs include:

– **Indirect management fees and costs (for any underlying funds)**: Managers in underlying funds will typically charge management fees and these fees are deducted from the underlying funds and the impact is included as part of their unit price. Where the underlying fund manager is a wholly-owned member of the Schroders Group, Schroders will typically implement an arrangement to offset any fees payable to that wholly-owned group entity so that they are not an additional cost to you. Management fees paid to external managers (including managers related to, but not wholly owned by, the Schroders Group) will be an indirect cost to you.

- **Other indirect costs**: In managing the assets of a Fund, Schroders may engage in trading activity in certain types of derivative financial products or mortgage securities that are either not traded or listed on a recognised exchange and/or not used for hedging purposes but rather to gain or reduce market exposure (e.g. derivatives such as forwards, over-the-counter (**OTC**) options and swap arrangements). Engaging in trade activity of these types of products may give rise to other indirect costs.

Each Fund's estimated and/or historical indirect costs may not be an accurate indicator of the actual indirect costs you may pay in the future. Details of any future changes to indirect costs will be provided by Schroders' website at www.schroders.com.au where they are not otherwise required to be disclosed to investors under law.

3. Expense recoveries

Normal expense recoveries

Schroders is entitled to separately recover expenses (such as fund accounting, unit registry, audit costs, postage, trade reporting and preparation of tax returns etc) from the assets of a Fund. Provided that the expenses are properly incurred, there is no limit on the amount of these expenses that may be recovered by Schroders from the assets of a Fund.

As at the date of this Additional Information booklet, Schroders has decided to pay normal expenses (including those incurred in the administration of the Fund other than market opening costs) out of its management fee.

Abnormal expense recoveries

Schroders may also recover abnormal expenses (such as costs of unitholder meetings, changes to constitutions, and defending or pursuing legal proceedings) from a Fund.

Abnormal expenses are not generally incurred during the day-to-day operation of a Fund and are not necessarily incurred in any given year. In circumstances where such events do occur, we may decide not to recover these from a Fund.

The management fees and costs figure disclosed in the fees and costs summary of each Fund's PDS includes the estimated abnormal expense recoveries of each Fund, which is the amount actually incurred by each Fund for the previous financial year, including Schroders' reasonable estimates where Schroders was unable to determine the exact amount or information was unavailable at the date of the relevant PDS, or, where a Fund has not been offered for a full financial year as at the date of the PDS, an amount that reflects Schroders' reasonable estimate of the costs for the current financial year as at the date of the relevant PDS adjusted to reflect a 12 month period.

Performance fees

1. Schroder Equity Opportunities Fund

Schroders is entitled to recover performance fees from the Schroder Equity Opportunities Fund. The performance fee is reflected in the daily unit price and paid annually **(Payment Date)** at a rate of 15.4% (inclusive of GST less any RITC entitlement), of the gross outperformance above 2% p.a. before fees over the S&P/ASX 300 Accumulation Index **(Index) (Benchmark)**.

Full details of how the performance fee is calculated are set out in the Constitution of the Schroder Equity Opportunities Fund.

Sometimes the calculation of the performance fee will result in a negative dollar amount **(negative performance fee)**. This negative performance fee is offset against any entitlement to future performance fees. Schroders does not have to reimburse a Fund for negative performance fees. If the total accrued performance fee for a performance fee period is negative, the negative performance fee is carried over into the next performance fee period. Furthermore any negative performance fee will be reduced pro-rata by the percentage of any net outflow from the Schroder Equity Opportunities Fund.

For periods of high outperformance, the performance fee may be substantial. We recommend you discuss this with your financial adviser to understand the impact of the performance fee.

We set out below an example of when a performance fee[1] may be accrued and payable for the Schroder Equity Opportunities Fund.

Daily performance fee accrual example calculated over 4 days

Daily performance[2,3]	Accrual based on balance of $50,000
Day 1 The Fund underperforms the Benchmark (before fees) for the day by 0.1%.	A negative daily performance fee is accrued[4] for the day of: 15.4% x -0.1% x $50,000 = -$7.70
Day 2 The Fund outperforms the Benchmark (before fees) for the day by 0.05%.	The negative daily performance fee from Day 1 is carried forward to Day 2. A positive daily performance fee is accrued for the day of: 15.4% x 0.05% x $50,000 = $3.85 The aggregate daily performance fee is -$7.70 + $3.85 = -$3.85
Day 3 The Fund outperforms the Benchmark (before fees) for the day by 0.1%.	The negative daily performance fee from Day 2 is carried forward to Day 3. A positive daily performance fee is accrued for the day of: 15.4% x 0.1% x $50,000 = $7.70 The aggregate daily performance fee is -$3.85 + $7.70 = $3.85
Day 4 The Fund outperforms the Benchmark (before fees) for the day by 0.05%.	The positive daily performance fee from Day 3 is carried forward to Day 4. A positive daily performance fee is accrued for the day of: 15.4% x 0.05% x $50,000 = $3.85 The aggregate daily performance fee is $3.85 + $3.85 = $7.70

Payment of performance fee on Payment Date

Aggregate daily performance fee on the Payment Date	Outcome
If the aggregate daily performance fee on the Payment Date is a positive amount.	The positive amount is payable to the Responsible Entity.
If the aggregate daily performance fee on the Payment Date is a negative amount.	No performance fee will be payable to the Responsible Entity for the period. The aggregate daily performance fee will be carried over to the next period and will reduce the daily performance fee for the first day of the next period.

[1]It is not possible to reliably estimate the actual performance fee payable in any given period as we cannot accurately forecast what the performance of the Fund will be.

[2]For illustrative purposes Schroders has provided examples of daily underperformance/outperformance of 0.05% or 0.1% across four days. The performance fee example is provided for illustrative purposes only and does not represent any actual or prospective performance of the Fund. The actual level of outperformance can be higher or lower. We do not provide any assurance that the Fund will achieve the performance used in the example and you should not rely on this in determining whether or not to invest in the Fund.

[3]This simplified example assumes that the Fund does not experience any net outflows on the relevant days. Where there is a net outflow on a day where the aggregate daily performance fee is negative, the aggregate daily performance fee will be adjusted in accordance with the Constitution and as described in this Additional Information booklet.

[4]Any negative performance fee will be subtracted from the performance fee accrual and will offset against any positive performance fee accrual or entitlement to future performance fees, however any negative aggregate daily performance fee will not be accrued in the unit price.

The example performance fees in the table above are not a forecast of the actual performance fees that may be payable in any particular financial year as the actual performance fee for the current and future financial years may differ. Schroders cannot guarantee any particular level of performance fees will be payable or that the performance of the Fund will outperform the Benchmark.

It is not possible to disclose the actual performance fee payable in any given period, as we cannot forecast what the performance of the Fund will be. In relation to the Professional Class of units, Schroders' estimate of the performance fee payable, based on the average performance fee incurred for the previous 5 financial years, is 0.19% p.a. of the NAV of the Fund. In relation to the Wholesale Class of units, Schroders estimates that, based on the average performance fee incurred for the previous 5 financial years, no performance fee will be payable and a negative performance fee will be recorded of -0.17% p.a. of the NAV of the Fund.

Investors should be aware that, despite the differences between these estimates, where the Schroder Equity Opportunities Fund accrues a negative performance fee or a positive performance fee the same proportionate fee will accrue to both the Wholesale Class and the Professional Class. In each case, the negative performance fee will be recorded and offset against any entitlement to future performance fees. Schroders does not have to reimburse the Fund for this negative dollar amount.

The performance fee is set out as a separate line item in the fees and costs summary in the PDS for the Fund.

2. Performance fees

Schroders does not currently charge a performance fee for any of the Funds covered by this Additional Information booklet other than the Schroder Equity Opportunities Fund.

However, Schroders is entitled to charge a performance fee under the constitution of the Schroder Real Return Fund.

If Schroders determines to charge a performance fee for the Schroder Real Return Fund in the future, we will provide you with at least 30 days' advance notice. The maximum fees that Schroders is entitled to charge for each Fund is set out in the PDS for that Fund.

The performance fee figure disclosed in the fees and costs summary of the PDS for the Schroder Real Return Fund is Schroders' reasonable estimate of the performance fee payable for the Fund, based on the average performance fee incurred by the Fund for the previous 5 financial years, which for each of those Funds is 0% p.a. of the NAV of the Fund as Schroders has not charged any performance fee in respect of those Funds in the past 5 financial years.

Schroders may, as Responsible Entity of each Fund, cause a Fund to invest in an interposed vehicle (such as an underlying fund) which charges a performance fee. Such fees, if charged, would reduce the value of the Fund's investment in the interposed vehicle, and in turn the net asset value of the Fund. As at the date of this Additional Information booklet, the Schroder Real Return Fund, the Schroder Fixed Income Fund, the Schroder Absolute Return Income Fund and the Schroder Multi-Asset Income Fund each invest in interposed vehicles (such as an underlying fund) which charge a performance fee.

Schroders' reasonable estimate of the performance fees charged by interposed vehicles, if applicable to a Fund, are based on:

– The average fee incurred for the previous five financial years; or

– If the interposed vehicle was not in operation for the past five financial years, the average fee incurred for all of the financial years in which the interposed vehicle was in operation; or

– If the interposed vehicle was first offered in the current financial year, Schroders' reasonable estimate of the fee for the current financial year adjusted to reflect a 12-month period

It is not possible to disclose the actual performance fee payable in any given period, as we cannot forecast what the performance of an interposed vehicle will be. Past performance is not a reliable indicator of future performance.

If applicable, the performance fees charged by interposed vehicles in which a Fund invests is set out as a separate line item in the fees and costs summary in the PDS for the Fund. The table below sets out Schroders' reasonable estimate of the performance fees charged by interposed vehicles in respect of the Funds that, as at the date of this PDS, invests in interposed vehicles which charge a performance fee, calculated in accordance with the methodology described above.

Fund	Estimated interposed vehicle performance fee
Schroder Absolute Return Income Fund	0% p.a. of the NAV of the Fund
Schroder Australian High Yielding Credit Fund	0% p.a. of the NAV of the Fund
Schroder Fixed Income Fund	0% p.a. of the NAV of the Fund
Schroder Multi-Asset Income Fund	0% p.a. of the NAV of the Fund
Schroder Real Return Fund	0% p.a. of the NAV of the Fund

Transaction costs

Transaction costs are the costs incurred when assets are bought and sold by the Fund and include brokerage, buy-sell spreads, settlement costs (including custody costs), clearing costs and stamp duty. Transaction costs also include costs incurred by an interposed vehicle that would be transaction costs if they had been incurred by a Fund and certain costs in relation to derivative financial products.

Transaction costs are reflected in the relevant Fund's unit price. As these costs are factored into the asset value of the relevant Fund's assets and reflected in the unit price, they are an additional cost to you and are not a fee paid to Schroders as the Responsible Entity. The impact of transaction costs can be offset in part by the buy/sell spread charged by Schroders to transacting members. These costs can arise as a result of bid-offer spreads being applied by trading counterparties to securities traded by the relevant Fund.

The transaction costs disclosed in the PDS of each Fund are shown net of any amount recovered by the buy-sell spread charged by Schroders.

The estimated transaction costs figure disclosed in the fees and costs summary of each Fund's PDS reflect the amount actually incurred by the Fund for the previous financial year, including Schroders reasonable estimates where Schroders was unable to determine the exact amount or information was unavailable at the date of the relevant PDS, or, where a Fund has not been offered for a full financial year as at the date of the PDS, an amount that reflects Schroders' reasonable estimate of the costs for the current financial year as at the date of the relevant PDS adjusted to reflect a 12 month period.

The **Transaction costs** table below sets out, for each Fund, the total gross transaction costs, the amount recovered through the buy/sell spread, and the net transaction costs after buy/sell spread recoveries (or an estimate if the amount is not known for each Fund).

Each Fund's estimated and/or historical transaction costs may not be an accurate indicator of the actual transaction costs you may incur in the future. Details of any future changes to transaction costs will be provided by Schroders' website at www.schroders.com.au where they are not otherwise required to be disclosed to investors under law.

Buy/sell spreads

A buy/sell spread is an amount deducted from the value of a unitholder's application money or redemption proceeds that represents the estimated costs incurred in transactions by the Fund as a result of the application or redemption.

Applicants and redeeming unitholders in a Fund will be charged a 'buy spread' and a 'sell spread' which will be used by Schroders to recover the transaction costs arising as a result of the applications and redemptions from a Fund. The buy/sell spread is an additional cost to you and is additional to other costs you incur such as management fees and costs. The buy/sell spread is the same for all unit classes of a Fund.

An estimate of the buy/sell spread applicable to applications and redemptions from each Fund is set out in the fees and costs summary in the PDS of each Fund and in the **Buy/sell spreads** webpage available at https://www.schroders.com/en-au/au/individual/investing-with-us/buy-sell-spreads/. In estimating the buy-sell spread, Schroders has assumed that the applications or withdrawals are made during normal market conditions, as in times of stressed or dislocated market conditions (which are not possible for Schroders to predict) the buy-sell spread may increase significantly and it is not possible to reasonably estimate the buy-sell spread that may be applied in such situations.

The buy/sell spread is based on the transaction value. For example, if you made an application of $50,000 into the Schroder Equity Opportunities Fund which as at the date of this Additional Information booklet has a buy spread of 0.30% on application, you would pay $150 ($50,000 x 0.30%). This amount is retained by the Fund to cover certain transaction costs.

The buy/sell spread is not a service fee charged by Schroders and it is not subject to GST. No part of the buy/ sell spread is paid to Schroders – the amount is retained in the assets of a Fund to protect ongoing investors from the transaction activity driven by applications and withdrawals.

To obtain an indication of the current buy/sell spreads that may apply to an application or withdrawal from a Fund, please visit https://www.schroders.com/en-au/au/individual/investing-with-us/buy-sell-spreads/.

The size of the buy/sell spread may, subject to law, be varied from time to time without prior notice, to ensure that non-transacting investors are not adversely affected by applications or withdrawals made by other investors. For example, a different amount or estimate may apply when brokerage costs or the difference between the bid and offer prices for assets change. In stressed and dislocated market conditions, the buy/sell spread may increase significantly.

In addition, we may at our discretion adjust the buy/ sell spread in certain situations such as when there is a simultaneous purchase and sale of units of equivalent value by different investors or an investor subscribes for assets (rather than cash) on an application or receives assets (rather than cash) on a withdrawal.

Reinvested distributions do not incur the buy/sell spread.

Transaction costs

Schroder Funds	Sub-Sector	Total transaction costs as % of NAV[1]	Buy/sell spread recovery % NAV[1]	Net transaction costs as % of NAV[1]
Schroder Australian Equity Fund	Australian Equities	0.05%	0.05%	0%
Schroder Equity Opportunities Fund	Australian Equities	0.11%	0.11%	0%
Schroder Wholesale Australian Equity Fund	Australian Equities	0.05%	0.05%	0%
Schroder Absolute Return Income Fund	Fixed Income	0.10%	0.07%	0.03%
Schroder Australian High Yielding Credit Fund	Fixed Income	0.04%	0.04%	0%
Schroder Fixed Income Fund	Fixed Income	0.06%	0.06%	0%
Schroder Global Equity Alpha Fund	Global Equities	0.06%	0%	0.06%
Schroder Multi-Asset Income Fund	Multi-Asset	0.16%	0.16%	0%
Schroder Real Return Fund	Multi-Asset	0.10%	0.05%	0.05%
Schroder Sustainable Growth Fund	Multi-Asset	0.07%	0.07%	0%
Schroder Global Core Fund	QEP Global Equities	0.10%	0.10%	0%
Schroder Global Sustainable Equity Fund	QEP Global Equities	0.07%	0.01%	0.06%
Schroder Global Value Fund	QEP Global Equities	0.16%	0.02%	0.14%
Schroder Global Value Fund (Hedged)	QEP Global Equities	0.35%	0.13%	0.22%
Schroder Global Emerging Markets Fund	Regional and Overseas Equities	0.24%	0.17%	0.07%

[1]All estimates of the transaction costs (including the buy-sell spread recovery) are based on information as at the date of this 'Additional Information to the PDS' booklet. The transaction costs reflect the actual amounts incurred for the previous financial year, including Schroders' reasonable estimates where information was not available at the date of this 'Additional Information to the PDS' booklet or, where a Fund has not been offered for a full financial year as at the date of this Additional Information booklet, an amount that reflects Schroders' reasonable estimate of the costs for the current financial year as at the date of the relevant PDS adjusted to reflect a 12 month period.

You can determine the dollar value of these costs over a 1-year period by multiplying the transaction cost rate with your average account balance. For example, the value of transaction costs on an average account balance of $50,000 invested in the Schroder Global Value Fund is $70 (being approximately 0.14% p.a.). However, such costs for future years may differ. Details of any future changes to such costs will be provided on Schroders' website at www.schroders.com.au where they are not otherwise required to be disclosed to investors under law.

Taxation of the Fund

Each Fund may be subject to tax. Each Fund will pass on the benefit of any tax deduction that it may receive in the form of returns to investors.

Please refer to section 4 of this Additional Information booklet for general information about the potential tax impact for investors of an investment in a Fund.

Costs of mFund and other broker assisted channels

Where a Fund is available for transactions via the mFund settlement service or other broker assisted channels and you access the Fund through these services, your broker may charge you an additional fee in connection with the transactions initiated through these services. Please consult your broker at the appropriate time and consider your broker's Financial Services Guide.

Additional payments made by Schroders

Schroders may, subject to law and ASIC's 'Regulatory Guide 246: Conflicted Remuneration', make non-volume based payments (flat dollar amounts) to platform operators who distribute a Fund on their investment menu. These payments may help to cover costs incurred in establishing and maintaining a Fund on those menus, and certain other marketing and distribution costs.

If these types of payments are made, they are paid directly by Schroders and do not affect a Fund. Schroders will negotiate the amount of the payment with each platform operator.

Subject to law, Schroders may also pay rebates to platform operators, dealer groups and financial advisers for their marketing and/or administrative support. We may also provide other types of non-monetary benefits such as technical support and sponsorship of professional development days. If these types of payments are made, they are paid directly by Schroders and do not affect any Fund, nor are they a further amount you pay.

Other fees and charges

Where permissible, a Fund may in accordance with its investment guidelines hold investments in unlisted unit trusts or funds.

Any associated management fee, administration and transaction costs within these investments are incorporated in the unit price of the investments and reflected in the valuation of the investments held by a Fund. Where a Fund invests in an underlying fund managed by a wholly-owned member of the Schroders Group, any management fee or performance related fee payable to that wholly-owned group entity will be offset by Schroders with an appropriate rebate (however fees payable to external managers and managers related to, but not wholly owned by, the Schroders Group will still typically be borne by the Fund). In addition, these investments may incur statutory charges and expenses. See above under 'Indirect costs' in relation to how management fees and costs in relation to underlying funds are accounted for and disclosed in the PDS and this Additional Information booklet. Indirect investors accessing a Fund through a platform may incur additional fees and costs. As well as reading this Additional Information booklet and the PDS, indirect investors should read their platform operator's offer document, which explains the fees payable by the indirect investor to the platform operator.

Financial adviser fees

Additional fees may be paid or payable by you to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out.

Changing the fees

Schroders may change the amount of any fees in the PDS (including increasing fees up to the maximums set out in the Constitution) without your consent. If we increase the fees we will give you 30 days' advance notice.

In accordance with the Constitution and subject to law, Schroders may vary the amount of indirect costs, expense recoveries, transaction costs and the buy/sell spread at any time without your consent or advance notice.

Schroders may introduce and increase fees at its discretion, including where increased charges are due to government changes to legislation, increased costs, significant changes to economic conditions and/or the imposition of increased processing charges by third parties.

Establishment fee

Each Fund has a maximum entry fee of up to 5.00% of the application money for units or the market value of the property or any other lesser amount as agreed between the applicant and their adviser and notified to Schroders. This fee is not subject to GST. No establishment fees are currently charged.

Withdrawal fee

Each Fund has a maximum withdrawal fee of up to 5.00% of the withdrawal price or such other amount as agreed between Schroders and the relevant unitholder, with the exception of the Schroder Australian Equity Fund, Schroder Sustainable Global Core Fund, Schroder Fixed Income Fund and Schroder Sustainable Growth Fund, for which Schroders may not charge a withdrawal fee. This fee is not subject to GST. No withdrawal fees are currently charged.

Differential fees

We may charge, rebate or waive certain fees for wholesale clients (as defined under the Corporations Act) based on individual negotiation between us and that wholesale client. For further information wholesale clients can contact Schroders at the address specified in the 'Contacting Schroders' section.

4. Taxation

The Australian taxation information below is of a general nature only and does not take into account the specific circumstances of any unitholder. Schroders does not purport to offer any taxation advice. Each unitholder should obtain independent professional tax advice on the tax implications of their investments in the units of a Fund based on their own circumstances. The taxation information provided is based on current Australian law and may be subject to change.

The information below is based on a unitholder holding their units on capital account.

New Zealand investors should seek their own advice on the New Zealand law taxation implications of their investment.

General taxation

Where the Fund is an AMIT

Under the taxation regime for managed investment trusts that qualify as an 'Attribution Managed Investment Trust' (the 'AMIT Rules') the Fund can make an election to apply the AMIT Rules subject to the Fund meeting the eligibility criteria. Schroders has made an election to apply the AMIT Rules to the Fund.

Under the AMIT Rules, the Fund will be deemed to be a 'fixed trust' for taxation law purposes and can rely on specific legislative provisions to carry forward prior year taxable income adjustments (known as unders or overs) to subsequent years. In addition, the Fund's taxable income will be 'attributed' to investors.

Australian resident investors will be subject to tax on the income of the Fund which is 'attributed' to them under the AMIT Rules. The amount attributed to investors (and where relevant, its components) will be advised in an AMIT Member Annual Statement ('AMMA Statement'), similar to the annual tax statement that is currently provided to investors.

Under the AMIT Rules, an investor is entitled to increase the cost base of their units in the Fund if the Fund attributes amounts to the investor which are taxable or which are of a nature that would not deplete the cost base of the unit under the current law (such as CGT discount). Conversely, the payment of a cash distribution and attribution of tax offsets will reduce the cost base.

Investors who do not believe that the attribution of taxable income has been worked out on a fair and reasonable basis in accordance with the Fund's constitution can substitute the Responsible Entity's determination with their own. If you decide to take this course, it is important that you obtain professional tax and legal advice. You are required to contact Schroders in addition to notifying the Commissioner of Taxation.

Where the Fund is not an AMIT

The following comments apply to the Fund only to the extent that is not an AMIT in a given year.

It is intended that Schroders, in its capacity as the Responsible Entity of the Fund, will not be liable to pay Australian income tax. Tax losses within the Fund cannot be claimed by unitholders and will be carried forward to be utilised by the Fund, subject to the tests for deductibility.

Unitholders will be presently entitled to all of the taxable income of the Fund each year. Under current tax law, unitholders will be liable to pay tax on their share of the taxable income of the Fund. The taxable income of the Fund may include capital gains. This will need to be taken into account by unitholders in calculating their net capital gain for a year. Unitholders may also be entitled to claim their share of any franking credits and foreign tax offset of the Fund.

A share of taxable income of the Fund will be included in a unitholder's assessable income for the relevant year, even if distributions are made in a subsequent year, reinvested in additional units or the actual distributions differ from the taxable amount.

Distributions to unitholders may include tax deferred amounts. These amounts are not immediately assessable when received by a unitholder but are applied to reduce the unitholder's CGT cost base in their units in the Fund which will affect the calculation of any gain or loss on the ultimate disposal of their units. If the CGT cost base of units in the Fund is reduced to nil, any further tax deferred amounts received are assessable as capital gains to the unitholder. If any CGT concession amounts are paid by the Fund, these amounts will not reduce the CGT cost base of the units held by investors.

On disposal of a unit in the Fund, income tax may be payable on any capital gain realised. Individuals, trusts, complying superannuation funds or life insurance companies may be entitled to discount their gain for tax purposes where the units have been held for more than 12 months. If units in the Fund are disposed of for a loss, a capital loss may arise which may be offset against capital gains in the current or subsequent income years.

AMIT regime

Under the taxation regime for managed investment trusts that qualify as an 'Attribution Managed Investment Trust' (the AMIT Rules) each Fund can make an election to apply the AMIT Rules subject to the Fund meeting the eligibility criteria. Schroders has assessed that each Fund qualifies as an AMIT and has made an election to apply the AMIT Rules to each Fund.

Under the AMIT Rules, a Fund will be deemed to be a 'fixed trust' for taxation law purposes and can rely on specific legislative provisions to carry forward prior year taxable income adjustments (known as unders or overs) to subsequent years. In addition, a Fund's taxable income will be 'attributed' to investors.

Australian resident investors will be subject to tax on the income of a Fund which is 'attributed' to them under the AMIT Rules. The amount attributed to investors (and where relevant, its components) will be advised in an AMIT Member Annual Statement (AMMA Statement), similar to the annual tax statement that is currently provided to investors.

Under the AMIT Rules, an investor is entitled to increase the cost base of their units in a Fund if a Fund attributes amounts to the investor which are taxable or which are of a nature that would not deplete the cost base of the unit under the current law (such as CGT discount). Conversely, the payment of a cash distribution and attribution of tax offsets will reduce the cost base.

Investors who do not believe that the attribution of taxable income has been worked out on a fair and reasonable basis in accordance with the Fund's constitution can substitute the Responsible Entity's determination with their own. If you decide to take this course, it is important that you obtain professional tax and legal advice. You are required to contact Schroders in addition to notifying the Commissioner of Taxation.

GST

References to GST in this Additional Information booklet and the PDS are to GST payable in Australia.

No GST should be payable on the acquisition, disposal, withdrawal or transfer of units in a Fund, nor on any income distributed in respect of the units held by a unitholder in a Fund.

GST may apply to fees and expenses charged to a Fund, and those fees and expenses plus any applicable GST may be recoverable from the assets of a Fund. However, depending on the nature of the fees and expenses, a Fund may be entitled to reduced input tax credits (**RITCs**) in respect of that GST.

Under the GST regulations, 'recognised trust schemes' (which include the Funds) will be eligible for a RITC of 55% of the GST paid on the acquisition of certain services (for example, audit fees), while an RITC of 75% applies for all other services.

Schroders advises that all fees and costs disclosed in each PDS and this Additional Information booklet are inclusive of GST, net of RITC and have been calculated on a reasonable estimate of the RITC that a Fund is expected to be able to claim. Accordingly, the actual costs and expenses inclusive of GST net of RITC may be subject to change without prior notice due to a Fund’s ability to claim RITC on the expenses incurred.

Non-resident taxation

Deductions of Australian withholding tax and non-resident income tax may be made from distributions of Australian sourced taxable income for investors with an overseas address or for non-resident investors temporarily residing in Australia.

Tax File Number

Australian resident investors may choose to provide a Tax File Number or an Australian Business Number (if investing in the course of an enterprise). If neither is quoted and no relevant exemption is provided, we are required to withhold tax from income distributions at the highest marginal tax rate plus the Medicare levy (currently 47%).

5. Glossary

Absolute Return	means the return that an asset or strategy achieves over a period of time without reference to any other measure or benchmark.
Active Ownership	refers to the influence that can be applied to management teams and relevant stakeholders of investee companies and assets by asset owners via engagement and voting activities so that more sustainable practices are properly considered in managing those companies and assets. This is intended to protect and enhance the value of investments.
ADIs	means Authorised Deposit-taking Institution (as that term is defined in the Banking Act 1959 (Cth)).
Alternatives	refers to assets falling outside of the 'traditional' asset classes of equities, fixed income or cash. Examples include: – private equity, which refers to equity interests of companies which are not listed on public stock exchanges; – private debt, which refers to direct lending by non-bank lenders, such as investment funds, to borrowers; – commodities, which are physical goods which are capable of being traded on global markets; and – insurance linked securities, which are financial instruments that have their value or returns linked to insurance losses (such as claims resulting from natural disasters).
AMIT	means Attribution Managed Investment Trust.
AML/CTF Law	means the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the associated rules.
AMMA Statement	means Attribution Managed Investment Trust Member Annual statement.
ASIC	means the Australian Securities and Investments Commission or if it ceases to exist, any regulatory body or authority as then serves substantially the same objects.
Business Day	means any day excluding a Saturday or Sunday on which banks are open for business in Sydney.
Carbon Intensity Score	is a measure of the Fund’s exposure to carbon-intensive companies. It is derived by taking each company’s Scope 1 and Scope 2 greenhouse gas emissions normalised by sales in USD (expressed in tonnes per USD million sales, where data is available) and using their weight in the portfolio to calculate the weighted average for the Fund.
Constitution	means the constitution of the Fund, as amended or replaced from time to time.
Corporations Act	means the Corporations Act 2001 (Cth).
DDO Regime	means the requirements of Part 7.8A of the Corporations Act (including as interpreted by ASIC in its published guidance).
Dealing Day	means a Business Day that has not been designated a ‘non-dealing day’ in accordance with section 7.
Direct Investment	means securities held either by Schroders or other Schroders Group managed funds that apply Schroder’s exclusions and where Schroders has discretion over security selection.
Emerging Markets	means developing countries around the world that are characterised by a stronger growth potential than mature economies. The investable universe of Emerging Markets is commonly defined by, but not limited to, the MSCI Emerging Markets Index.
ESG Considerations	means Schroders’ determination of areas or factors it considers relate to ESG for a particular Fund or investment, and often relates, but is not limited to, issues such as climate change, environmental performance, labour standards and board composition.
ESG Integrated funds	means funds in this document with a primary aim to achieve investors’ financial objectives while incorporating ESG factors into the investment process and/or any funds identified as ESG Integrated funds in this booklet.
FATCA	means the Foreign Account Tax Compliance Act enacted by the United States that imposes obligations including the collection and reporting of certain information about US and US-owned investors to the US tax authorities.

Frontier Markets	means frontier countries that are defined by, but not limited to, the MSCI Frontier Markets Index.
Global	means investments in companies listed on securities exchanges in both developed and emerging markets, including Australia.
GST	means any goods and services tax, consumption tax, value- added tax or similar impost or duty which is or may be levied or becomes payable in connection with the supply of goods or services.
Indirect Investment	means those investments in securities where Schroders does not have discretion over security selection. Examples include underlying portfolios delegated to other entities within the Schroders Group as well as those managed by third-party investment firms, such as joint venture partners, market indices and externally managed investments such as ETFs and other externally managed funds.
International	means investments in companies listed on securities exchanges in both developed and emerging markets, excluding Australia.
NAV or Net Asset Value	means the total assets minus the total liabilities of the Fund, units or portfolio in question, as determined in accordance with the Constitution.
Negative Screens	refers to the deliberate exclusion of companies from an investment portfolio based on a defined set of ESG-related critera.
Privacy Act	means the Privacy Act 1988 (Cth).
Responsible Entity	has the meaning defined in the Corporations Act. The Responsible Entity of the Fund is Schroder Investment Management Australia Limited.
RITC	means a 'reduced input tax credit' as defined in the A New Tax System (Goods and Services Tax) Act 1999 (Cth).
SFDR Article 8 or 9 funds	Sustainable Finance Disclosure Regulation Article 8 or 9 funds. Article 8 funds: these Schroders funds are classified as Article 8 Funds under the European Union's Sustainable Finance Disclosure Regulation, and promote environmental and/or social characteristics and must have binding sustainability criteria. In most cases the fund maintains a higher overall sustainability score than a benchmark or a positive absolute sustainability score, which is measured using our proprietary tool SustainEx™. Article 9 funds: these Schroders funds are classified as Article 9 Funds under the European Union's Sustainable Finance Disclosure Regulation and have an objective of sustainable investment. This means that all the investments within the fund (less any 'neutral' assets such as cash) are sustainable investments and make a positive contribution towards an environmental and/or social objective. The nature of that contribution depends on the fund's objective.
Sustainable Investment Funds	means funds which aim to achieve both an investment objective alongside a Sustainability objective, as identified in this booklet.
SustainEx™	a proprietary tool that provides an estimate of the potential societal or environmental externalities that may be created by the companies and other issuers in which the Fund is invested. It does this by using certain metrics with respect to that issuer and quantifying the positive and negative externalities of each of those metrics in economic terms to produce an aggregate measure. The result is expressed as a notional percentage (positive or negative) of sales of the relevant underlying companies and other issuers. For example, a SustainEx™ score of +2% would mean a company contributes $2 of relative notional positive impact (i.e benefits to society) per $100 of sales.
USD	means US dollars.
Weighted Average Carbon Intensity	is a measure of the Fund's exposure to carbon-intensive companies. It is derived by taking each company's Scope 1 and Scope 2 greenhouse gas emissions normalised by sales in USD (expressed in tonnes per USD million sales, where data is available) and using their weight in the portfolio to calculate the weighted average for the Fund.
'Global Norms List'	despite the term being widely used, there is no one definition of Global Norms. In line with most of the financial services industry, Schroders Group's definition of Global Norms considers widely recognised principles such as the UN Global Compact (UNGC) principles,

	the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. A breach of Global Norms is viewed as egregious behaviour and a cause of significant harm. We believe that companies should not be permanently tarred by past events. There must be opportunity for a company to reform and remediate the issues it has caused, if there is genuine willingness to learn and adapt. With this in mind, we have created a proprietary framework to identify, assess and engage companies that have potentially breached Global Norms. The ultimate output of this framework is a 'Global Norms List' comprised of companies that have: been identified as causing significant damage; not sufficiently addressed the issue in question through transparent communications and action; and not provided sufficient remedy for affected stakeholders. The list is then applied as an exclusion criteria for funds which have explicitly decided to exclude companies who breach Global Norms. The 'Global Norms List' may be informed by assessments performed by third-party providers and Schroders Group proprietary research which may include insights from our own engagement with the company as relevant to the particular situation. Information relied upon can be both quantitative and qualitative. Schroders Group cannot confirm the accuracy, completeness and adequacy of third-party data and estimates. Assessing companies involves an element of judgment and subjectivity across the different metrics chosen by Schroders Group. There may be a lag between when the event occurs and when a company is placed on the 'Global Norms List' due to the need for Schroders Group to complete a full review.

6. Contacting Schroders

Schroder Investment Management Australia Limited
(ABN 22 000 443 274)
(AFSL No. 226 473)

Registered office
Level 20, Angel Place
123 Pitt Street
Sydney NSW 2000

Schroders unit registry
C/- MUFG Corporate Markets (AU) Limited
Locked Bag 5038
Parramatta NSW 2124

Website
www.schroders.com.au

Email
info.au@schroders.com

Client services telephone
(+61) 1300 136 471

General enquiries telephone
(+612) 9210 9200

Applications/withdrawals

Attention: Schroders Unit Registry

C/o MUFG Corporate Markets (AU) Limited

Fax: 02 9287 0369
Email: schroders@cm.mpms.mufg.com