

Schroder Absolute Return Income Fund Wholesale Class

Schroder Absolute Return Income Fund

is designed to deliver a stable income stream in all market environments with a focus on controlling downside risk.



Seeks to deliver regular income to investors with no lock up of capital



Greater focus on reducing losses with risk objective of avoiding negative returns over rolling 12 month periods



Flexible and diversified solution with the capability to invest across the fixed income universe, unconstrained by a benchmark

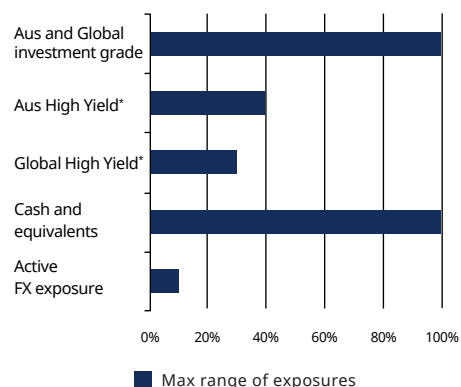


Proven investment approach that aims to ensure we are in the right assets at the right time, with a focus on risk management



Stable and experienced local team with a long track record in absolute return investing, with access to Schroders' global investment resources

Investment guidelines



*Max aggregate high yield exposure 50%

Investment team

- The Australian team is a well resourced and highly experienced team of 16 investment professionals
- Part of Schroders' extensive global network of investment professionals based across key regions and asset classes
- Manage over \$5.9bn* in fixed income strategies

About Schroders



Over \$1,108bn* managed globally and \$34.5bn* managed locally across a number of asset classes



Extensive global network of investment professionals



Over 200 years' experience of investment markets and more than 50 years operating in Australia

* Source: Schroders as at 30 June 2021

**Make your cash work harder.
Currently targeting 2.5% p.a. paid monthly.***

*As at 1 July 2021. Distribution rate is predetermined at the start of each financial year but may be changed by the manager at any time without notice. Past performance is not an indicator of future performance.

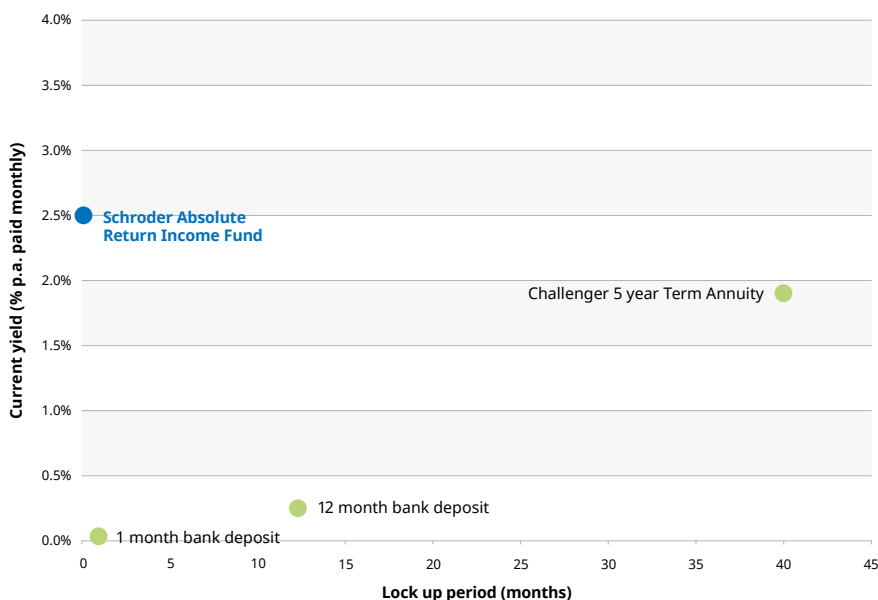
Suitable for a broad range of investors

The Fund offers attractive income with a focus on protecting capital

- This Fund is likely to be appropriate for a consumer seeking capital preservation and income for a small or core component of their portfolio, with a low to medium risk and return profile.
- This Fund is unlikely to be suitable for a consumer seeking capital guarantee or consumers with a very high risk and return profile.

Why invest?

Current yield vs lockup period



Source: Schroders, RBA. As at 31 December 2020. The Challenger 5 year Term Annuity rate as at 4 February 2020. Past performance is not an indicator of future performance. You should note that the type and level of risks associated with each product represented above differ, which may impact your returns. Before making any investment decision in relation to a product and you should be comfortable with such risks. As a general rule, the higher the potential return of a product, the more risks associated with that product. Deposits with an Australian Authorised Deposit-taking Institution (such as a bank, building society or credit union) are currently guaranteed by the Australian Government for up to \$250,000 (capped per person). This means that bank deposits will have lower risks associated with them than other products, but generally will also attract lower returns.

Fund features

The Fund targets an investment return of 2.5% p.a. (before fees) above the RBA Cash Rate over rolling 3-year periods. It also aims to deliver no negative returns over rolling 12 month periods.

APIR code
SCH0103AU

Management fees and costs*
0.54% p.a.

Buy/sell spread

Estimated to be 0.15% of the application amount on application and 0.15% of the withdrawal amount on withdrawal.

Distribution frequency

Normally monthly

Min. suggested time frame

2 years

Min. initial investment

\$20,000

Investment opportunity

The Fund utilises the broadest available investment universe, including domestic and global investment and sub-investment grade securities, Australian hybrids and subordinated securities, mortgage-backed assets, developing market debt, cash and government bonds. Fixed income derivatives and currencies may also be used.

Investment process

Absolute return focus with objective based asset allocation, alpha generation, active security selection and risk management.

Inception date

24 June 2002

*Additional fees and costs may apply. See the PDS for further details.

What are the risks?

It is important to understand the risks associated with investing in the Schroder Absolute Return Income Fund, including the inability of the fund to meet its investment objective.

Investment risks will be influenced by factors such as domestic and international markets, economic conditions, political climates, interest rates and inflation.

For further details about the risks of investing in this strategy please refer to the Product Disclosure Statement.

- **Predictable, attractive income** that will rise with rates with no lock up of capital, unlike term deposits (above)

- **Low duration** to protect capital from the impact of rising rates

All-in-one actively managed fixed income solution, to let you focus on picking stocks

- **Actively managed solution** at a competitive fee

Call Client Services on 1300 136 471

Email info.au@schroders.com

Visit www.schroders.com.au

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