

Schroder Global Cities Real Estate Fund

Exclusions List

In order to achieve its environmental and social characteristics, the Fund does not directly invest in the following sectors:

Social exclusions

Excluded activity	Criteria
Tobacco Value Chain Maximum Percentage of Revenue	1%
Maximum revenue from production of tobacco, tobacco products or e-cigarettes and wholesale trading of tobacco products or e-cigarettes	5%
Alcohol Value Chain Maximum Percentage of Revenue	10%
Alcohol Production Maximum Percentage of Revenue	1%
Gambling Maximum Percentage of Revenue	1%
Adult Entertainment Maximum Percentage of Revenue	1%
Weapons [2] Maximum Percentage of Revenue	1%
Civilian Firearms Maximum Percentage of Revenue	1%
Nuclear Weapons Maximum Percentage of Revenue	0%
Any tie to Controversial Weapons	True
Involvement in manufacturing or of manufacturing tailor-made components, using, repairing, putting up for sale, selling, distributing, importing or exporting, storing or transporting controversial or indiscriminate weapons	All

Environmental exclusions

Excluded activity	Criteria
Oil and Gas Value Chain Maximum Percentage of Revenue	5%
Percentage of Power Generation from Oil and Gas [1]	1%
Percentage of Power Generation from Nuclear Maximum Percentage of Revenue	1%
Percentage of Power from Thermal Coal and Oil	1%
Thermal Coal Power Generation Maximum Percentage of Revenue	30%
Increasing absolute production of or capacity for thermal-coal related products/services	True
Involvement in coal exploration or the exploitation or development of new coal mines	True

Environmental exclusions criteria

Excluded Activity
<p>Companies with exposure to coal that do not meet one of the relevant transition criteria:</p> <ul style="list-style-type: none"> • Have a SBTi target aligned with 2°C or 1.5°C, or have a SBTi 'Business Ambition for 1.5°C' commitment • Have an annual thermal coal production less than 10Mt and derive less than 5% of revenues from exploration, extraction, processing, and transportation of thermal coal • Have less than 10% of CapEx dedicated to exploration, extraction, processing, and transportation of thermal coal and not with the objective of increasing revenue • Have more than 50% of CapEx dedicated to contributing activities [3]
<p>Companies with exposure to unconventional oil & gas that do not meet one of the relevant transition criteria:</p> <ul style="list-style-type: none"> • Have a SBTi target set at well-below 2°C or 1.5°C or have a SBTi 'Business Ambition for 1.5°C' commitment • Derive less than 5% of revenues from exploration and extraction of unconventional oil & gas • Unconventional oil and gas production is less than 5% of total oil and gas production • Have more than 50% of CapEx dedicated to contributing activities³
<p>Companies with exposure to conventional oil & gas that do not meet one of the relevant transition criteria:</p> <ul style="list-style-type: none"> • Have a SBTi target set at well-below 2°C or 1.5°C, or have a SBTi 'Business Ambition for 1.5°C' commitment • Have an emissions intensity aligned with 1.5°C target (e.g., TPI: 57.57 gCO₂e/MJ in 2024, or other science-based alignment assessment) • Derive less than 5% of its revenues from exploration, processing or refining (except oil to chemicals), and transportation (not distribution) of conventional oil & gas • Have less than 15% of CapEx dedicated to exploration, processing or refining (except oil to chemicals), and transportation (not distribution) of conventional oil & gas and not with the objective of increasing revenue • Have more than 15% of CapEx dedicated to contributing activities³
Excluded Activity
<p>Companies with exposure to non-renewable power or heat generation that do not meet one of the relevant transition criteria:</p> <ul style="list-style-type: none"> • Have a SBTi target set at well-below 2°C or 1.5°C, or have a SBTi 'Business Ambition for 1.5°C' commitment • Have a carbon intensity aligned with 1.5°C target (e.g., TPI: 0.318 tCO₂e/MWh in 2024, or other science-based alignment assessment) • Derive less than 5% of its revenues from non-renewable power or heat generation • Derive more than 50% of its revenues from contributing activities [3] • Have more than 50% of CapEx dedicated to contributing activities [3]

Bespoke Schroders exclusions

Excluded Activity	Criteria
Schroders Controversial Weapons Curated List [4]	All
Schroders' 'Global Norms' Breach List [5]	All
Schroders' breach list of companies without good governance practices	All
Schroders' breach list of companies and Sovereigns that create principal adverse impacts beyond certain thresholds [6]	All
Criteria Companies Flagged for Violating the UN's Global Compact Principles	Fail

[1] Unconventional oil & gas includes tar sands oil, coalbed methane, extra heavy oil and Arctic oil & gas, as well as oil & gas from unconventional production methods such as fracking or ultra deep drilling.

[2] A weapon is defined as any implement or device expressly designed for the purpose of causing material damage, inflicting physical or mental harm, or to kill, in the context of a (military) conflict.

[3] Contributing activities is defined as economic activities included in the EU Taxonomy, except for activities under 4.27-4.31 that were included by the Complementary Climate Delegated Act.

[4] Schroders controversial weapons screening covers cluster munitions, anti-personnel mines, and chemical and biological weapons. Full details of the criteria and company names are available via the following link: <https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/>

[5] The Fund excludes companies that are assessed by Schroders to have breached one or more 'global norms' thereby causing significant environmental or social harm; these companies comprise Schroders' 'global norms' breach list. Schroders' determination of whether a company has been involved in such a breach considers relevant principles such as those contained in the UN Global Compact (UNGC) principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The 'global norms' breach list may be informed by assessments performed by third party providers and by proprietary research, where relevant to a particular situation.

[6] Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

Source: Schroders, as at April 2025. Screening data is provided by a third party unless otherwise specified. Maximum percentage of revenue refers to highest acceptable revenue figure for that business activity. Value chain refers to the related business activities that are considered these include suppliers, distributors, retailers and producers. Any tie includes companies with an industry tie to the excluded activity.