Schroders

Schroder Sustainable Bond Fund

Marketing material

Z Income GBP | Data as at 30.06.2024

Fund objectives and investment policy

The Fund aims to provide income and capital growth in excess of the ICE BofA Sterling 3-Month Government Bill index plus 2.5% (after fees have been deducted) over any three to five year period, by investing directly in fixed and floating rate securities issued by governments, government agencies and companies worldwide which meet the Investment Manager's sustainability criteria.

Above is the Investment Objective of the fund. For details on the full fund's Investment Policy please see the KIID.
The Fund has environmental and/or social characteristics (within the meaning of Article 8 SFDR).
Relevant risks associated with an investment in this fund are shown below and should be carefully considered before making any investment. Past Performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of investments to fall as well as rise. Performance data does not take into account any commissions and costs, if any, charged when units or shares of any fund, as applicable, are issued and redeemed.

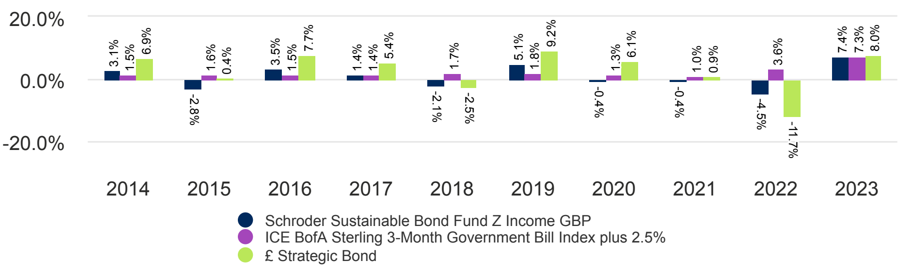
Share class performance (%)

Cumulative performance	1 month	3 months	YTD	1 year	3 years	5 years	10 years
Share class (Net)	1.3	0.8	1.8	10.1	3.5	4.9	8.6
Target	0.6	1.9	3.9	8.0	16.0	19.2	28.9
Comparator	1.1	0.5	1.5	8.8	-3.1	6.5	28.4

Discrete yearly performance (%)	Jun 14 - Jun 15	Jun 15 - Jun 16	Jun 16 - Jun 17	Jun 17 - Jun 18	Jun 18 - Jun 19	Jun 19 - Jun 20	Jun 20 - Jun 21	Jun 21 - Jun 22	Jun 22 - Jun 23	Jun 23 - Jun 24
Share class (Net)	-0.1	-2.5	4.8	-0.5	2.0	-1.8	3.2	-4.0	-2.1	10.1
Target	1.6	1.6	1.4	1.5	1.8	1.7	1.1	1.8	5.5	8.0
Comparator	3.0	3.6	7.0	0.4	5.1	3.1	6.6	-10.8	-0.2	8.8

Calendar year performance	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Share class (Net)	3.1	-2.8	3.5	1.4	-2.1	5.1	-0.4	-0.4	-4.5	7.4
Target	1.5	1.6	1.5	1.4	1.7	1.8	1.3	1.0	3.6	7.3
Comparator	6.9	0.4	7.7	5.4	-2.5	9.2	6.1	0.9	-11.7	8.0

Performance over 10 years (%)



Please see the Benchmark section under Important information for more details.

Ratings and accreditation

Please refer to the Source and ratings information section for details on the icons shown above.

Fund facts

Fund manager	Julien Houdain, James Ringer, Martin Coucke & Global Unconstrained Fixed Income Team
Managed fund since	30.06.2023
Fund management company	Schroder Unit Trusts Limited
Domicile	United Kingdom
Fund launch date	05.09.2003
Share class launch date	11.05.2011
Fund base currency	GBP
Share class currency	GBP
Fund size (Million)	GBP 65.89
Number of holdings	248
Target	ICE BofA Sterling 3-Month Government Bill Index plus 2.5%
Comparator	£ Strategic Bond
Unit NAV	GBP 0.4598
Dealing frequency	Daily
Distribution frequency	Semi-Annually

Fees & expenses

Ongoing charge	0.50%
Redemption fee	0.00%

Purchase details

Minimum initial subscription	GBP 50,000

Codes

ISIN	GB00B5W01T86
Bloomberg	SCSTBZI LN
SEDOL	B5W01T8

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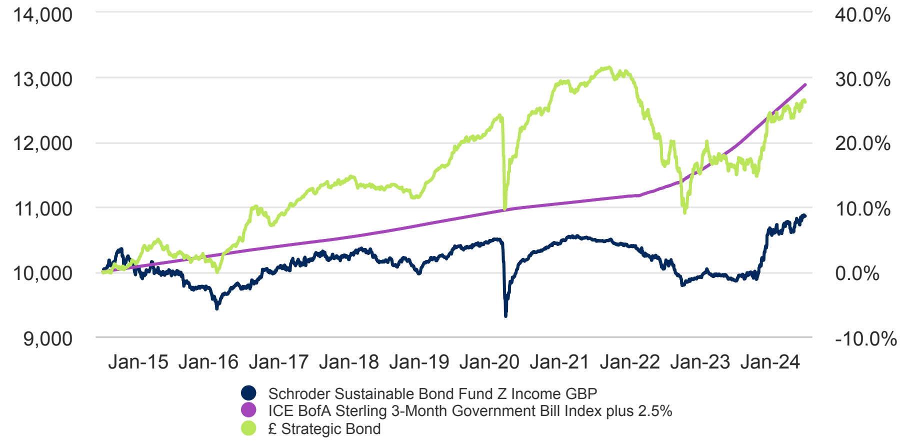
10 year return of GBP 10,000



The chart is for illustrative purposes only and does not reflect an actual return on any investment.
Returns are calculated bid to bid (which means performance does not include the effect of any initial charges), net income reinvested, net of fees.

Risk considerations

ABS and MBS risk: The fund may invest in mortgage or asset-backed securities. The underlying borrowers of these securities may not be able to pay back the full amount that they owe, which may result in losses to the fund.
Capital erosion: As a result of fees being charged to capital, the distributable income of the fund may be higher, but there is the potential that performance or capital value may be eroded.
Counterparty risk: The fund may have contractual agreements with counterparties. If a counterparty is unable to fulfil their obligations, the sum that they owe to the fund may be lost in part or in whole.
Credit risk: A decline in the financial health of an issuer could cause the value of its bonds to fall or become worthless.
Currency risk: The fund may lose value as a result of movements in foreign exchange rates, otherwise known as currency rates.
Derivatives risk: Derivatives, which are financial instruments deriving their value from an underlying asset, may be used to manage the portfolio efficiently. The fund may also materially invest in derivatives including using short selling and leverage techniques with the aim of making a return. A derivative may not perform as expected, may create losses greater than the cost of the derivative and may result in losses to the fund.
High yield bond risk: High yield bonds (normally lower rated or unrated) generally carry greater market, credit and liquidity risk meaning greater uncertainty of returns.
IBOR risk: The transition of the financial markets away from the use of interbank offered rates (IBORs) to alternative reference interest rates may impact the valuation of certain holdings and disrupt liquidity in certain instruments. This may impact the investment performance of the fund.
Interest rate risk: The fund may lose value as a direct result of interest rate changes.
Issuer risk: The fund is permitted to invest more than 35% of its scheme property in transferable securities and money market instruments issued or guaranteed by an EEA State / governments of the following countries: United States of America and United Kingdom.
Liquidity risk: In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares, meaning investors may not be able to have immediate access to their holdings.
Market risk: The value of investments can go up and down and an investor may not get back the amount initially invested.
No capital guarantee risk: Positive returns are not guaranteed and no form of capital protection applies
Operational risk: Operational processes, including those related to the safekeeping of assets, may fail. This may result in losses to the fund.
Performance risk: Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro economic environment, investment objectives may become more difficult to achieve.

Synthetic risk & reward indicator (SRRI)

LOWER RISK Potentially lower reward — **HIGHER RISK** Potentially higher reward

1 2 3 **4** 5 6 7

The risk category was calculated using historical performance data and may not be a reliable indicator of the fund's future risk profile. The fund's risk category is not guaranteed to remain fixed. Please see the Key Investor Information Document for more information.

Risk statistics & financial ratios

	Fund	Target
Annual volatility (%) (3y)	3.8	0.8
12 Month yield	3.3	-
Effective duration (years)	4.3	-
Current yield (%)	3.9	-
Yield to maturity	5.8	-

Source: Morningstar. The above ratios are based on bid to bid price based performance data.

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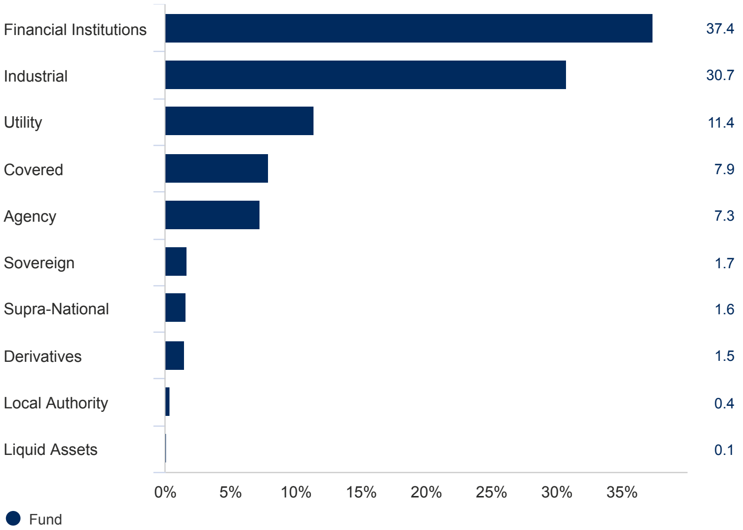
Sustainable Investing Risk: The fund applies sustainability criteria in its selection of investments. This investment focus may limit the fund's exposure to companies, industries or sectors and the fund may forego investment opportunities that do not align with its sustainability criteria chosen by the investment manager. As investors may differ in their views of what constitutes sustainability, the fund may invest in companies that do not reflect the beliefs or values of any particular investor.

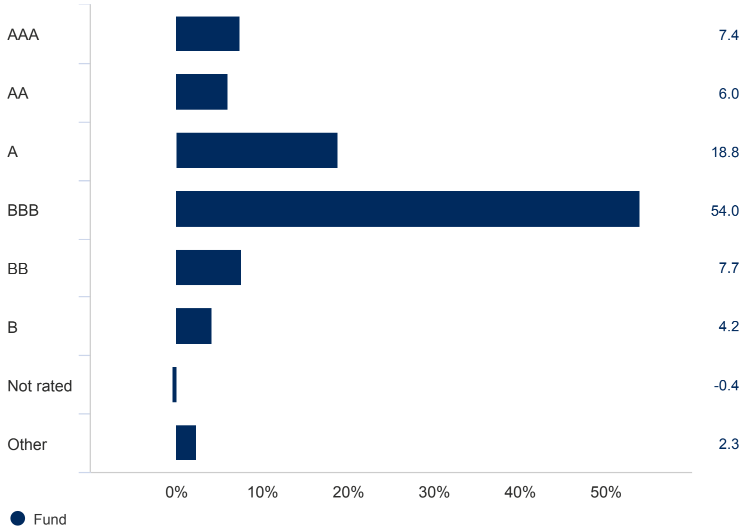
Asset allocation

Target refers to the Benchmark listed in the Fund facts section and described under the Share class performance section on page 1.

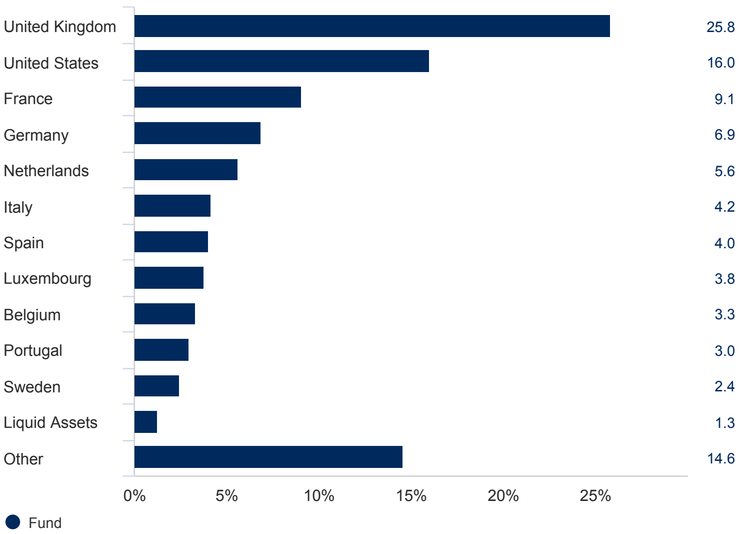
Sector (%)



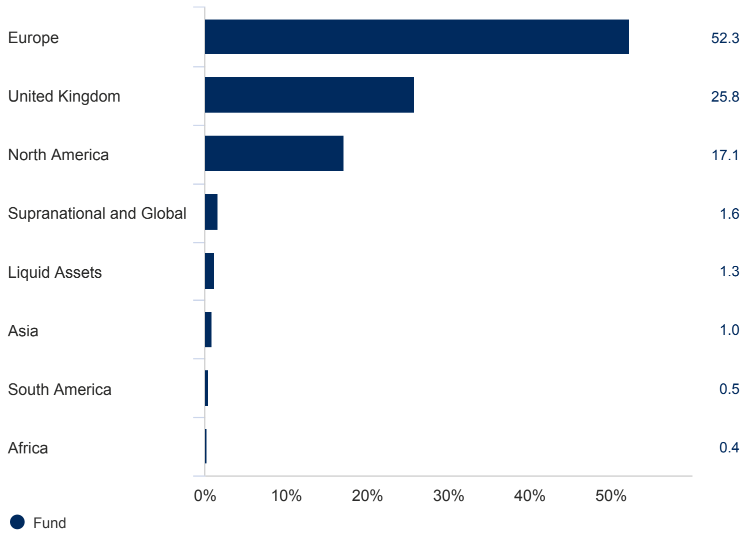
Credit quality (%)



Geographical breakdown (%)



Region (%)



Top 10 holdings (%)

Holding name	%
PACHELBEL BIDCO SPA FRN 17/05/2031 SERIES REGS	1.7
KERING SA 3.6250 05/09/2027 SERIES EMTN	1.6
BANCO SANTANDER TOTTA SA 3.2500 15/02/2031 SERIES CORP	1.6
SIRIUS REAL ESTATE LTD 1.1250 22/06/2026 SERIES CORP	1.5
HCA INC 5.4500 01/04/2031 SERIES CORP	1.4
PIEDMONT OPERATING PARTNERSHIP LP 9.2500 20/07/2028 SERIES CORP	1.3
SEVERN TRENT UTILITIES FINANCE PLC 3.6250 16/01/2026	1.3
HOLDING D INFRASTRUCTURES DES METI 4.5000 06/04/2027 SERIES CORP	1.2
NATIONWIDE BUILDING SOCIETY FRN 02/05/2027 SERIES CORP	1.1
BERKELEY GROUP PLC 2.5000 11/08/2031 SERIES CORP	1.1

Source: Schroders. Top holdings and asset allocation are at fund level.

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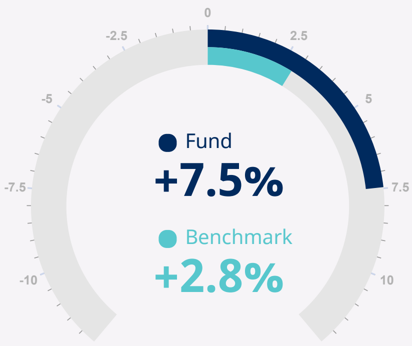
Proprietary Sustainability Metrics %

Overall Impact

Data as at 30.06.2024



90.3%	100.0%
Coverage*	Coverage*

The sustainability scores of the fund and the benchmark are shown. The benchmark is the ICE BofA Sterling 3-Month Government Bill Index plus 1%.

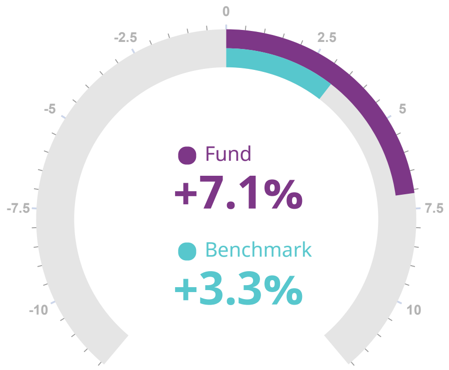
The Schroders Impact score is based on Schroders' proprietary tool, SustainEx™. SustainEx™ provides an estimate of the potential societal or environmental impact that may be created by the companies and other issuers in which the fund is invested. The result is expressed as a notional percentage (positive 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.

We calculate SustainEx™ scores for companies and other issuers in the fund to arrive at the total fund score.

The "Overall Impact" shown is a measure of the fund's estimated impact compared to that of its benchmark, in each case calculated as a relative notional percentage as described above.

The "Impact on People" and "Impact on Planet" measure the fund's estimated underlying benefits and harms, as compared to its benchmark, in each case calculated as a relative notional percentage as described above.

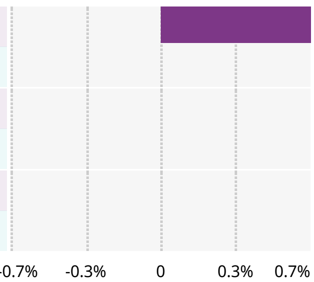
Overall Impact On: People



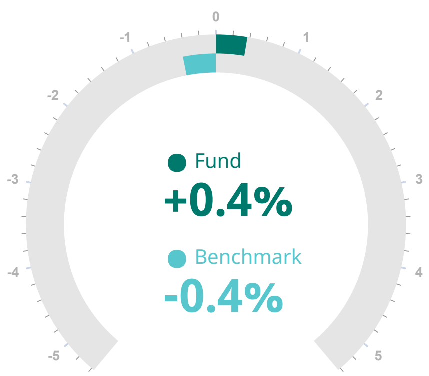
Impact Breakdown (%)

Fund · Benchmark

	Fund	Benchmark
Fair Pay	0.7%	0.0%
Alcohol	0.0%	0.0%
Tobacco	0.0%	0.0%



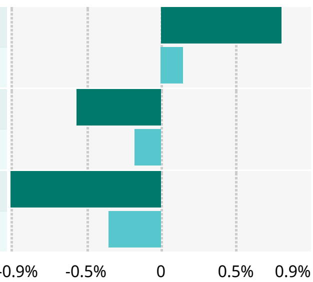
Overall Impact On: Planet



Impact Breakdown (%)

Fund · Benchmark

	Fund	Benchmark
Avoided Emissions	0.8%	0.1%
Water Consumption	-0.5%	-0.2%
Carbon Emissions	-0.9%	-0.3%



Contact information

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London
United Kingdom
EC2Y 5AU
Tel: 0800 182 2399
Fax:

For your security, communications may be taped or monitored.

Information relating to changes in fund manager, investment objective, benchmark and corporate action information

On 28.06.2021 the ICE BofA Sterling 3 Month Government Bill index + 1% replaced the 3m GBP LIBOR +1%.Please note that the fund's objective and benchmark were changed on 28 June 2021. The past performance in the above table is based on the fund's objective and benchmark (3 month GBP LIBOR plus 1%) in place prior to this date. Going forward, this table will show past performance from this date based on the new objective and benchmark (ICE BofA Sterling 3 Month Government Bill Index plus 2.5%). On the 22.02.2022 the funds name changed from Schroders Absolute Return Bond fund to Schroders Sustainable Bond Bond fund, and changed the investment policy and investment objective.
Benchmarks: (If applicable)
Some performance differences between the fund and the benchmark may arise because the fund performance is calculated at a different valuation point from the benchmark. The target benchmark has been selected because it is representative of the type of investments in which the fund is likely to invest, and it is, therefore, an appropriate target in relation to the return that the fund aims to provide. The comparator benchmark has been selected because the investment manager believes that the benchmark is a suitable comparison for performance purposes given the fund's investment objective and policy. The investment manager invests on a discretionary basis and there are no restrictions on the extent to which the fund's portfolio and performance may deviate from the benchmark. The investment manager will invest in companies or sectors not included in the benchmark in order to take advantage of specific investment opportunities.

Source and ratings information

Source of all performance data, unless otherwise stated: Morningstar, bid to bid, net income reinvested, net of fees.

Important information

Costs:
Certain costs associated with your investment in the fund may be incurred in a different currency to that of your investment. These costs may increase or decrease as a result of currency and exchange rate fluctuations.

If a performance fee is applicable to this fund, details of the performance fee model and its computation methodology can be found in the fund's prospectus. This includes a description of the performance fee calculation methodology, the dates on which the performance fee is paid and details of how the performance fee is calculated in relation to the fund's performance fee benchmark, which may differ from the benchmark in the fund's investment objective or investment policy.

For further information regarding the costs and charges associated with your investment, please consult the funds' offering documents and annual report.

General:
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