

### Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

### Product

## SCHRODER BSC SOCIAL IMPACT TRUST PLC

**ISIN: (GB00BF781319)**

This product is listed on the London Stock Exchange, and governed by its Board of Directors. The Board has appointed Schroder Unit Trusts Limited as its investment manager, and to prepare this Key Information Document. Schroder Unit Trusts Limited is a member of the Schroders Group and is authorised and regulated by the Financial Conduct Authority (FCA). For more information on this product, please refer to [www.schroders.com/sbsi](http://www.schroders.com/sbsi) or call 0800 182 2399.

This document was published on 22/12/2023.

**You are about to purchase a product that is not simple and may be difficult to understand.**

### What is this product?

#### Type

This is a closed ended investment trust.

#### Investment Objective and Policy

**Investment Objective:** The Company's principal investment objectives are to deliver measurable positive social impact as well as long term capital growth, through investing in a diversified portfolio of public and private market impact funds co-investments alongside impact investors and direct investments in order to gain exposure to private market Social Impact Investments. The Company aims to provide a Net Asset Value total return of CPI plus 2 per cent. per annum (once the portfolio is fully invested and averaged over a rolling three- to five-year period, net of fees) with low correlation to traditional quoted markets while helping to address significant social issues in the UK.

**Investment Policy:** The market for social impact investments in the UK is swiftly evolving and the Company retains the flexibility to invest in social impact investments including, but not limited to, the following:  
 High impact housing – Including holdings in property funds that either acquire or develop high quality affordable housing, from more specialist housing for vulnerable groups (for example, transition accommodation for people who were formerly homeless or fleeing domestic violence) to housing for low income renters currently living in poor quality or insecure accommodation.  
 Debt and Equity for social enterprises – Including charity bonds, portfolios of secured loans and funds that invest in established social enterprises via mezzanine debt and/or equity.  
 Social outcome contracts – Including holdings in funds that provide capital which is repaid by the income stream from the government commissioner, on the basis of pre-defined, measurable social outcomes delivered by social sector service providers. In effect the

investor receives an income stream explicitly linked to impact creation.

The Company will generally hold minority interests in impact funds, but may hold majority interests where appropriate. In some cases the Company may be a cornerstone investor alongside the portfolio manager. Direct Investments are not expected to comprise a material proportion of the Company's portfolio. The Company may invest up to 30% of Net Assets in liquidity assets, measured at the time of investment. The Company intends to only utilise the full 30 per cent. allocation immediately after a fundraise and at most times no more than 20% of Net Assets shall be invested in liquidity assets.

The portfolio composition at any one time will reflect the opportunities available to the portfolio manager, based on the performance, social impact and maturity of the impact funds, co-investments and direct investments.

**Benchmark:** The Company does not tie its portfolio construction to the constituents of any benchmark.

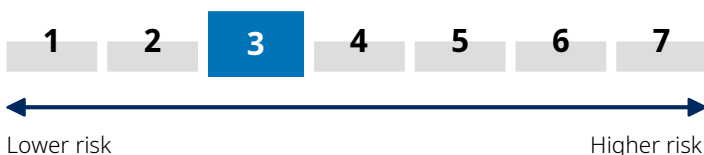
**Distribution Policy:** This share class pays an annual distribution at a variable rate based on gross investment income.

#### Intended retail investor

An investment in the Company may be suitable for professionally advised retail investors seeking exposure to long-term investments in social impact assets as part of a diversified portfolio. An investment in the Company may also be suitable for non-advised retail investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment.

### What are the risks and what could I get in return?

#### Risk indicator



The risk indicator assumes you keep the product for 5 years. The risk is considered to be higher if the holding period is shorter.

You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the

product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 3 out of 7, which is a medium-low risk class.

The Company is in this category because it can take risks in search of higher rewards.

The following may increase risk and volatility in the Company's share price: it invests in one country, in a relatively concentrated portfolio of smaller companies that may be less liquid than larger ones; it may borrow to purchase assets.

**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.

You can find more information about the other risks in the prospectus at: [www.schroders.com/sbsi](http://www.schroders.com/sbsi)

## Investment performance information

Future returns on your investment will be determined by the performance of the Social Impact Investments held by the Company over which the Company and portfolio manager have no or limited control. In particular investments in impact funds and certain co-investments will be managed by third party managers. The portfolio manager actively engages with these fund managers and across the social investment market to understand and mitigate potential risks.

Given the Company is listed on the London Stock Exchange, general market movements affecting UK listed companies may also impact performance of the product.

The Company's objective is not solely to produce financial returns but also to deliver positive social impact. This may mean that financial returns are lower than those which might be achieved by other investment products.

Social Impact Investments are often inherently illiquid which may affect the Company's ability to vary its portfolio or dispose of or liquidate part of its portfolio that could negatively impact its share price.

The performance of the Company's liquidity assets is subject to credit market movements and general macro environmental trends like inflation.

The investments held by the Company do not correlate with the stocks and weightings of any particular index or indices. Therefore, the Company does not have any suitable benchmark. In addition, although the Company's target returns are set by reference to the CPI, an investment in the Company should not be considered to be a hedge against the risks of inflation on a portfolio. The Company expects to invest in some Social Impact Investments with inflation linkage, some with inflation correlation and some with no link to inflation. It is not anticipated that these assets will directly track CPI or any other measure of inflation.

### What could affect my return positively?

Higher returns may be generated in the event of higher inflation in respect of assets in the portfolio such as index linked leases, the ownership of real assets such as housing, social enterprises with government contracts that have historically moved in line with inflation, and floating rate debt. However, the portfolio will not track every spike in inflation.

### What could affect my return negatively?

Lower returns may be generated in the event of higher inflation where inflation in costs is not able to be passed on, such as in contracts in our Social Outcomes Contract portfolio. Increases in discount rates will negatively impact the valuation of leases in our High impact Housing portfolio. Interest rate falls will negatively impact the return generated by floating rate debt in our Debt for Social Enterprise portfolio.

Government policy and regulatory changes in the specific areas of housing may affect the returns of the Company's Social Impact Investments or opportunities to invest further in such asset classes, which may lead to delays in deploying cash and negatively impact the Company's returns.

The Company does not have a maturity date. In difficult market conditions, investors may receive less than the amount they invested upon redemption of their holding in the product. Under severe market conditions, for example a significant fall in the market for Social Impact Investments and/or the UK markets more widely, investors may receive considerably less than the amount they invested upon a sale of the product and, in an extreme situation, may lose all of their money invested in the product.

If the Company goes into liquidation the underlying investments will be sold and you will receive your pro rata share of the proceeds after settlement of any liabilities. This could mean that certain investments may not be able to be realised at an optimal price, or that the realisation of such investments may take longer than anticipated and any final distribution of proceeds made available to you may fall below the amount you originally invested.

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## What happens if Schroder BSC Social Impact Trust plc is unable to pay out?

You may sell your shares at any time on the London Stock Exchange using your broker. Your shares are sold to another buyer in the market without recourse to the Company. If the Company goes into liquidation the investments will be sold and you will receive your pro rata share of the proceeds after settlement of any liabilities which may be less than the amount you invested. As a shareholder of the Company you would not be able to make a claim for compensation to the Financial Services Compensation Scheme in the event the Company is unable to pay out.

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## What are the costs?

### Costs over time

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods and are based on an investment of GBP 10,000.00. They include potential early exit penalties. The figures are estimates and may change in the future.

Investment £10,000.00			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at 5 years
<b>Total costs</b>	<b>£127.00</b>	<b>£381.00</b>	<b>£635.00</b>
<b>Impact on return (RIY) per year</b>	<b>1.27%</b>	<b>1.27%</b>	<b>1.27%</b>

The person selling or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

## Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

## Cost Composition

This table shows the impact on return per year			
One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less.
	Exit costs	0.00%	The impact of the costs when exiting your investment.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs that we take each year for managing your investments.
	Other ongoing costs	1.27%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	No performance fees are applied.
	Carried interests	0.00%	No carried interest is applied.

## How long should I hold it and can I take money out early?

In order to seek to minimise the effect of shorter term cyclical fluctuations in the market, the recommended minimum holding period for the Company's shares is at least 5 years. Shares in the Company may be bought and sold at any time on the London Stock Exchange using your broker.

## How can I complain?

Should you wish to complain about your investment in the Company or any aspect of the service provided to you by Schroders, please write to the Board c/o the Company Secretary at 1 London Wall Place, London EC2Y 5AU, or send an email to: [investorservices@schroders.com](mailto:investorservices@schroders.com).

If you have a complaint about financial advice you have received in relation to the Company, or the service you have received when placing transactions in the Company through a third party, please direct your complaint to your adviser or third party accordingly.

## Other relevant information

Depending on how you buy the fund you may incur other costs, including broker commission, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary.

You can get further information about the Company, details of the Company's share price and copies of the Report and Accounts and other documents published by the Company as well as information on the Directors, Terms of Reference of Committees and other governance arrangements from [www.schroders.com/sbsi](http://www.schroders.com/sbsi). A paper copy of these documents is available free of charge upon request. You can also refer to this website for additional information such as announcements made by the Company to the market, details on "How to invest", as well as on remuneration policy.

**Tax legislation:** The Company is subject to UK tax legislation which may have an impact on your personal tax position.

This Key Information Document is updated at least every 12 months, unless there are any ad hoc changes.

The cost and risk calculations included in this Key Information Document follow the methodology prescribed by the rules of the FCA.