

Schroder Equity Opportunities Fund

An index unconstrained, all cap strategy managed by the highly rated Schroder Australian Equity team.

How is the fund different?

The Schroder Equity Opportunities Fund takes the Australian Equity team's ideas across the market cap spectrum, to construct a benchmark-unaware Fund with the following differentiating features:

No benchmark constraints

Only stocks which have long-term business quality are included in the strategy, not simply because they feature in the index. Company weightings are therefore entirely 'bottom-up'.

'All cap' strategy

Active exposure to all capitalisation segments of the market (including large, mid, small and micro), not simply the large cap bias inherent in an index-aware approach. This results in a high active share.

Diversification

Allows us to spread our stock specific risk, while still capturing return potential from the quality and breadth of the universe.

Fundamental Risk

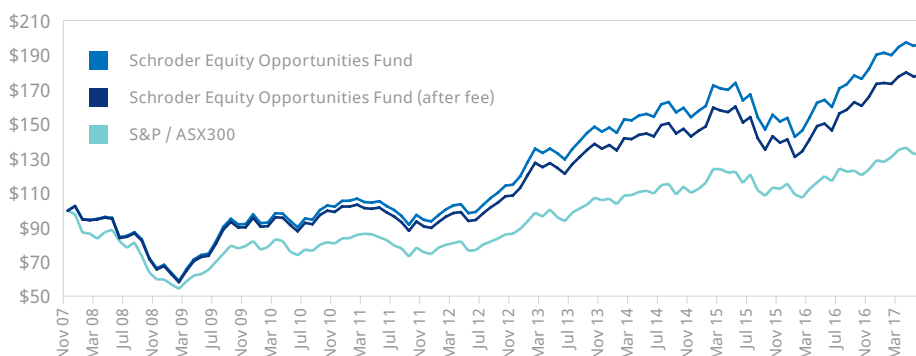
Our analysts are concerned with the absolute risk within companies (operational and financial leverage), not risk as a function of expected volatility relative to some arbitrary benchmark.

Investment Time Horizon

In a market increasingly focused on the momentum and shorter term investment horizons, there are increasing opportunities for investors prepared to take a contrarian longer term perspective.

Long term performance

Performance of the Schroder Equity Opportunities Fund has been strong over its lifetime, with growth well ahead of the Australian Share market.¹



Meet the team

Martin Conlon
Head of Australian
Equities



Martin is Head of Australian Equities and responsible for the portfolio construction process for Australian Equity portfolios. Martin joined Schroders in 1994 and has 29 years industry experience.

Andrew Fleming
Deputy Head of
Australian Equities



Andrew is Deputy Head of Australian Equities and responsible for the portfolio construction process for Australian Equity portfolios. Andrew joined Schroders in 2007 and has 28 years industry experience managing large and small cap Australian Equities.



The broader Schroder Australian equity team consists of 14 investment professionals, one of the largest teams in the market.

Fund characteristics

Target excess 3% to 5% p.a.

Time frame 5 – 7 years

Performance b/m S&P / ASX 300

Number of stocks 40 – 100

Approach All cap, index unconstrained, bottom up

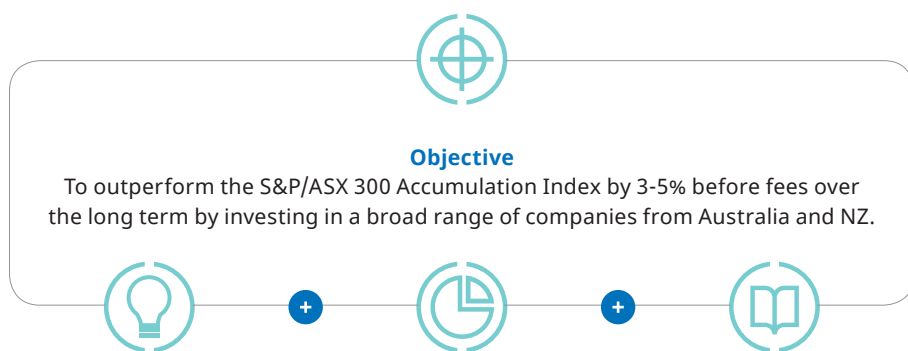
Maximum holding Absolute 5%

Typical cash % 5%

Tracking error Not targeted

Turnover 30% – 50%

Investment objective



Philosophy

Disciplined and structured long term investment philosophy which seeks to maximise comparability across businesses.

Investment approach

Broad universe with no benchmark constraints, avoiding the pitfalls of capitalisation weighted benchmarks.

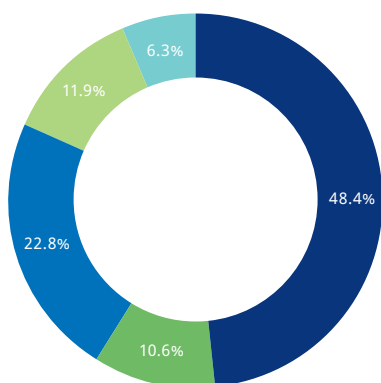
Commitment to research

Integrated analyst research is organised along sectoral lines so that we maximise knowledge of how an industry operates and how businesses make money.

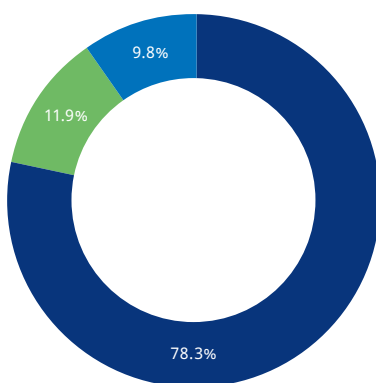
Unconstrained all cap strategy

Market cap breakdown*

Schroder Equity Opportunities Fund



S&P / ASX 300 Index



- Large cap (ASX 0-50)
- Small cap (ASX 101-300)
- Mid cap (ASX 51-100)
- Non index
- Cash

* as at 30 June 2017

Exploring opportunities outside of the index.

1. Source: Schroders / Factset to 30 June 2017. Past performance is not a guide to future performance. The value of an investment and the income from it may go down as well as up and investors may not get back the amount originally invested.

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Who does the fund suit?

- Australian investors that are seeking a high conviction equity strategy but who do not want to sacrifice portfolio diversification opportunities which the broader market represents.
- Because the strategy will depart materially from benchmark performance (in both directions) it is suitable for those investors with appropriate time horizons and a tolerance and patience for index deviation.

Fund details

APIR	SCH0035AU
mFund code	SCH22
Fund inception	14 December 2007
Minimum investment	\$20,000
Distribution frequency	Normally twice yearly
Management cost	0.92% pa plus a performance fee of 15.4% pa of the gross out-performance above 2% pa

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