

## Schroder Specialist Private Equity Fund

Designed to enhance returns and provide diversification

### Why private equity?

Private equity offers investors with a suitable risk tolerance the potential for enhanced overall returns and diversification to help meet longer-term investment goals. It provides access to a broader universe of companies than those listed on public exchanges, including many early stage and growth-orientated companies.

### About the fund

The **Schroder Specialist Private Equity Fund** helps investors with a suitable risk tolerance achieve potentially higher returns and greater portfolio diversification by accessing the often hard-to-reach global private equity markets. It focuses on small-mid cap specialist opportunities across the US and Europe, as well as Asian growth companies. This segment has historically outperformed<sup>1</sup> the wider private equity market and sets the fund apart from others available to Australian investors.



#### Strong track record

Schroders has a track record of over 20 years in delivering strong and consistent private equity returns.



#### Diversification

Strengthen portfolios by diversifying away from traditional listed equities and fixed income.



#### Access

A semi-liquid fund that allows monthly investments and quarterly redemptions (with a cap of 5% net asset value), so that investors are able to access their funds.



#### Competitively priced

Total management fees and costs of 2.40% p.a. and no performance fees charged by Schroders<sup>2</sup>, unlike many other private equity funds available on the market.

<sup>1</sup> Past performance is not a reliable indicator of future performance.

<sup>2</sup> Performance fees are not charged to the Fund by Schroders, but managers of third party private equity funds invested in by the Fund may receive performance-related fees. Additional fees and costs may apply. Please refer to the product disclosure statement for further details.

<sup>3</sup> This is an objective only and may not be achieved.

For further information about the key risks of the Fund please refer to the product disclosure statement.

### Fund features

#### Inception date

31 March 2020

#### Underlying Fund

The Fund invests in the GAIA II Specialist Private Equity Fund (Underlying Fund), which is an open-ended Luxembourg investment company. The Underlying Fund makes investments into other private equity funds and assets.

#### Investment and risk objective<sup>3</sup>

The Fund aims to provide capital growth over the medium to long term by providing exposure to a diversified range of private equity investments worldwide through its investment in the Underlying Fund.

#### Management style

Active private equity investing

#### Minimum investment amount

\$20,000

#### Recommended investment timeframe

5+ years

#### Management fees and costs

2.40% p.a. of the net asset value (NAV), comprised of a management fee of 1.48% of NAV and estimated indirect costs of 0.92% of NAV.

#### Performance fees

Schroders does not charge any performance fees, but the Fund may bear performance fees from managers of third party private equity funds in which the Fund invests. Schroders estimates that these interposed vehicle performance fees will be 0.18% pa.

## Fund rating



Recommended by  
Zenith Investment  
Partners in 2021



Recommended by  
Lonsac Research  
in 2021

## Where can the fund fit in portfolios?

### An alternative asset allocation

The Fund can be used as an alternative allocation to strengthen the risk-return profile of investment portfolios.

### A component of an equity allocation

The Fund can be combined with other domestic and international equity holdings to provide diversification and an alternative source of return.

## Who is the fund designed for?

This Fund is more likely to be appropriate for a consumer seeking capital growth for a small component of their portfolio, with a high or very high risk and return profile. This Fund should only be distributed to consumers receiving financial advice.

This Fund is unlikely to be suitable for a consumer seeking income or capital preservation or for a consumer with a low risk return profile with a short investment timeframe or for consumers requiring access to their money in less than a year.

## Why Schroders

Schroders has helped Australian investors achieve their objectives since 1964 through our diversified suite of actively managed investment products, which now spans both public and private markets. Schroders is part of the Schroders Group, an investment manager with over 200 years' experience. Schroders manages \$1,108b<sup>4</sup> on behalf of our clients, who trust us to deliver sustainable returns.

Schroders manages A\$93 billion in Private Assets, including A\$18 billion in private equity managed by Schroders Capital<sup>4</sup>. The team has a solid track record of absolute and relative performance across investments strategies and vintages. It has global market coverage with local, on-the-ground presence of an experienced and stable investment team, who work to find opportunities, long-term trends and themes to complement traditional equity and bond portfolios. In addition, sustainability is an integrated part of our investment process and Schroders Capital is rated A+ by the UNPRI.

<sup>4</sup>As at 30 June 2021

<sup>5</sup>Please note that this list is not exhaustive and there are additional risks that could apply. For further information about the key risks of the fund please refer to the product disclosure statement.

**Please call Client Services on 1300 136 471**

**or email us at [info.au@schroders.com](mailto:info.au@schroders.com)**

**Or visit us at [www.schroders.com.au](http://www.schroders.com.au)**

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## Fund features continued

### Applications and withdrawals

Applications: monthly with a notification cut-off on the 11th calendar day of each month.

Withdrawals: generally quarterly on the last business day in Mar, Jun, Sep and Dec, with settlement typically within 23 business days after the end of the following quarter. Net withdrawals from the Underlying Fund are generally limited to no more than 5% of its NAV per calendar quarter, which may affect the processing of withdrawal requests by the fund if it is in turn required to make a withdrawal out of the Underlying Fund to process the requests.

### Key risks<sup>5</sup>

Investment in the Fund should be considered as high risk and there can be no assurance that it will achieve its investment objective or that any investor will get their money back. Some of the risks of investing in the fund are:

- Private equity investments typically display uncertainties specific to the asset class, including potential lack of liquidity and exposure to investments subject to relatively little regulatory supervision.
- Investors will be exposed to the liquidity risk arising from the structure of the Underlying Fund, including limitations on and potential suspensions of withdrawals.
- There are risks arising from the strategy of the Fund, including the risk that the investment manager of the Underlying Fund will underperform.