

# Schroder QEP US Core Fund Product-Level Disclosure

This report is published by Schroder Unit Trusts Limited in compliance with the requirements set out in chapter 2 of the Environmental, Social and Governance sourcebook ("ESG Sourcebook") of the FCA Handbook that require certain UK asset managers and insurers to publish product level disclosures consistent with the Task Force on Climate-Related Financial Disclosures ("TCFD"). Unless otherwise disclosed at the end of this report, as the Schroder QEP US Core Fund approach to the consideration of climate-related risks and opportunities is consistent with Schroder Unit Trusts Limited across Governance, Strategy, Risk management and Targets, please refer to the [Entity Level Report](#) for information in this regard. The following report contains the information otherwise required under ESG Sourcebook 2.3, with the metrics following the calculations as contained in the TCFD annex.

**Report Publication Date:** 30/06/2025

**Reporting Period:** 01/01/2024 - 31/12/2024

**Calculation Date:** 31/12/2024

## Fund Information

Fund Information	Value
Link to Entity-Level Report	<a href="#">Entity Level Report</a>
Legal Entity Identifier	5493004KDO649D8KU893
Fund Name	Schroder QEP US Core Fund
Reporting Currency	GBP
Net Asset Value	£205,316,001.50
Total Public Investments (credit and listed equity) versus the Total NAV	100%

## Data Gaps and Assumptions

Schroders use MSCI as its primary provider of emissions and climate data. The choice to use a single data provider has been made to facilitate consistency and reduce ambiguity across our emissions metric calculations. We are therefore dependent on MSCI for our emissions data across our public investments, and we will continue to work with them to encourage increased coverage. In some instances where data is missing, MSCI use an estimation methodology where a company has not reported its emissions metrics. If no reported or estimated emissions data is available from MSCI for listed corporate (listed credit and listed equity) exposure, Schroders does not use an internal estimation methodology.

The report applies to listed corporate exposure only. The coverage figures below are based on the 'Total Public Investments (credit and listed equity) versus the total NAV' field above, which is normalised to 100%.

Where applicable for strategies with significant investments in third-party funds, the 'Total Public Investments (credit and listed equity) versus the total NAV' figure above may be low. This is due to the challenges in obtaining third-party data, and we are improving our capability to look through into the underlying holdings for future reporting.

## Corporate Carbon Emissions

#	Metric	Definition	Scope	2024		2023		2022	
				Value	Coverage (%)	Value	Coverage (%)	Value	Coverage (%)
1	Total Carbon Emissions	The absolute greenhouse gas emissions of a portfolio, expressed in tonnes CO <sub>2</sub> e	Scope 1 & 2	4,659.2	99.6	2,954.9	99.7	3,514.7	99.3
			Scope 3	44,975.9	99.6	30,149.2	99.7	31,813.3	99.3
			Total (1,2 & 3)	49,635.5	99.6	33,093.5	99.7	35,328.1	99.3
2	Carbon Footprint	Total carbon emissions for a portfolio normalised by the market value of the portfolio, expressed in tonnes CO <sub>2</sub> e/£M invested	Scope 1 & 2	22.8	99.6	25.0	99.7	35.1	98.8
			Scope 3	220.0	99.6	255.1	99.7	318.8	99.3
			Total (1,2 & 3)	256.0	99.6	274.8	99.5	384.0	99.3
3	Weighted Average Carbon Intensity (WACI)	Portfolios exposure to carbon-intensive companies, expressed in tonnes CO <sub>2</sub> e/£M revenue	Scope 1 & 2	80.6	99.6	70.3	99.7	101.1	91.5
			Scope 3	678.7	99.6	700.2	99.7	743.5	99.4
			Total (1,2 & 3)	786.9	99.6	759.9	99.5	930.7	97.7

The following data quality metrics are relevant to the 'Total Carbon Emissions' metric above

#	Metric	Definition	Scope	Value (%)		
				2024	2023	2022
1	Data Reported	Amount of data collected from investee company reports, either directly or indirectly via third-party vendors	Scope 1 & 2	86.2	86.1	82.5
			Scope 3	0.0	0.0	0.0
2	Data Estimated Internally	The amount of data that is estimated by Schroders using an internal methodology	Scope 1 & 2	0.0	0.0	0.0
			Scope 3	0.0	0.0	0.0
3	Data Estimated Externally	The amount of data that is estimated by the third-party vendor	Scope 1 & 2	12.9	13.1	16.9
			Scope 3	99.1	99.2	99.3

## Fund Implied Temperature Rise and Climate Value at Risk

Climate scenario analysis can be used to understand a range of possible future states. It can inform investment decision-making and strategy for enhancing risk-adjusted returns, in light of expected climate-driven changes to the economy. The scenarios set out below are not intended to be predictions of the future. Scenario analysis can highlight the risks and opportunities from different possible outcomes. Note that the models assume no change or adaptation from companies over time. Furthermore, this analysis is based on a snapshot of current holdings and does not consider action to mitigate risk, such as engagement or asset reallocation. The analysis is based on the exposure to investments in publicly listed equity (common and preferred stock) and corporate bonds only.

A fund is deemed to have value at risk when its investments are assessed as being negatively impacted by climate change. A negative value at risk score means the value of the fund may be negatively affected over time. The assessment comprises exposure to policy risks, low-carbon technology opportunities and physical risks / opportunities, estimating future cost and revenue impacts and finally deriving security-level valuation impacts. The active score refers to the fund's risk exposure in comparison to its benchmark – a positive active score implies a level of risk exposure which is smaller than the benchmark while a negative active score implies a level of risk exposure which is greater than the benchmark.

The Implied Temperature Rise metric is provided by MSCI. It is not aligned with the CDP-WWF methodology Schroders uses for Group reporting to determine the alignment of in-scope holdings (listed equities, corporate bonds, REITs and ETFs) with its SBTi commitments. The Climate Value at Risk metrics align with those used in the Schroders plc TCFD report.

We have chosen to include quantitative Climate Value at Risk measures for all TCFD products to provide greater context to the qualitative descriptions provided by our investment teams. Their inclusion does not represent 'high' or 'concentrated' exposure to carbon-intensive sectors.

## Fund Implied Temperature Rise

#	Metric	Definition	2024		2023		2022	
			Value (°C)	Coverage (%)	Value (°C)	Coverage (%)	Value (°C)	Coverage (%)
1	Implied Temperature Rise	ITR of the global economy by 2100 if it adhered to the same ratio of undershoot/overshoot of the portfolios aggregated carbon budget <sup>1</sup>	2.6	99.6	2.5	99.7	2.9	99.3

## Fund Scenario Analysis

#	Scenario	Definition	Climate Value at Risk (VaR)						Impact to the fund
			2024		2023		2022		
			Value (%)	Coverage (%)	Value (%)	Coverage (%)	Value (%)	Coverage (%)	
1	Orderly Scenario	Aggregated physical and transition risk under a scenario where global warming is limited to 1.5°C by 2100	-7.3	99.5	-8.3	99.7	-7.8	99.3	Under this scenario the fund faces the greatest negative value at risk. The model indicates the fund has value at risk of -7.3%, in contrast to the comparator benchmark which has value at risk of -8.8%. This results in an active score of 1.5%. The fund's VaR under this scenario is driven primarily by Policy Risk relating to the fund's holdings in the Energy sector.

#	Scenario	Definition	Climate Value at Risk (VaR)						Impact to the fund
			2024		2023		2022		
			Value (%)	Coverage (%)	Value (%)	Coverage (%)	Value (%)	Coverage (%)	
2	Disorderly Scenario	Aggregated physical and transition risk under a scenario where global warming is limited to 2.0°C by 2100	-4.8	99.5	-7.3	99.7	-15.3	99.3	Under this scenario the fund faces negative value at risk but performs better in comparison to the Orderly scenario. The model indicates the fund has value at risk of -4.8%, in contrast to the comparator benchmark which has value at risk of -5.9%. This results in an active score of 1.1%. The fund's VaR under this scenario is driven primarily by Physical Risk relating to the fund's holdings in the Financials sector.
3	Hot House World Scenario	Aggregated physical and transition risk under a scenario where global warming is limited to 3.0°C by 2100	-4.0	99.5	-5.1	99.7	-4.4	99.3	Under this scenario the fund performs better than the Orderly and Disorderly scenarios however still faces negative value at risk. The model indicates the fund has value at risk of -4.0%, in contrast to the comparator benchmark which has value at risk of -4.9%. This results in an active score of 0.9%. The fund's VaR under this scenario is driven primarily by Physical Risk relating to the fund's holdings in the Financials sector.

<sup>1</sup> 'Carbon budget' refers to the budget of GHG emissions allocated to the global economy in order to limit global warming to below 2.0°C by 2100 versus pre-industrial levels. This budget is then allocated to each individual company and aggregated to the portfolio. 'Undershoot/overshoot' refers to the aggregated amount that the portfolio is projected to either undershoot or overshoots its allocated 'carbon budget.'

### Material Deviations from Group Level Approach

None

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