

Schroder ISF Sustainable EURO Credit

LU2080995587

Issuer	Schroders
Fund provider	Schroder Investment Management (Europe) S.A
Fund type/Asset class	Bond fund
Legal form	SICAV
Fund issue date	-
Last Update	12.09.2023
Benchmark	The ICE BofAML Euro Corporate Index is used as reference comparator
Tranche	Private Investors Institutional Investors



Risk Indicator (PRIIP)
4 of 7

Licensed in
D, A, CH, LU

Classification by SFDR
Article 8

EU Taxonomy
-

% of Sustainable Investments according to SFDR
-

Principal Adverse Impacts



Sustainable Development Goals



NORMAL ALLOCATION

Equities	Excluded
Bonds	85 % to 100 %
Money market/Bank deposits	0 %
Commodities	Excluded
Direct investments	Excluded
Derivatives	0 %
Other	-

Sustainability approach

Principal Adverse Impacts	<ul style="list-style-type: none"> ✓ Greenhouse Gas Emissions ✓ Water ✓ Waste ✓ Biodiversity ✓ Energy Efficiency and Fossil Fuels ✓ Social and Employee Matters
Further remarks on the consideration of SDGs	-
Rationale behind classification according to SFDR	<p>Article 8</p> <p>It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50.00% of sustainable investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy and/or with a social objective. The Fund maintains a higher overall sustainability score than the ICE Bank of America Merrill Lynch Euro Corporate index, based on the Investment Manager's rating system. The sustainability score of the Fund is measured by SustainEx™, Schroders' proprietary tool that provides an estimate of the potential societal or environmental impact that an issuer may create.</p>
Engagement	<p>Yes, organized internally</p> <p>🔗 Link to engagement policy</p>
Voting	<p>n/a Bond fund</p> <p>🔗 Link to voting policy</p>
Best-in/of-Class	<p>Best-In-Class</p> <p>The fund applies a best-in-class approach that is based on credible exclusions, our internal, proprietary ESG assessment, as well as third party ESG ratings. This approach results in a better sustainability profile for the fund compared to the reference comparator. While we continuously search for improving ESG stories also through engagement, we limit or divest ESG laggards in the fund.</p>
ESG-Integration	<p>Yes</p> <p>We firmly believe that non-financial considerations including environmental, social and governance issues have a material influence on the sustainability of issuer cash-flows. ESG is fully integrated into our investment process. The fund applies its sustainable approach through: 1) Strict and credible exclusions, 2) inclusion of issuers that demonstrate stable and (importantly) improving ESG trajectory, 3) multiple sustainability themes, 4) engagement with issuers, 5) investing in green, social bonds and sustainability bonds, 6) creating a net positive sustainability impact at the portfolio level</p>
Norm-based screening	<ul style="list-style-type: none"> ✓ UN Global Compact ✓ OECD Guidelines for Multinational Enterprises <p>Other</p> <p>Bribery and fraud i.e. companies flagged for severe business ethics failures</p>
Themes	<ul style="list-style-type: none"> ✓ Climate change ✓ Agriculture and forestry ✓ Social projects ✓ Renewable Energies ✓ Biodiversity ✓ Water ✓ Education <p>The fund applies forward-looking sustainability themes (such as green energy, waste and water management, green infrastructure, responsible finance, social health and wellbeing, responsible sourcing and fashion) that frame and contextualize our credit research as well as engagements and portfolio construction.</p>
Impact Investing	-
Further information on the sustainability approach	<p>The fund applies its sustainable approach through: 1) Strict and credible exclusions, 2) inclusion of issuers that demonstrate stable and (importantly) improving ESG trajectory, 3) multiple sustainability themes, 4) engagement with issuers, 5) investing in green, social bonds and sustainability bonds, 6) creating a net positive sustainability impact at the portfolio level, 7) using the UN SDGs as a framework, 8) lower carbon intensity than universe</p> <p>🔗 Link to sustainability approach</p>

Research and Transparency

In-house sustainability analysis	Yes, 40+ global sustainability/credit analysts and 15+ firm-wide sustainability analysts
Research partners	Yes Schroders' subscribes to external ESG research providers including; MSCI ESG research, Bloomberg, Refinitiv, Sustainalytics and Morningstar
Percentage of portfolio with sustainability analysis	95 %
Strategically important suppliers included	Yes
Sustainability advisory committee	Advisory
Analysis of portfolio CO2	Yes, both forward and backward-looking indicator
Sustainability reporting	Yes https://www.schroders.com/de-de/de/institutionelle/fonds/#/fund/SCHDR_F000014MDI/schroder-international-selection-fund-sustainable-euro-credit-a-accumulation-eur/LU2080993616/profile
At least monthly portfolio publication	Yes
Certification/Label awarded by independent auditors	<ul style="list-style-type: none"> ✓ FNG Label ★★★ ✓ Label ISR <p>Other Febelfin Towards Sustainability</p>

Environmental

EXCLUSION OF SECTORS / AREAS OF BUSINESS – COMPANIES

Fossil fuels (Coal, Oil and Gas)	Yes 5 % Turnover threshold
Nuclear power (operation and components)	Yes 5 % Turnover threshold
Green genetic engineering	No
Chlorine and agrochemicals (biocides)	No
Other	Oil sands 5 % Turnover threshold

EXCLUSION OF BUSINESS PRACTICES – COMPANIES

Environmentally damaging behaviour	Yes
Damage to biodiversity	No
Other	UNGC violation, Energy generation from oil, gas and nuclear (30%), Energy generation from thermal coal (10%), Carbon Underground 200 list

EXCLUSION CRITERIA – COUNTRIES

Non-ratification of the Paris Climate Agreement	Yes
Non-ratification of the Protocol on Biosafety	No
Non-ratification of the UN Biodiversity Convention	Yes
Nuclear power by proportion of gross energy production	No
Other	-

Social

EXCLUSION OF SECTORS / AREAS OF BUSINESS – COMPANIES

Weapons/Armaments	Yes
Cluster bombs and anti-personnel mines	Yes
Weapons of mass destruction (ABC/CBRN)	Yes
Tobacco products	Yes 5 % Turnover threshold
Pornography	Yes 5 % Turnover threshold
Spirits/Alcohol	Yes 5 % Turnover threshold
Gambling	Yes 5 % Turnover threshold
Other	Conventional weapons and civilian firearms (5%) 5 % Turnover threshold

EXCLUSION OF BUSINESS PRACTICES – COMPANIES

Labour rights (ILO core labour standards)	No
Exploitative child labour	No
Violation of human rights	No
Animal testing	No
Other	UN Global Compact

EXCLUSION CRITERIA – COUNTRIES

Labour rights	No
Violation of human rights	No
Military spending as a percentage of GDP	No
Death penalty, torture	No
Countries classified by Freedom House as not free	Yes
Violations of the Nuclear Non-Proliferation Treaty	Yes
Violations of other non-proliferation treaties	No
Other	-

Governance

EXCLUSION OF BUSINESS PRACTICES – COMPANIES

Corruption and bribery	Yes
Tax: planned avoidance & detected violations	No
Other	-

EXCLUSION CRITERIA – COUNTRIES

Corruption	Yes
Other	-

Quelle: Unternehmensangaben. | Für die Angaben der Unternehmen kann keine Haftung übernommen werden. Die Angaben dienen nur zur Information und stellen keine Beratung oder Empfehlung dar. Bitte beachten Sie den Haftungsausschluss unter www.forum-ng.org/disclaimer. Das FNG-Nachhaltigkeitsprofil bietet nur einen ersten Überblick und ist kein Ersatz für eine eigenständige Analyse. Weiterführende Erläuterungen finden Sie unter www.forum-ng.org