

16 March 2022

Dear Investor,

## Updated PDS for Schroder Specialist Private Equity Fund

We are writing to inform you that we have issued an updated product disclosure statement (**PDS**) for the Schroder Specialist Private Equity Fund (**Fund**).

### What are the changes from the previous PDS?

The key change from the previous PDS for the Fund, dated 23 November 2021, was an update to our estimate of the interposed performance fees incurred by investors in the Fund, as shown below.

Interposed vehicle performance fees Previous estimate (from 23 November 2021)	Interposed vehicle performance fees Current estimate (from 16 March 2022)
0% per annum	0.18% per annum

There are no other changes to any other actual or estimated fees and costs.

We reiterate our commitment that we will not increase the Fund's management fee without providing at least 180 days' prior written notice, and we will not charge a performance fee for this class of units in the Fund unless the fee is approved by an ordinary resolution.

### What are interposed performance fees?

The Fund invests in Schroder GAIA II Global Private Equity (formerly known as Schroder GAIA II Specialist Private Equity), a Luxembourg fund (**Underlying Fund**). Both the Fund and the Underlying Fund are managed by Schroders Group entities, who do not charge any performance fees to the Fund or the Underlying Fund.

However, the Underlying Fund invests in private equity investments which may be managed by third party investment managers. These investment managers may charge performance fees, which are indirectly borne by the Underlying Fund and the Fund. Their fees are referred to as interposed vehicle performance fees, and we disclose our estimate of those fees in our PDS.

### Why has the estimate increased?

The fees and costs disclosure provisions in the *Corporations Act 2001* (Cth) require us to estimate interposed vehicle performance fees on a "backward looking" basis, by reference to amounts incurred in previous

financial years. When we made our previous estimate, we were not aware that any interposed vehicle performance fees had been paid.

We monitor and routinely review the fees and costs incurred by the Fund. A recent review identified that an interposed vehicle performance fee was paid to one third party private equity manager due to the outperformance of one investment held in the Underlying Fund. We have updated our estimate to reflect this new information.

The procedure adopted for calculating the Fund's unit price takes into account performance fees as and when they are accrued. As such, the revised estimate of the Fund's interposed vehicle performance fees will not have any impact on the current or historical unit price or performance of the Fund

Investors should be aware that the actual interposed vehicle performance fees incurred in the future will vary depending on the returns generated by those vehicles. Past performance is not a reliable indicator of future performance.

## **Contact**

Please contact your Schroders relationship manager or Client Services on 1300 136 471 or by email to [info.au@schroders.com](mailto:info.au@schroders.com) if you have any questions in relation to this letter.