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Marketing Material

Schroder BSC Social Impact Trust plc

Investing to improve lives in the UK



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A unique investment opportunity to address UK social challenges

Schroder BSC Social Impact Trust plc

- An opportunity to access high-impact, private market investment solutions in the UK
- A diversified portfolio targeting sustainable returns, demonstrable social impact and low correlation to traditional financial and public markets.
- Benefit from a seed portfolio and the combined expertise of Schrodgers and Big Society Capital

The growing social impact private investment opportunity

Investors are increasingly looking for their investments to demonstrate positive and measurable social impact.

In the UK, there is now a growing private impact market, which is providing investors access to high-impact investment solutions, which aim to help alleviate some of the country's

most pressing social challenges, while targeting a sustainable financial return.

These impact driven investment opportunities are gaining increasing institutional investor backing, however, they are not easily accessible to other investors without specialist expertise and deep networks.

To provide access to this untapped market, Schrodgers and Big Society Capital (BSC, one of the UK's leading impact investors), have partnered to provide investors with unique access to a diversified portfolio of high-impact, private market investments within a liquid investment vehicle.

High-impact investment solutions to address social challenges in the UK



High impact housing

Housing funds that benefit more vulnerable groups (formerly homeless or survivors of domestic abuse) and affordable housing for lower income groups.



Debt for social enterprise¹

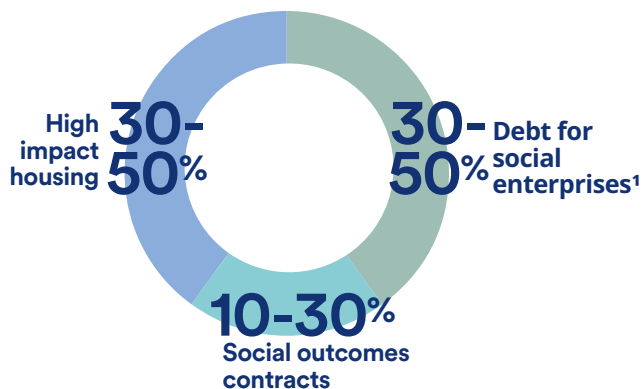
Debt solutions for charities and social enterprises targeting high social impact interventions for more disadvantaged groups.



Social outcomes contracts

Contracts providing capital for expert social sector providers to deliver government contracts to achieve better life outcomes for vulnerable people.

Portfolio asset allocation²



Targeting a sustainable return, with low correlation³

CPI +2% p.a.
target total return, while providing demonstrable social impact

c.65%
inflation linked or inflation correlated returns

Seed portfolio*
performed strongly in recent public market downturns

c.75%
government backed revenue streams

Past performance is not a guide to future performance.

*The Company has agreed to acquire a c.60m seed portfolio from BSC. This seed portfolio will comprise of seven social impact investments with interests in five Impact Funds and two Co-Investment debt portfolios. A significant proportion of c.£60m of commitments will be drawn at the time of launch with the balance being drawn over time.
¹ Debt for social enterprises may include some equity in funds that invest in both debt and equity, but with a target of no more than 10% of the portfolio overall invested in equity.
² References to asset class allocations are for illustrative purposes only. These assets allocations are example constituents of an indicative portfolio, the fund may have different characteristics and allocations compared to what is presented above. ³ To traditional financial and public markets.
 For help in understanding any terms used, please visit: <https://www.schrodgers.com/en/uk/private-investor/a-guide-to-investing/glossary/>

Seed portfolio advantage and combined expertise




Benefits of seed portfolio

- 1 The Company will acquire a c.£60m seed portfolio from BSC. This will reduce the time it takes for the company to become fully invested and also reduce the effect that holding cash would have on performance
- 2 The seven seed investments, that make up the seed portfolio, provide exposure to funds, or co-investments, that are either closed to new investments or difficult to access
- 3 Diversified portfolio addressing a range of social challenges in the UK

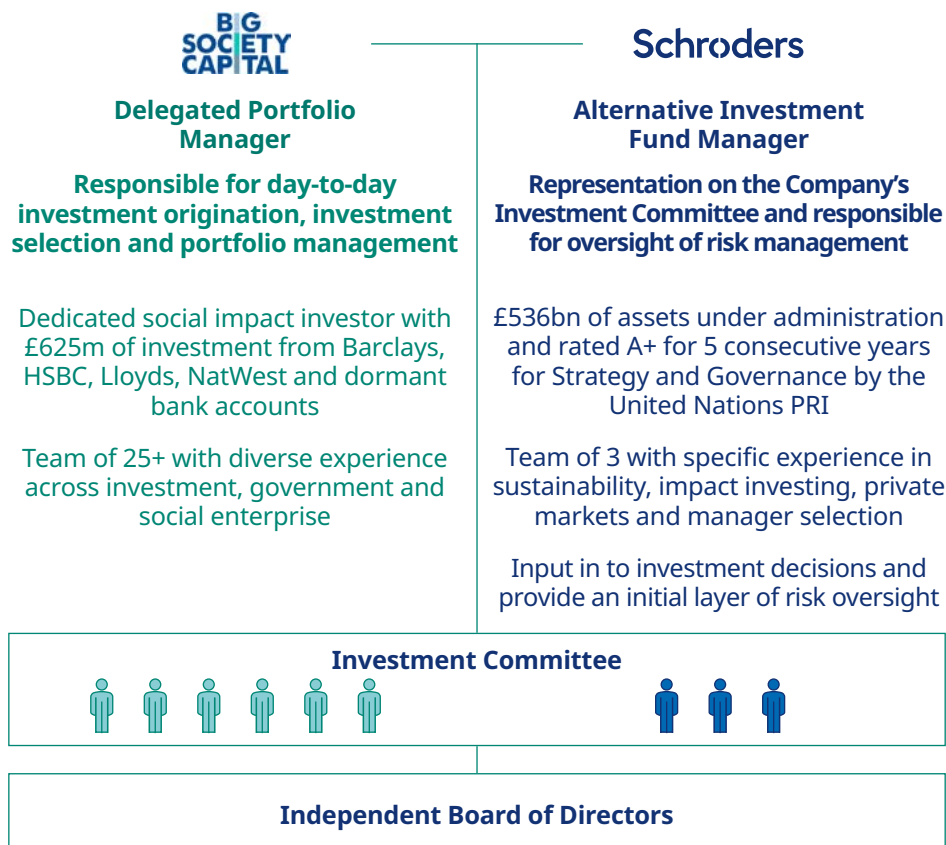
Social outcomes addressed by seed portfolio

- Transition from homelessness to independent living
- Supporting children to remain with their families
- Increased supply of, and access to, affordable homes
- Access to quality care services
- Physical and mental health
- Improved quality of life for long term conditions
- Housing for survivors of domestic abuse

Detailed impact reporting

-  Interactive investor website showing granular local impact
-  Detailed impact reporting, adhering to globally recognised impact frameworks
-  Annual Impact Report

An experienced partnership with deep impact investment expertise



Key information

Structure UK incorporated investment trust

Issue size £100m

Target assets Diversified private market impact portfolio with low volatility and low correlation to traditional and public financial markets

Target returns CPI + 2% net of fees once portfolio is fully invested and averaged over a 3-5 year period

Target Yield Anticipated dividend of 1-2% once fully invested

Manager Alternative Investment Fund Manager – Schroder Unit Trust Limited; Portfolio Manager – Big Society Capital

Management fee 80bps paid on cum-income NAV, adding back any loans, less any cash, money market instruments and liquid ESG investments

Underlying managers fees Blended rate of ~1% depending on composition of the portfolio

Seed investment The Company is to acquire a seed portfolio of c.£60m

Leverage Capped at 20% for efficient portfolio management and working capital requirements

Currency GBP

Platforms available



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There is no guarantee the target returns or target yields will be realised.

The key risks that are specific to the Company:

- There can be no guarantee that the Company will achieve its investment objective or that investors will get back the amount of their original investment.
- The Company has no operating history and investors have a limited basis on which to evaluate the Company's ability to achieve its investment objective.
- The Company has no employees and is reliant on the performance of third party service providers. Failure by the AIFM, the Portfolio Manager or any other third party service provider to perform in accordance with the terms of its appointment could have a material detrimental impact on the operation of the Company.
- The financial performance of the Company will depend upon the financial performance of the underlying portfolio. The Company's portfolio will include Social Impact Investments over which the Company and Portfolio Manager have no control. In particular, investments in Impact Funds and certain Co-Investments will be managed by third party managers. The Company's performance and returns to Shareholders will depend on the performance of those Social Impact Investments and their managers.
- The Company's objective is to deliver measurable positive social impact as well as long term capital growth and income and these dual aims will generally be given equal weighting. Social impact is the improvement of the life outcomes of beneficiaries in a specific target group or groups. There is no universally accepted definition of 'impact', an assessment of which requires value judgments to be made. The Company's impact focus may mean that the financial returns to Shareholders are lower than those which might be achieved by other investment products.
- The Company depends on the diligence, skill, judgement and business contacts of the Portfolio Manager's investment professionals and the information and deal flow they generate, especially given the specialist nature of social impact investing. The departure of some or all of the Portfolio Manager's investment professionals could prevent the Company from achieving its investment objective.
- The Company will make investments where the Company's commitment is called over time. Due to the nature of such investments, in the normal course of its activities the Company expects to have outstanding commitments in respect of Social Impact Investments that may be substantial relative to the Company's assets. The Company's ability to meet these commitments, when called, is dependent upon the Company having sufficient cash or liquid assets at the time, the receipt of cash distributions in respect of Investments (the timing and amount of which can be unpredictable) and the availability of the Company's borrowing facilities, if any.
- The Company's investments may be illiquid and a sale may require the consent of other interested parties. Such investments may therefore be difficult to realise and to value. Such realisations may involve significant time and cost and/or result in realisations at levels below the value of such investments estimated by the Company.
- Any change in the Company's tax status or in taxation legislation or practice generally could adversely affect the value of the investments held by the Company, or the Company's ability to provide returns to Shareholders, or alter the post-tax returns to Shareholders.

Important information

The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested.

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