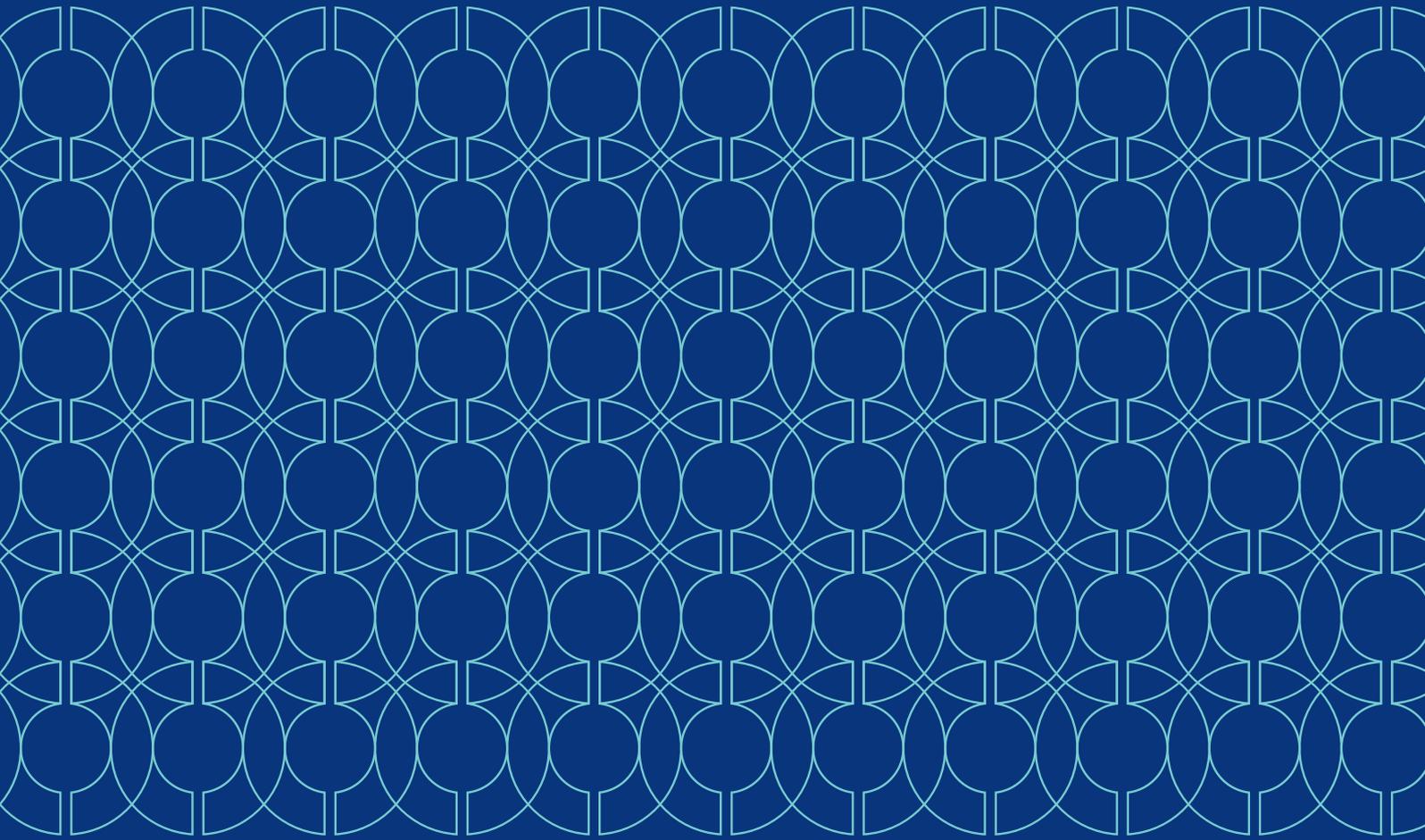


**Schroders**

**SCHRODER SHORT DURATION BOND**

**Annual Report & Financial Statements**

**December 2023**



## **SCHRODER SHORT DURATION BOND**

*(a sub-fund of Schroder International Opportunities Portfolio)*

*Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006*

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### **Manager**

Schroder Investment Management (Singapore) Ltd  
138 Market Street  
#23-01 CapitaGreen  
Singapore 048946  
Company Registration No. 199201080H

### **Trustee**

HSBC Institutional Trust Services (Singapore) Limited  
10 Marina Boulevard  
Marina Bay Financial Centre Tower 2  
#48-01  
Singapore 018983  
Company Registration No. 194900022R

### **Auditor**

KPMG LLP  
12 Marina View, #15-01  
Asia Square Tower 2  
Singapore 018961

### **Solicitor to the Manager**

Allen & Gledhill LLP  
One Marina Boulevard #28-00  
Singapore 018989

### **Solicitor to the Trustee**

Shook Lin & Bok LLP  
1 Robinson Road  
#18-00 AIA Tower  
Singapore 048542

### **Further Information**

Schroders is a Foreign Account Tax Compliance Act (“FATCA”) compliant organisation. Please find the FATCA classification of this Fund and its Global Intermediary Identification Number (“GIIN”) below.

FATCA entity classification: Nonreporting IGA FFI / Sponsored Investment Entity  
GIIN: WM9S4Z.00041.SF.702

## **SCHRODER SHORT DURATION BOND**

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### **COMMENTARY**

#### **Market review**

2023 started with declining expectations for global growth and elevated fears of an onset of a recession amid the higher-for-longer rate environment. The global economy turned out to be better than expected. This was despite the Middle East tensions, bond sell-offs, regional banking crisis and central banks' relentless policy rate hikes. Across the major regions, labour market stayed tight, inflation continued to trend lower and consumer spending remained strong. The year soon ended with a Santa rally amidst growing excitement that central banks will cut interest rates sooner in 2024 than previously expected. The end of "high-for-longer" rates fears boosted returns across major asset classes towards the end of the year. Equity markets as represented by the S&P 500 returned +26.3% for the year. Fixed income markets also ended the period in the green; Asia credit markets returned +7.0% while Asia local currency bonds came in at +5.8%. Although US Treasury yields rallied in the last quarter, the curve bear-flattened with long-end yields little changed at the end of 2023.

Throughout 2023, the US economy has proved remarkably resilient, particularly from consumer that has overcome headwinds of falling real incomes, higher interest rates and tighter credit conditions. Streams of data surprises were enough to lift risk markets and point the market towards the possibility of a soft landing scenario. Q4 GDP advance estimates surpassed expectations and continued to show an upward trajectory, increasing 3.3% quarter over quarter (q/q). Resilient private domestic final demand was the key driver. Consumer spending reaccelerated at the close of 2023 while December new home sales rose to 664k amid declining mortgage rates. The Federal Reserve's (Fed) preferred inflation measure, core PCE, continued to moderate lower to 3.2% year over year (y/y) in November while the labour market remains tight and growth resilient, paving the path for a soft landing for the US economy. During the last Federal Open Market Committee meeting, Fed chair Jerome Powell indicated that the central bank was aware of the risk of keeping rates at restrictive levels for too long. Minutes from the latest policy meeting showed policymakers expect rates to end next year at 4.50%-4.75%, down from the current 5.25%-5.50% range.

In contrast, the year was a mixed bag for Europe. The composite Purchasing Managers Index was revised up in the final report, removing entirely the decline that had initially been reported for December. On inflation, while headline inflation rose to 2.9% in December reflecting a base effect in Germany, core inflation eased to 3.6%. Bank loan perked up in November as loans to nonfinancial corporates jumped 0.4% and loans to households rose by 0.1%. The European Central Bank's Q4 BLS suggests that the pass-through of monetary policy tightening is still working its way through financing conditions.

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China's post-reopening recovery path has been bumpy and uneven. Following a strong recovery in Q1, economic activity slumped in Q2, before bottoming after August. Despite the staggering start, China's economy pulled off growth of 5.2% y/y in the last quarter. This placed the calendar year 2023 growth right on target at 5.2%. Across sectors, activity outperformed in policy tailwind areas (for example: green sectors, manufacturing upgrade) and reopening beneficiary sectors (for example: catering, tourism). But elsewhere activity has been soft. The divergent performance has largely been policy driven, as the government has pushed for structural transformation. Policy has been in favor of high-tech, manufacturing upgrade, new energy and green technology, and new infrastructure, as the government shifts from over-reliance on the property sector. Policy tone has been accommodative since the Politburo meeting where policymakers emphasised their priority on growth. A series of easing measures including a 1-trillion yuan additional fiscal deficit, the People's Bank of China's rate cut and reserve requirement ratio cut, housing stabilisation measures, and a trillion-yuan package to address liquidity stresses for local government hidden debt were introduced. That said, the road ahead for China will remain bumpy as it tackles challenges such as deflationary pressures, weak sentiment in the housing market and local government hidden debt issue.

The Asian credit market was up 7.02% in 2023, led by falling treasury yields (+3.95%) and narrowing credit spreads (+2.96%). Investment grade (IG) segment (+7.42%) outperformed the high yield (HY) segment (+4.76%). Consumer, Metals & Mining and Oil & Gas were the top performing sectors. All the countries ended in positive territory in 2023, with Pakistan (+99.46%) having the highest returns and China (+3.64%) the lowest.

### **Performance of the Fund**

The Schroder Short Duration Bond returned +5.65% (USD A Acc share class, net of fees) for the year from 1 January 2023 to 31 December 2023. The Fund outperformed its reference benchmark (ICE BofA 3-month US Treasury Bill Index) which returned +5.01%. Do note that the reference benchmark does not have any bearing on how the Manager invests the Sub-Fund's assets, which are expected to overlap to a limited extent with the components of the benchmark.

Over the one-year period, rates positioning and spreads aided performance. The Fund's long US duration contributed. In terms of spreads, allocation to Financials (South Korea, Hong Kong SAR and Japan) and Mainland China Quasi-Sovereigns, Industrials and TMT were the largest contributors to performance.

### **Market outlook**

Despite lingering macro uncertainties on global growth, we believe the outlook appears more optimistic for Asia credit going into 2024. The asset class is expected to be supported by strong technicals, resilient IG corporate fundamentals, and attractive all-in yields. Asia HY will also begin the year with a cleaner slate. In addition, the potential end of an interest rate hike cycle in the US could attract investors from other regions towards Asian credit, which would further benefit the asset class.

Our key investment themes are: 1) Rising divergence amid tighter credit conditions; 2) China's growth rebalancing; 3) Structural growth stories outside of China; and 4) Geopolitics.

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In China, the rebalancing towards quality growth continues, and we maintain a focus on less levered and strategic sectors expected to benefit from the nation's growth priorities. It is also important to highlight that Asia Pacific is highly diverse and more than just China. Several markets within the region, such as India, Indonesia and Korea continue to power ahead and present ample opportunities for credit selection. India, in particular, remains a market darling for many investors as macro resiliency and a solid services sector set a supportive backdrop for Indian credits.

That said, heading into the third year of tight financing conditions, selectivity remains key as debt servicing pressure is building up for weaker and levered borrowers. Selectivity thus remains key and we focus our exposures in the IG segment, while seeking compelling HY opportunities via shorter dated bonds with good refinancing ability.

2024 is significant due to numerous pivotal elections taking place across Asia (including Indonesia, India, and South Korea) as well as in the US. While the base case outcomes appear more benign than previous election cycles, we will closely monitor the elections in the US and within the region as this may potentially lead to volatility.

Despite a volatile macro environment, the search for carry should continue to support flows into the Asian credit market, particularly in IG. For investors with a medium to longer term horizon, we believe looking past short-term volatility and staying the course will allow them to lock in compelling risk-adjusted income and capital gains potential.

31 December 2023

## **SCHRODER SHORT DURATION BOND**

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### **REPORT OF THE TRUSTEE**

For the financial year ended 31 December 2023

The Trustee is under a duty to take into custody and hold the assets of Schroder Short Duration Bond (the "Fund") in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 10 to 47, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee  
HSBC Institutional Trust Services (Singapore) Limited

## **SCHRODER SHORT DURATION BOND**

***(a sub-fund of Schroder International Opportunities Portfolio)***

*Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006*

### **STATEMENT BY THE MANAGER**

For the financial year ended 31 December 2023

In the opinion of Schroder Investment Management (Singapore) Ltd, the accompanying financial statements set out on pages 10 to 47, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and portfolio holdings of Schroder Short Duration Bond (the "Fund") as at 31 December 2023, and the financial performance and movements of unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager  
Schroder Investment Management (Singapore) Ltd

**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF  
SCHRODER SHORT DURATION BOND**  
**(a sub-fund of Schroder International Opportunities Portfolio)**  
*Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006*

**Report on the audit of the financial statements**

*Opinion*

We have audited the financial statements of Schroder Short Duration Bond (the "Fund"), which comprise the Statement of Financial Position and Statement of Portfolio as at 31 December 2023, the Statement of Total Return and Statement of Movements of Unitholders' Funds for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 10 to 47.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2023 and the financial performance and movements in unitholders' funds for the year ended on that date.

*Basis for opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other matter*

The financial statements of the Fund for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on 30 March 2023.

**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF  
SCHRODER SHORT DURATION BOND**  
**(a sub-fund of Schroder International Opportunities Portfolio)**  
*Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006*

*Other information*

Schroder Investment Management (Singapore) Ltd, the Manager of the Fund (the "Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Manager for the financial statements*

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

*Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF  
SCHRODER SHORT DURATION BOND**  
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As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

**Singapore**  
27 March 2024

**SCHRODER SHORT DURATION BOND****(a sub-fund of Schroder International Opportunities Portfolio)**

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

**STATEMENT OF TOTAL RETURN**

For the financial year ended 31 December 2023

|  | Note | 2023<br>US\$     | For the financial<br>period from<br>26 Oct 2021<br>(date of inception)<br>to<br>31 Dec 2022<br>US\$ |
|--|------|------------------|---|
| <b>Income</b>  |      |                  |   |
| Interest on deposits with banks  | 10   | 16,992           | 5,486   |
| <b>Less: Expenses</b>  |      |                  |   |
| Management fees  | 10   | 516              | 12  |
| Trustee fees   | 10   | 7,430            | 9,046   |
| Valuation fees   | 10   | 7,192            | 8,745   |
| Custodian fees   | 10   | 3,370            | 3,912   |
| Registration fees  | 10   | 7,449            | 9,045   |
| Preliminary expenses written off   |      | -                | 5,122   |
| Audit fees   |      | 9,039            | 11,414  |
| Transaction costs  |      | 3,622            | 2,810   |
| Others   |      | 10,714           | 35,247  |
|  |      | <b>49,332</b>    | <b>85,353</b>   |
| <b>Net expense</b>   |      | <b>(32,340)</b>  | <b>(79,867)</b>   |
| <b>Net gains or losses on value of investments<br/>and financial derivatives</b> |      |                  |   |
| Net gains/(losses) on investments  |      | 2,530,792        | (735,211)   |
| Net losses on spot foreign exchange contracts                                    |      | (7,764)          | (341)   |
| Net gains/(losses) on forward foreign exchange<br>contracts                      |      | 3,371            | (681)   |
| Net (losses)/gains on futures contracts  |      | (180,602)        | 300,920   |
| Net foreign exchange gains/(losses)  |      | 13,932           | (298)   |
|  |      | <b>2,359,729</b> | <b>(435,611)</b>  |
| <b>Total return/(deficit) for the year/period<br/>before income tax</b>          |      | <b>2,327,389</b> | <b>(515,478)</b>  |
| <b>Income tax credit/(expense)</b>   | 3    | <b>746</b>       | <b>(746)</b>  |
| <b>Total return/(deficit) for the year/period</b>                                |      | <b>2,328,135</b> | <b>(516,224)</b>  |

**SCHRODER SHORT DURATION BOND****(a sub-fund of Schroder International Opportunities Portfolio)**

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2023

|  | Note | 2023<br>US\$      | 2022<br>US\$ |
|--|------|-------------------|--------------|
| <b>ASSETS</b>                          |      |                   |              |
| Portfolio of investments               |      | <b>37,833,602</b> | 52,244,689   |
| Bank balances                          | 10   | <b>307,019</b>    | 298,665      |
| Receivables                            | 5    | <b>6,297</b>      | 2,894        |
| Financial derivatives                  | 6    | <b>18,840</b>     | 4            |
| Margin account                         | 11   | <b>63,499</b>     | 150,301      |
| <b>Total assets</b>                    |      | <b>38,229,257</b> | 52,696,553   |
| <b>LIABILITIES</b>                     |      |                   |              |
| Payables                               | 7    | <b>18,092</b>     | 24,123       |
| Financial derivatives                  | 6    | <b>53,082</b>     | 1,106        |
| <b>Total liabilities</b>               |      | <b>71,174</b>     | 25,229       |
| <b>EQUITY</b>                          |      |                   |              |
| Net assets attributable to unitholders | 8    | <b>38,158,083</b> | 52,671,324   |

**SCHRODER SHORT DURATION BOND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2023*

|  | Note | 2023<br>US\$      | For the financial<br>period from<br>26 Oct 2021<br>(date of inception)<br>to<br>31 Dec 2022<br>US\$ |
|--|------|-------------------|---|
| <b>Net assets attributable to unitholders<br/>at the beginning of the financial year/period</b>              |      | <b>52,671,324</b> | -   |
| <b>Operations</b>  |      |                   |   |
| Change in net assets attributable to unitholders<br>resulting from operations                                |      | 2,328,135         | (516,224)   |
| <b>Unitholders' contributions/(withdrawals)</b>  |      |                   |   |
| Creation of units  |      | 10,719,181        | 71,317,537  |
| Cancellation of units  |      | (27,555,170)      | (18,129,989)  |
| Change in net assets attributable to unitholders<br>resulting from net creation and cancellation of<br>units |      | (16,835,989)      | 53,187,548  |
| Distributions  | 4    | (5,387)           | -   |
| Total (decrease)/increase in net assets<br>attributable to unitholders                                       |      | (14,513,241)      | 52,671,324  |
| <b>Net assets attributable to unitholders<br/>at the end of the financial year/period</b>                    | 8    | <b>38,158,083</b> | 52,671,324  |

## SCHRODER SHORT DURATION BOND

(a sub-fund of Schroder International Opportunities Portfolio)

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

### STATEMENT OF PORTFOLIO

As at 31 December 2023

#### Primary

|   | Holdings<br>at<br>31 Dec 2023 | Fair value<br>at<br>31 Dec 2023<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2023<br>% |
|---|-------------------------------|---|---|
| <b>By geography</b>   |                               |   |   |
| <b>Quoted</b>   |                               |   |   |
| <b>Fixed income</b>   |                               |   |   |
| <b>AUSTRALIA</b>  |                               |   |   |
| APA Infrastructure Ltd 5% 23 Mar 2035                                 | 58,000                        | 55,141                                  | 0.14  |
| Australia & New Zealand Banking Group Ltd Var 3 Oct 2025              | 300,000                       | 300,272                                 | 0.79  |
| Australia & New Zealand Banking Group Ltd/United Kingdom<br>Var Perp  | 200,000                       | 201,467                                 | 0.53  |
| Commonwealth Bank of Australia Var 13 Mar 2026                        | 200,000                       | 200,503                                 | 0.52  |
| Macquarie Bank Ltd 4.875% 10 Jun 2025                                 | 200,000                       | 197,712                                 | 0.52  |
| Macquarie Group Ltd Var 7 Dec 2034                                    | 222,000                       | 232,249                                 | 0.61  |
| National Australia Bank Ltd 2.99% 21 May 2031                         | 300,000                       | 251,361                                 | 0.66  |
| NBN Co Ltd 0.875% 8 Oct 2024  | 200,000                       | 193,353                                 | 0.51  |
| QBE Insurance Group Ltd Var 2 Dec 2044                                | 200,000                       | 199,839                                 | 0.52  |
| Santos Finance Ltd EMTN 4.125% 14 Sep 2027                            | 400,000                       | 381,051                                 | 1.00  |
| Scentre Group Trust 1 / Scentre Group Trust 2 3.25%<br>28 Oct 2025    | 400,000                       | 385,902                                 | 1.01  |
| Scentre Group Trust 2 Var 24 Sep 2080                                 | 200,000                       | 187,527                                 | 0.49  |
|   |                               | <b>2,786,377</b>                        | <b>7.30</b>   |
| <b>CHINA</b>  |                               |   |   |
| Alibaba Group Hldg Ltd 3.6% 28 Nov 2024                               | 400,000                       | 392,605                                 | 1.03  |
| Baidu Inc 4.375% 14 May 2024  | 200,000                       | 199,217                                 | 0.52  |
| Bank of China Ltd 5% 13 Nov 2024                                      | 600,000                       | 597,081                                 | 1.56  |
| Blossom Joy Ltd Var Perp  | 300,000                       | 287,108                                 | 0.75  |
| BOC Aviation USA Corp 1.625% 29 Apr 2024                              | 300,000                       | 296,225                                 | 0.78  |
| CDBL Funding 1 4.25% 2 Dec 2024                                       | 200,000                       | 197,700                                 | 0.52  |
| Charter Style Intl Ltd 5.8% 15 Sep 2024                               | 1,000,000                     | 141,930                                 | 0.37  |
| China Cinda 2020 I Management Ltd EMTN 3.125% 18 Mar 2030             | 200,000                       | 174,739                                 | 0.46  |
| China Cinda Finance 2015 I Ltd 4.25% 23 Apr 2025                      | 200,000                       | 196,761                                 | 0.52  |
| China Mengniu Dairy Co Ltd 3% 18 Jul 2024                             | 400,000                       | 395,252                                 | 1.04  |
| CICC Hong Kong Finance 2016 MTN Ltd 1.625% 26 Jan 2024                | 200,000                       | 199,516                                 | 0.52  |
| CMB Intl Leasing Management Ltd EMTN 3% 3 Jul 2024                    | 500,000                       | 494,088                                 | 1.29  |
| CNAC HK Finbridge Co Ltd 1.125% 22 Sep 2024                           | 200,000                       | 215,842                                 | 0.57  |
| CNAC HK Finbridge Co Ltd 4.875% 14 Mar 2025                           | 300,000                       | 298,222                                 | 0.78  |
| Contemporary Ruiding Development Ltd 1.875% 17 Sep 2025               | 300,000                       | 284,106                                 | 0.74  |
| Contemporary Ruiding Development Ltd 2.625% 17 Sep 2030               | 200,000                       | 171,315                                 | 0.45  |
| Dianjian Haiyu Ltd Var Perp   | 200,000                       | 198,634                                 | 0.52  |
| Eastern Creation II Investment Hldg Ltd EMTN 1.35%<br>20 Oct 2024     | 400,000                       | 388,138                                 | 1.02  |
| Geely Automobile Hldg Ltd Var Perp                                    | 200,000                       | 194,468                                 | 0.51  |
| Guangzhou Metro Investment Finance BVI Ltd EMTN 2.609%<br>14 Nov 2024 | 450,000                       | 439,715                                 | 1.15  |
| Haidilao Intl Hldg Ltd 2.15% 14 Jan 2026                              | 400,000                       | 369,125                                 | 0.97  |

## SCHRODER SHORT DURATION BOND

(a sub-fund of Schroder International Opportunities Portfolio)

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

### STATEMENT OF PORTFOLIO

As at 31 December 2023

#### Primary (continued)

|  | Holdings<br>at<br>31 Dec 2023 | Fair value<br>at<br>31 Dec 2023<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2023<br>% |
|--|-------------------------------|---|---|
| <b>By geography</b>  |                               |   |   |
| <b>Quoted</b>  |                               |   |   |
| <b>Fixed income</b>  |                               |   |   |
| <b>CHINA (continued)</b>   |                               |   |   |
| Industrial & Commercial Bank of China Ltd 4.875% 21 Sep 2025         | 200,000                       | 198,517                                 | 0.52  |
| Lenovo Group Ltd 5.831% 27 Jan 2028                                  | 300,000                       | 306,009                                 | 0.80  |
| Meituan 3.05% 28 Oct 2030  | 200,000                       | 169,031                                 | 0.44  |
| Meituan Convertible Bond 27 Apr 2027                                 | 500,000                       | 457,500                                 | 1.20  |
| Minmetals Bounteous Finance BVI Ltd Var Perp                         | 200,000                       | 196,750                                 | 0.52  |
| Prosus NV 3.257% 19 Jan 2027   | 300,000                       | 277,364                                 | 0.73  |
| Sinochem Offshore Capital Co Ltd EMTN 1% 23 Sep 2024                 | 400,000                       | 387,486                                 | 1.01  |
| Sunny Optical Technology Group Co Ltd 5.95% 17 Jul 2026              | 300,000                       | 303,133                                 | 0.79  |
| TCCL Finance Ltd 3.4% 12 Nov 2024                                    | 3,000,000                     | 420,653                                 | 1.10  |
| Tencent Hldg Ltd 2.39% 3 Jun 2030                                    | 300,000                       | 255,914                                 | 0.67  |
| Tencent Hldg Ltd 3.595% 19 Jan 2028                                  | 200,000                       | 190,458                                 | 0.50  |
| Tencent Hldg Ltd Var 11 Apr 2024                                     | 400,000                       | 400,594                                 | 1.05  |
| Weibo Corp 3.5% 5 Jul 2024   | 500,000                       | 494,693                                 | 1.30  |
| Wuhan Metro Group Co Ltd EMTN 1.58% 3 Nov 2024                       | 600,000                       | 578,590                                 | 1.52  |
| Xiaomi Best Time Intl Ltd 3.375% 29 Apr 2030                         | 400,000                       | 351,384                                 | 0.92  |
| Zhongsheng Group Hldg Ltd 3% 13 Jan 2026                             | 500,000                       | 466,556                                 | 1.22  |
|  |                               | <b>11,586,419</b>                       | <b>30.36</b>  |
| <b>GERMANY</b>   |                               |   |   |
| Bayer US Finance LLC 6.25% 21 Jan 2029                               | 250,000                       | <b>255,826</b>                          | <b>0.67</b>   |
| <b>HONG KONG</b>   |                               |   |   |
| AIA Group Ltd 3.2% 16 Sep 2040                                       | 200,000                       | 152,065                                 | 0.40  |
| AIA Group Ltd GMTN Var Perp  | 300,000                       | 273,669                                 | 0.72  |
| Airport Authority Hong Kong Var Perp (XS2264054706)                  | 200,000                       | 183,931                                 | 0.48  |
| Airport Authority Hong Kong Var Perp (XS2264055182)                  | 200,000                       | 176,461                                 | 0.46  |
| Bocom Leasing Management Hong Kong Co Ltd EMTN 4.375%<br>22 Jan 2024 | 300,000                       | 299,783                                 | 0.79  |
| China Life Insurance Overseas Co Ltd/Hong Kong Var<br>15 Aug 2033    | 250,000                       | 252,908                                 | 0.66  |
| CLP Power HK Finance Ltd Var Perp                                    | 200,000                       | 194,521                                 | 0.51  |
| Dah Sing Bank Ltd EMTN Var 15 Jan 2029                               | 250,000                       | 249,879                                 | 0.66  |
| Goodman HK Finance EMTN 4.375% 19 Jun 2024                           | 300,000                       | 297,746                                 | 0.78  |
| HPHT Finance 19 Ltd 2.875% 5 Nov 2024                                | 300,000                       | 293,898                                 | 0.77  |
| Inventive Global Investments Ltd EMTN 1.65% 3 Sep 2025               | 379,000                       | 357,275                                 | 0.94  |
| Johnson Electric Hldg Ltd 4.125% 30 Jul 2024                         | 200,000                       | 198,290                                 | 0.52  |
| Prudential PLC Var 3 Nov 2033  | 300,000                       | 264,152                                 | 0.69  |
| Shanghai Commercial Bank Ltd Var 28 Feb 2033                         | 250,000                       | 253,430                                 | 0.66  |
| The Bank of East Asia Ltd EMTN Var 29 May 2030                       | 250,000                       | 235,934                                 | 0.62  |
|  |                               | <b>3,683,942</b>                        | <b>9.66</b>   |

**SCHRODER SHORT DURATION BOND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF PORTFOLIO***As at 31 December 2023***Primary (continued)**

|  | Holdings<br>at<br>31 Dec 2023 | Fair value<br>at<br>31 Dec 2023<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2023<br>% |
|--|-------------------------------|---|---|
| <b>By geography</b>                                    |                               |   |   |
| <b>Quoted</b>  |                               |   |   |
| <b>Fixed income</b>                                    |                               |   |   |
| <b>INDIA</b>   |                               |   |   |
| ONGC Videsh Ltd 4.625% 15 Jul 2024                     | 300,000                       | 298,491                                 | 0.78  |
| Power Finance Corp Ltd 3.75% 18 Jun 2024               | 300,000                       | 297,512                                 | 0.78  |
| Power Finance Corp Ltd 3.9% 16 Sep 2029                | 200,000                       | 186,928                                 | 0.49  |
| Reliance Ind Ltd 4.125% 28 Jan 2025                    | 250,000                       | 246,965                                 | 0.65  |
| Summit Digital Infrastructure Ltd 2.875% 12 Aug 2031   | 300,000                       | 246,496                                 | 0.65  |
|  |                               | <b>1,276,392</b>                        | <b>3.35</b>   |
| <b>INDONESIA</b>                                       |                               |   |   |
| Indonesia Eximbank EMTN 3.875% 6 Apr 2024              | 200,000                       | 199,092                                 | 0.53  |
| Minejesa Capital BV 4.625% 10 Aug 2030                 | 200,000                       | 190,250                                 | 0.50  |
|  |                               | <b>389,342</b>                          | <b>1.03</b>   |
| <b>IRELAND</b>   |                               |   |   |
| SMBC Aviation Capital Finance DAC 5.7% 25 Jul 2033     | 200,000                       | <b>202,434</b>                          | <b>0.53</b>   |
| <b>JAPAN</b>   |                               |   |   |
| Fukoku Mutual Life Insurance Co Var Perp               | 254,000                       | 269,585                                 | 0.71  |
| Mitsubishi UFJ Financial Group Inc Var 12 Sep 2025     | 200,000                       | 199,300                                 | 0.52  |
| Mizuho Financial Group Cayman 3 Ltd 4.6% 27 Mar 2024   | 400,000                       | 398,564                                 | 1.04  |
| Mizuho Financial Group Inc Var 16 Jul 2025             | 200,000                       | 197,026                                 | 0.52  |
| Nippon Life Insurance Co Var 13 Sep 2053               | 225,000                       | 236,406                                 | 0.62  |
| Sumitomo Mitsui Financial Group Inc 4.436% 2 Apr 2024  | 200,000                       | 199,243                                 | 0.52  |
| Sumitomo Mitsui Financial Group Inc 5.808% 14 Sep 2033 | 200,000                       | 213,977                                 | 0.56  |
|  |                               | <b>1,714,101</b>                        | <b>4.49</b>   |
| <b>MACAU</b>   |                               |   |   |
| Sands China Ltd Var 8 Aug 2025                         | 300,000                       | <b>296,040</b>                          | <b>0.78</b>   |
| <b>MALAYSIA</b>  |                               |   |   |
| Gohl Capital Ltd 4.25% 24 Jan 2027                     | 200,000                       | 192,561                                 | 0.51  |
| Misc Capital Two Labuan Ltd 3.625% 6 Apr 2025          | 200,000                       | 195,659                                 | 0.51  |
| Misc Capital Two Labuan Ltd 3.75% 6 Apr 2027           | 400,000                       | 385,462                                 | 1.01  |
|  |                               | <b>773,682</b>                          | <b>2.03</b>   |
| <b>SAUDI ARABIA</b>                                    |                               |   |   |
| SA Global Sukuk Ltd 0.946% 17 Jun 2024                 | 500,000                       | <b>489,688</b>                          | <b>1.28</b>   |

## SCHRODER SHORT DURATION BOND

(a sub-fund of Schroder International Opportunities Portfolio)

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

### STATEMENT OF PORTFOLIO

As at 31 December 2023

#### Primary (continued)

|   | Holdings<br>at<br>31 Dec 2023 | Fair value<br>at<br>31 Dec 2023<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2023<br>% |
|---|-------------------------------|---|---|
| <b>By geography</b>   |                               |   |   |
| <b>Quoted</b>   |                               |   |   |
| <b>Fixed income</b>   |                               |   |   |
| <b>SINGAPORE</b>  |                               |   |   |
| DBS Group Hldg Ltd Var 22 Nov 2024  | 300,000                       | 299,523                                 | 0.79  |
| Oversea-Chinese Banking Corp Ltd 4.25% 19 Jun 2024                              | 400,000                       | 397,638                                 | 1.04  |
| Oversea-Chinese Banking Corp Ltd Var 10 Sep 2030                                | 300,000                       | 282,342                                 | 0.74  |
| United Overseas Bank Ltd GMTN Var 16 Mar 2031                                   | 200,000                       | 184,754                                 | 0.48  |
| United Overseas Bank Ltd Var 14 Oct 2031  | 300,000                       | 273,495                                 | 0.72  |
|   |                               | <b>1,437,752</b>                        | <b>3.77</b>   |
| <b>SOUTH KOREA</b>  |                               |   |   |
| Busan Bank Co Ltd 3.625% 25 Jul 2026  | 250,000                       | 235,849                                 | 0.62  |
| GS Caltex Corp 4.5% 5 Jan 2026  | 200,000                       | 197,422                                 | 0.52  |
| Hanwha Life Insurance Co Ltd Var 4 Feb 2032                                     | 200,000                       | 184,536                                 | 0.48  |
| Hanwha Solutions Corp 3% 19 Apr 2024  | 3,000,000                     | 421,217                                 | 1.10  |
| KB Kookmin Card Co Ltd 4% 9 Jun 2025  | 200,000                       | 196,138                                 | 0.51  |
| KEB Hana Bank 4.375% 30 Sep 2024  | 400,000                       | 395,689                                 | 1.04  |
| Kodit Global 2022 The 1st Securitization Specialty Co Ltd<br>3.619% 27 May 2025 | 200,000                       | 195,466                                 | 0.51  |
| Kookmin Bank Var Perp   | 300,000                       | 294,765                                 | 0.77  |
| Korea Development Bank/The Var 23 Oct 2026                                      | 200,000                       | 200,987                                 | 0.53  |
| Korea Development Bank/The Var 1 Aug 2028                                       | 200,000                       | 200,766                                 | 0.53  |
| Korea East-West Power Co Ltd 4.875% 12 Jul 2028                                 | 400,000                       | 401,916                                 | 1.05  |
| Korea Expressway Corp EMTN FRN 10 Jul 2028                                      | 200,000                       | 201,666                                 | 0.53  |
| Korea Housing Finance Corp 4.625% 24 Feb 2028                                   | 200,000                       | 199,809                                 | 0.52  |
| Korea Land & Housing Corp 5.75% 6 Oct 2025                                      | 250,000                       | 253,057                                 | 0.66  |
| Korea National Oil Corp 4.875% 3 Apr 2028                                       | 200,000                       | 201,174                                 | 0.53  |
| Korea National Oil Corp Var 14 Nov 2026   | 300,000                       | 300,180                                 | 0.79  |
| Korean Air Lines Co Ltd 4.75% 23 Sep 2025                                       | 200,000                       | 198,450                                 | 0.52  |
| Kyobo Life Insurance Co Ltd Var Perp  | 300,000                       | 297,900                                 | 0.78  |
| LG Chem Ltd 1.375% 7 Jul 2026   | 400,000                       | 364,708                                 | 0.96  |
| LG Energy Solution Ltd 5.75% 25 Sep 2028  | 400,000                       | 412,860                                 | 1.08  |
| Minera y Metalurgica del Boleo SAPI de CV 3.25%<br>17 Apr 2024                  | 300,000                       | 298,101                                 | 0.78  |
| POSCO 4.375% 4 Aug 2025   | 400,000                       | 394,359                                 | 1.03  |
| Shinhan Bank Co Ltd 3.875% 24 Mar 2026  | 200,000                       | 193,374                                 | 0.51  |
| Shinhan Card Co Ltd 1.375% 19 Oct 2025  | 300,000                       | 280,086                                 | 0.73  |
| SK Battery America Inc 1.625% 26 Jan 2024                                       | 300,000                       | 299,188                                 | 0.79  |
| SK Hynix Inc 6.375% 17 Jan 2028   | 200,000                       | 206,603                                 | 0.54  |
| Woori Bank 4.75% 30 Apr 2024  | 600,000                       | 598,143                                 | 1.57  |
|   |                               | <b>7,624,409</b>                        | <b>19.98</b>  |

**SCHRODER SHORT DURATION BOND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF PORTFOLIO***As at 31 December 2023***Primary (continued)**

|   | Holdings<br>at<br>31 Dec 2023 | Fair value<br>at<br>31 Dec 2023<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2023<br>% |
|---|-------------------------------|---|---|
| <b>By geography</b>   |                               |   |   |
| <b>Quoted</b>   |                               |   |   |
| <b>Fixed income</b>   |                               |   |   |
| <b>SUPRANATIONAL</b>  |                               |   |   |
| Central American Bank for Economic Integration 5%<br>9 Feb 2026 | 200,000                       | <u>200,083</u>                          | <u>0.52</u>   |
| <b>TAIWAN</b>   |                               |   |   |
| Competition Team Technologies Ltd 3.75% 12 Mar 2024             | 450,000                       | <u>448,318</u>                          | <u>1.17</u>   |
| <b>THAILAND</b>   |                               |   |   |
| Bangkok Bank PCL / Hong Kong Var 23 Sep 2036                    | 300,000                       | 252,171                                 | 0.66  |
| GC Treasury Center Co Ltd 4.4% 30 Mar 2032                      | 200,000                       | 182,642                                 | 0.48  |
| Minor Intl PCL Var Perp   | 300,000                       | 279,360                                 | 0.73  |
| Muang Thai Life Assurance Var 27 Jan 2037                       | 200,000                       | 183,863                                 | 0.48  |
| Thaioil Treasury Center Co Ltd 4.625% 20 Nov 2028               | 200,000                       | 197,726                                 | 0.52  |
|   |                               | <u>1,095,762</u>                        | <u>2.87</u>   |
| <b>UNITED KINGDOM</b>   |                               |   |   |
| Barclays PLC Var 13 Sep 2027                                    | 400,000                       | 401,446                                 | 1.05  |
| CK Hutchison Intl 23 Ltd 4.75% 21 Apr 2028                      | 400,000                       | 400,893                                 | 1.05  |
| HSBC Hldg PLC Var 3 Nov 2028                                    | 200,000                       | 214,486                                 | 0.57  |
| HSBC Hldg PLC Var 13 Nov 2034                                   | 400,000                       | 439,176                                 | 1.15  |
| Standard Chartered PLC Var 12 Jan 2028                          | 200,000                       | 183,074                                 | 0.48  |
| Standard Chartered PLC Var 6 Jul 2034                           | 200,000                       | 210,294                                 | 0.55  |
|   |                               | <u>1,849,369</u>                        | <u>4.85</u>   |
| <b>UNITED STATES OF AMERICA</b>                                 |                               |   |   |
| American Honda Finance Corp GMTN 6.141883% 3 Oct 2025           | 300,000                       | 300,694                                 | 0.79  |
| Hyundai Capital America 0.875% 14 Jun 2024                      | 200,000                       | 195,483                                 | 0.51  |
| Hyundai Capital America Var 3 Nov 2025                          | 200,000                       | 200,398                                 | 0.52  |
| US Treasury Bill 1 Feb 2024                                     | 400,000                       | 398,244                                 | 1.04  |
| US Treasury Bill 29 Feb 2024                                    | 260,000                       | 257,797                                 | 0.68  |
|   |                               | <u>1,352,616</u>                        | <u>3.54</u>   |
| <b>Accrued interest on fixed income securities</b>              |                               | <u>371,050</u>                          | <u>0.97</u>   |
| <b>Portfolio of investments</b>                                 |                               | <u>37,833,602</u>                       | <u>99.15</u>  |
| <b>Other net assets</b>   |                               | <u>324,481</u>                          | <u>0.85</u>   |
| <b>Net assets attributable to unitholders</b>                   |                               | <u>38,158,083</u>                       | <u>100.00</u>   |

**SCHRODER SHORT DURATION BOND****(a sub-fund of Schroder International Opportunities Portfolio)**

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

**STATEMENT OF PORTFOLIO**

As at 31 December 2023

**Primary (continued)**

|   | <b>Percentage<br/>of total net<br/>assets<br/>attributable<br/>to<br/>unitholders<br/>at<br/>31 Dec 2023<br/>%</b> | <b>Percentage<br/>of total net<br/>assets<br/>attributable<br/>to<br/>unitholders<br/>at<br/>31 Dec 2022<br/>%</b> |
|---|--|--|
| <b>By geography (summary)</b>                 |  |  |
| <b>Quoted</b>                                 |  |  |
| Australia                                     | <b>7.30</b>  | 4.07   |
| China   | <b>30.36</b>   | 19.71  |
| France  | -  | 0.50   |
| Germany                                       | <b>0.67</b>  | 0.58   |
| Hong Kong                                     | <b>9.66</b>  | 11.99  |
| India   | <b>3.35</b>  | 4.22   |
| Indonesia                                     | <b>1.03</b>  | 4.82   |
| Ireland                                       | <b>0.53</b>  | -  |
| Italy   | -  | 0.39   |
| Japan   | <b>4.49</b>  | 1.62   |
| Kuwait  | -  | 0.56   |
| Macau   | <b>0.78</b>  | -  |
| Malaysia                                      | <b>2.03</b>  | 1.41   |
| Saudi Arabia                                  | <b>1.28</b>  | 1.34   |
| Singapore                                     | <b>3.77</b>  | 3.70   |
| South Korea                                   | <b>19.98</b>   | 20.80  |
| Spain   | -  | 0.75   |
| Supranational                                 | <b>0.52</b>  | -  |
| Switzerland                                   | -  | 0.96   |
| Taiwan  | <b>1.17</b>  | 1.92   |
| Thailand                                      | <b>2.87</b>  | 3.10   |
| United Arab Emirates                          | -  | 1.88   |
| United Kingdom                                | <b>4.85</b>  | 2.86   |
| United States of America                      | <b>3.54</b>  | 11.12  |
| Accrued interest on fixed income securities   | <b>0.97</b>  | 0.89   |
| <b>Portfolio of investments</b>               | <b>99.15</b>   | 99.19  |
| <b>Other net assets</b>                       | <b>0.85</b>  | 0.81   |
| <b>Net assets attributable to unitholders</b> | <b>100.00</b>  | 100.00   |

**SCHRODER SHORT DURATION BOND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF PORTFOLIO***As at 31 December 2023***Secondary**

|   | Fair value<br>at<br>31 Dec 2023<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2023<br>% | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2022<br>% |
|---|---|---|---|
| <b>By industry</b>                            |   |   |   |
| Aerospace/Defense                             | 494,675                                 | 1.30  | 1.30  |
| Automobiles & Components                      | 1,089,333                               | 2.85  | 1.78  |
| Bank  | 9,138,193                               | 23.95   | 25.41   |
| Chemicals/Petrochemicals                      | 968,567                                 | 2.54  | 1.90  |
| Computer/Software                             | 306,009                                 | 0.80  | 1.10  |
| Construction & Engineering                    | 578,590                                 | 1.52  | 1.06  |
| Diversified Financial Services                | 1,296,558                               | 3.40  | 6.77  |
| Energy  | 952,031                                 | 2.48  | 1.96  |
| Finance                                       | 1,007,258                               | 2.64  | 1.09  |
| Food & Beverage                               | 395,252                                 | 1.04  | -   |
| Government                                    | 857,707                                 | 2.25  | 7.74  |
| Health Care/Pharmaceuticals                   | 255,826                                 | 0.67  | -   |
| Hotel & Leisure                               | 575,400                                 | 1.51  | -   |
| Industrial & Transportation                   | 882,226                                 | 2.31  | 2.77  |
| Industrial Machinery                          | -                                       | -   | 0.54  |
| Insurance                                     | 2,314,923                               | 6.07  | 1.69  |
| Internet Services                             | 2,837,376                               | 7.44  | 3.67  |
| Metals & Mining                               | 889,210                                 | 2.33  | 2.23  |
| Miscellaneous                                 | 5,811,546                               | 15.23   | 18.31   |
| Oil & Gas                                     | 1,544,231                               | 4.05  | 4.78  |
| Real Estate                                   | 960,915                                 | 2.52  | 2.65  |
| Retail  | 835,681                                 | 2.19  | 0.32  |
| Semiconductor                                 | 206,603                                 | 0.54  | 2.12  |
| Sovereign Agency                              | 1,314,612                               | 3.44  | 1.26  |
| Technology Hardware & Equipment               | 1,164,311                               | 3.05  | 2.50  |
| Telecommunications                            | 193,353                                 | 0.51  | 1.80  |
| Utilities                                     | 592,166                                 | 1.55  | 3.55  |
| Accrued interest on fixed income securities   | 371,050                                 | 0.97  | 0.89  |
| <b>Portfolio of investments</b>               | <b>37,833,602</b>                       | <b>99.15</b>  | <b>99.19</b>  |
| <b>Other net assets</b>                       | <b>324,481</b>                          | <b>0.85</b>   | <b>0.81</b>   |
| <b>Net assets attributable to unitholders</b> | <b>38,158,083</b>                       | <b>100.00</b>   | <b>100.00</b>   |

**SCHRODER SHORT DURATION BOND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF PORTFOLIO***As at 31 December 2023***Secondary** (continued)

|   | Fair value<br>at<br>31 Dec 2023<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2023<br>% | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>at<br>31 Dec 2022<br>% |
|---|---|---|---|
| <b>By credit rating</b>                       |   |   |   |
| AA+ / Aa1                                     | -                                       | -   | 0.45  |
| AA / Aa2                                      | 3,634,686                               | 9.52  | 6.21  |
| AA- / Aa3                                     | 694,128                                 | 1.82  | 1.45  |
| A+ / A1                                       | 3,052,913                               | 8.00  | 10.18   |
| A / A2  | 1,765,942                               | 4.63  | 6.78  |
| A- / A3                                       | 6,757,539                               | 17.71   | 19.03   |
| BBB+ / Baa1                                   | 10,019,617                              | 26.26   | 19.49   |
| BBB / Baa2                                    | 6,291,599                               | 16.49   | 19.35   |
| BBB- / Baa3                                   | 4,590,087                               | 12.03   | 11.37   |
| Not rated debt securities                     | 656,041                                 | 1.72  | 3.99  |
| Accrued interest on fixed income securities   | 371,050                                 | 0.97  | 0.89  |
| <b>Portfolio of investments</b>               | <b>37,833,602</b>                       | <b>99.15</b>  | <b>99.19</b>  |
| <b>Other net assets</b>                       | <b>324,481</b>                          | <b>0.85</b>   | <b>0.81</b>   |
| <b>Net assets attributable to unitholders</b> | <b>38,158,083</b>                       | <b>100.00</b>   | <b>100.00</b>   |

## **SCHRODER SHORT DURATION BOND**

*(a sub-fund of Schroder International Opportunities Portfolio)*

*Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006*

### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2023*

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These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### **1. General**

Schroder Short Duration Bond (the “Fund”) is a sub-fund of Schroder International Opportunities Portfolio, a Singapore umbrella fund constituted by a Deed of Trust dated 3 January 2006 (and as amended, restated and supplemented from time to time) (thereafter referred to as “Trust Deed”). The Trust Deed is governed in accordance with the laws of the Republic of Singapore. The Manager of the Fund is Schroder Investment Management (Singapore) Ltd and the Trustee is HSBC Institutional Trust Services (Singapore) Limited.

The Fund, which was launched on 25 October 2021, aims to achieve capital preservation and growth over the medium to long term by investing primarily in a diversified portfolio of investment grade debt securities primarily denominated in USD issued by governments, government agencies, supra-national and corporate borrowers across Asia (ex Japan) debt markets.

The Fund is single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/or switching in and out of the Fund. This is known as “dilution”. In order to counter this and to protect unitholders’ interests, the Manager will apply “dilution adjustment” as part of its daily valuation policy. This will mean that in certain circumstances the Manager (if in its opinion in good faith it is in the interest of unitholders to do so) will make adjustments in the calculations of the net asset value per unit, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

The need to make a dilution adjustment will depend upon the net value of subscriptions, switching and redemptions received by the Fund for each dealing day. The Manager therefore reserves the right to make a dilution adjustment where the Fund experiences a net cash movement which exceeds a threshold of the previous dealing day’s total net asset value.

Any dilution adjustment as at the last dealing day of the year will be disclosed under units in issue.

## SCHRODER SHORT DURATION BOND

(a sub-fund of Schroder International Opportunities Portfolio)

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

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## 2. Material accounting policies

### 2.1 Changes in material accounting policies - material accounting policy information

The Fund adopted Amendments to FRS 1: *Presentation of Financial Statements* for the first time for the annual period beginning 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

### 2.2 The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.1, which addressed changes in material accounting policies. The Fund has applied new FRSs, amendments to and interpretations of the FRSs that became effective for the annual period beginning on 1 January 2023. Other than described in note 2.1, the application of these new FRSs, amendments to and interpretations of the FRSs does not have a material effect on the Fund's financial statements.

#### (a) Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of financial instruments at fair value through profit or loss, and in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") revised and issued by the Institute of Singapore Chartered Accountants.

#### (b) Recognition of income

Interest income on deposits is recognised on a time proportion basis using the effective interest method.

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#### 2. Material accounting policies (continued)

(c) Investments

Investments are classified as financial assets held at fair value through profit or loss. Purchases of investments are recognised on trade date. Investments are recorded at fair value on initial recognition, and subsequently carried at fair value.

The fair value of financial assets and liabilities traded in active markets is based on market mid prices for debt securities on the reporting date. Accrued interest or discount or premium on debt securities at the reporting date are included in the fair value of debt securities. Interest income on debt securities is presented within net gains or losses on investments on the Statement of Total Return. Net changes in fair value of investments are included in the Statement of Total Return in the year in which they arise.

Investments are derecognised on the trade date of disposal. Net gains or losses on investments are taken up in the Statement of Total Return.

(d) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(e) Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(f) Bank balances

Bank balances comprise cash at banks which are subject to an insignificant risk of changes in value.

(g) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

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#### 2. Material accounting policies (continued)

(h) Foreign currency translation

The Fund may hold assets and liabilities denominated in currencies other than United States dollars. The financial statements are presented in United States dollars, which is the Fund's functional and presentation currency.

Foreign currency transactions during the year are translated into United States dollars at the rates of exchange ruling on the transaction dates. Foreign currency monetary assets and liabilities are translated into United States dollars at the rates of exchange ruling at the reporting date. Foreign exchange gains or losses resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates of foreign currency monetary assets and liabilities, are taken to the Statement of Total Return.

(i) Financial derivatives

Financial derivatives are recognised at fair value on the date in which a financial derivative contract is entered into and are subsequently re-measured at their fair values. Fair values are obtained from quoted market prices in active markets, including recent market transactions. A financial derivative is carried as an asset when its fair value is positive, and as a liability when its fair value is negative.

Net gains or losses on financial derivatives held for protection or enhancement of investments are taken to the Statement of Total Return as gains or losses on financial derivatives.

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

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#### 2. Material accounting policies (continued)

(k) Distribution

The Manager shall have the absolute discretion to determine whether a distribution is to be made. In the event that the Manager determines that a distribution will be made, an amount required to effect such a distribution shall be transferred to a distribution account for payment on distribution date. This amount shall not be treated as part of the property of the Fund.

Distribution is accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

#### 3. Income tax

The Fund has been approved by the Monetary Authority of Singapore (MAS) under the Enhanced-Tier Fund (ETF) Scheme (section 13U of the Income Tax Act 1947 and the relevant regulations). Subject to certain conditions being met on an annual basis, the Fund enjoys Singapore corporate income tax exemption on “specified income” derived from “designated investments” for the life of the Fund. The tax exemption does not apply in the year when the relevant conditions are not met. Losses from “designated investments” are correspondingly disregarded. The terms “specified income” and “designated investments” are defined in the relevant income tax regulations.

|                    |              | For the financial<br>period from<br>26 Oct 2021<br>(date of inception)<br>to<br>31 Dec 2022 |
|--------------------|--------------|---|
|                    | 2023<br>US\$ | US\$  |
| Foreign income tax | <b>(746)</b> | 746   |

The foreign income tax represents withholding taxes imposed by certain countries on bond interest income and interest on deposits with banks. Such interest income is recorded gross of withholding tax in the Statement of Total Return. Withholding taxes are shown as a separate item in the Statement of Total Return.

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#### 4. Distributions

The Fund distributed a total of \$5,387 (2022: Nil) to Class SGD Hedged A Distribution and Class USD A Distribution unitholders on the register during the year as disclosed below.

##### 2023

##### Class SGD Hedged A Distribution

| Record date | Payment date | Distribution rate \$ per 100 units | Distribution amount \$ | Distribution amount US\$ |
|-------------|--------------|------------------------------------|------------------------|--------------------------|
| 28 Feb 2023 | 8 Mar 2023   | 0.2697                             | 27                     | 20                       |
| 31 Mar 2023 | 19 Apr 2023  | 0.2709                             | 27                     | 20                       |
| 28 Apr 2023 | 15 May 2023  | 0.3133                             | 38                     | 29                       |
| 31 May 2023 | 16 Jun 2023  | 0.3120                             | 350                    | 259                      |
| 30 Jun 2023 | 18 Jul 2023  | 0.3100                             | 348                    | 258                      |
| 31 Jul 2023 | 15 Aug 2023  | 0.3103                             | 350                    | 262                      |
| 31 Aug 2023 | 14 Sep 2023  | 0.3091                             | 349                    | 258                      |
| 29 Sep 2023 | 17 Oct 2023  | 0.3073                             | 348                    | 253                      |
| 31 Oct 2023 | 15 Nov 2023  | 0.3065                             | 345                    | 252                      |
| 30 Nov 2023 | 14 Dec 2023  | 0.3094                             | 349                    | 261                      |
| 29 Dec 2023 | 17 Jan 2024  | 0.3121                             | 354                    | 267                      |
|             |              |                                    | <u>2,885</u>           | <u>2,139</u>             |

##### Class USD A Distribution

| Record date | Payment date | Distribution rate US\$ per 100 units | Distribution amount US\$ |
|-------------|--------------|--------------------------------------|--------------------------|
| 28 Feb 2023 | 8 Mar 2023   | 0.3107                               | 31                       |
| 31 Mar 2023 | 19 Apr 2023  | 0.3121                               | 31                       |
| 28 Apr 2023 | 15 May 2023  | 0.3547                               | 36                       |
| 31 May 2023 | 16 Jun 2023  | 0.3533                               | 393                      |
| 30 Jun 2023 | 18 Jul 2023  | 0.3513                               | 392                      |
| 31 Jul 2023 | 15 Aug 2023  | 0.3519                               | 394                      |
| 31 Aug 2023 | 14 Sep 2023  | 0.3508                               | 391                      |
| 29 Sep 2023 | 17 Oct 2023  | 0.3490                               | 390                      |
| 31 Oct 2023 | 15 Nov 2023  | 0.3484                               | 391                      |
| 30 Nov 2023 | 14 Dec 2023  | 0.3521                               | 397                      |
| 29 Dec 2023 | 17 Jan 2024  | 0.3553                               | 402                      |
|             |              |                                      | <u>3,248</u>             |

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#### 5. Receivables

|                     | 2023<br>US\$ | 2022<br>US\$ |
|---------------------|--------------|--------------|
| Interest receivable | 853          | 449          |
| GST receivable      | 5,171        | 2,318        |
| Other               | 273          | 127          |
|                     | <b>6,297</b> | <b>2,894</b> |

#### 6. Financial derivatives

Financial derivative contracts comprise forward foreign exchange and futures contracts due for settlement or contractual re-pricing within a year (2022: within 3 months) from the reporting date. The contracted or underlying principal amounts of these financial derivatives and their corresponding gross fair values at the reporting date are analysed below.

|                          | Notional<br>amount<br>US\$ | Fair value<br>assets<br>US\$ | Fair value<br>liabilities<br>US\$ |
|--------------------------|----------------------------|------------------------------|-----------------------------------|
| <b>2023</b>              |                            |                              |                                   |
| Contracts:               |                            |                              |                                   |
| Forward foreign exchange | 3,016,733                  | 18,840                       | (18,004)                          |
| Futures                  | 1,093,828                  | -                            | (35,078)                          |
|                          |                            | <b>18,840</b>                | <b>(53,082)</b>                   |
| <b>2022</b>              |                            |                              |                                   |
| Contracts:               |                            |                              |                                   |
| Forward foreign exchange | 214,331                    | 4                            | (684)                             |
| Futures                  | 1,942,313                  | -                            | (422)                             |
|                          |                            | <b>4</b>                     | <b>(1,106)</b>                    |

#### 7. Payables

|  | 2023<br>US\$  | 2022<br>US\$  |
|--|---------------|---------------|
| Amount payable for dividend distribution | 669           | -             |
| Accrued management fees                  | 64            | 1             |
| Accrued trustee fees                     | 603           | 866           |
| Accrued valuation fees                   | 540           | 782           |
| Other accrued expenses                   | 16,216        | 22,474        |
|  | <b>18,092</b> | <b>24,123</b> |

**SCHRODER SHORT DURATION BOND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***8. Units in issue****Class SGD Hedged A Accumulation**

For the financial period from 26 Oct 2021 (date of inception) to 31 Dec 2022 Units

|  | <b>2023<br/>Units</b> |           |
|--|-----------------------|-----------|
| At the beginning of the financial year/period          | <b>1,000</b>          | -         |
| Created  | -                     | 1,000     |
| At the end of the financial year/period                | <b>1,000</b>          | 1,000     |
|  | <b>\$</b>             | <b>\$</b> |
| <b>Net assets attributable to unitholders</b>          | <b>1,017</b>          | 974       |
| <b>Net assets attributable to unitholders per unit</b> | <b>1.02</b>           | 0.97      |

**Class SGD Hedged A Distribution**

For the financial period from 19 Jan 2023 (date of inception) to 31 Dec 2023 Units

|  |  |                |
|--|--|----------------|
| At the beginning of the financial period               |  | -              |
| Created  |  | 114,397        |
| Cancelled  |  | (1,102)        |
| At the end of the financial period                     |  | 113,295        |
|  |  | <b>\$</b>      |
| <b>Net assets attributable to unitholders</b>          |  | <b>112,796</b> |
| <b>Net assets attributable to unitholders per unit</b> |  | <b>1.00</b>    |

**SCHRODER SHORT DURATION BOND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***8. Units in issue (continued)****Class USD A Accumulation**

For the financial  
period from  
26 Oct 2021  
(date of inception)  
to  
31 Dec 2022  
Units

|   |              |       |
|---|--------------|-------|
| At the beginning of the financial year/period | <b>1,000</b> | -     |
| Created                                       | <b>1,554</b> | 1,000 |
| At the end of the financial year/period       | <b>2,554</b> | 1,000 |

**US\$****US\$**

|   |              |     |
|---|--------------|-----|
| <b>Net assets attributable to unitholders</b> | <b>2,631</b> | 975 |
|---|--------------|-----|

|  |             |      |
|--|-------------|------|
| <b>Net assets attributable to unitholders per unit</b> | <b>1.03</b> | 0.98 |
|--|-------------|------|

**Class USD A Distribution**

For the financial  
period from  
19 Jan 2023  
(date of inception)  
to  
31 Dec 2023  
Units

|  |         |   |
|--|---------|---|
| At the beginning of the financial period | -       | - |
| Created                                  | 114,012 |   |
| Cancelled                                | (998)   |   |
| At the end of the financial period       | 113,014 |   |

**US\$**

|   |                |  |
|---|----------------|--|
| <b>Net assets attributable to unitholders</b> | <b>112,982</b> |  |
|---|----------------|--|

|  |             |  |
|--|-------------|--|
| <b>Net assets attributable to unitholders per unit</b> | <b>1.00</b> |  |
|--|-------------|--|

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|  | <b>2023<br/>Units</b> | For the financial<br>period from<br>26 Oct 2021<br>(date of inception)<br>to<br>31 Dec 2022<br>Units |
|--|-----------------------|--|
| At the beginning of the financial year/period<br>Created   | <b>1,000</b><br>-     | -<br>1,000   |
| At the end of the financial year/period                    | <b>1,000</b>          | 1,000  |
|  | <b>US\$</b>           | US\$   |
| <b>Net assets attributable to unitholders</b>              | <b>1,032</b>          | 976  |
| <b>Net assets attributable to unitholders<br/>per unit</b> | <b>1.03</b>           | 0.98   |

**Class USD I Accumulation**

|  | <b>2023<br/>Units</b>                  | For the financial<br>period from<br>26 Oct 2021<br>(date of inception)<br>to<br>31 Dec 2022<br>Units |
|--|--|--|
| At the beginning of the financial year/period<br>Created   | <b>53,783,322</b><br><b>10,336,859</b> | -<br>72,548,692  |
| Cancelled  | <b>(27,557,477)</b>                    | (18,765,370)   |
| At the end of the financial year/period                    | <b>36,562,704</b>                      | 53,783,322   |
|  | <b>US\$</b>                            | US\$   |
| <b>Net assets attributable to unitholders</b>              | <b>37,955,156</b>                      | 52,668,646   |
| <b>Net assets attributable to unitholders<br/>per unit</b> | <b>1.04</b>                            | 0.98   |

## SCHRODER SHORT DURATION BOND

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#### 8. Units in issue (continued)

The Fund currently offers 6 Classes of units, namely Class SGD Hedged A Accumulation units, Class SGD Hedged A Distribution units, Class USD A Accumulation units, Class USD A Distribution units, Class USD C Accumulation units and Class USD I Accumulation units. All 6 Classes of units constitute the Fund and have different features. The key differences between the Classes are the management fee rate, currency of denomination and distribution policy applicable to each Class. The Class SGD Hedged A Acc and Class SGD Hedged A Dis are subject to foreign exchange risk against the Fund's functional currency. The Class SGD Hedged A Dis and Class USD A Dis were incepted on 19 January 2023.

Net assets attributable to unitholders ("NAV") is apportioned between all 6 Classes of units based on the proportion of NAV of each Class, which is determined by computing the equivalent number of units of Class SGD Hedged A Acc, Class SGD Hedged A Dis, Class USD A Acc, Class USD A Dis, Class USD C Acc and Class USD I Acc units in issue. Any expense, income and/or gain which is attributable to a particular Class shall be deducted from or added to the net assets attributable to that Class.

Acc: Accumulation

Dis: Distribution

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the financial year end date is presented below:

| <b>Class SGD Hedged A Distribution</b>  | <b>2023</b> |
|---|-------------|
|   | <b>\$</b>   |
| Net assets attributable to unitholders per unit<br>per the financial statements   | <b>1.00</b> |
| Effect of distribution payable per unit   | <b>*</b>    |
| Net assets attributable to unitholders per unit<br>for issuing/redeeming of units | <b>1.00</b> |
| <b>Class USD A Distribution</b>   | <b>2023</b> |
|   | <b>US\$</b> |
| Net assets attributable to unitholders per unit<br>per the financial statements   | <b>1.00</b> |
| Effect of distribution payable per unit   | <b>*</b>    |
| Net assets attributable to unitholders per unit<br>for issuing/redeeming of units | <b>1.00</b> |

\* Less than 0.01

There is no difference between the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming of units for the Class SGD Hedged A Accumulation units, Class USD A Accumulation units, Class USD C Accumulation units and Class USD I Accumulation units.

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*For the financial year ended 31 December 2023*

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#### 9. Financial risk management

The Fund's activities expose it to a variety of risks including but not limited to market risk (including price risk, interest rate risk and currency risk), liquidity risk and credit risk.

The overall responsibility for the management of the Fund's financial risks lies with the Manager whom, among other things, will regularly assess the economic condition, monitor changes in market outlook and take appropriate measures accordingly to manage the Fund's exposure to these risks. The Manager may from time to time employ derivatives including but not limited to options, futures and currency forwards, subject to the terms of the Trust Deed, for the purpose of efficient portfolio management.

The data used and assumptions made in the sensitivity analyses below may not reflect actual market conditions, nor is it representative of any potential future market conditions. The sensitivity analyses can be complex and the disclosures made here are not exhaustive. The market exposures change regularly and the assumptions made below may not be representative of the risk taken throughout the year. The sensitivity analyses below should not be solely relied upon by investors in their investment decision making.

(a) Market risk

Market risk is the risk of potential adverse changes to the value of financial instruments because of changes in market conditions such as interest rate and currency rate movements and volatility in security prices.

The Fund's investments are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager conducts detailed analysis before making investment decisions, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net asset value of the Fund. The Manager may also select other financial instruments within the investment guidelines as set out in the Fund's Trust Deed. Guidelines are set to reduce the Fund's risk exposure to market volatility through diversifying the portfolio by investing across various geographies, industry sectors and issuers where permitted.

The reference benchmark which the performance of the Fund may be measured against is the ICE BofA 3-month US Treasury Bill index.

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#### 9. Financial risk management (continued)

##### (a) Market risk (continued)

At reporting date, the Fund's assets principally consist of quoted debt securities and bank balances. The Fund's exposure to market risks are discussed below:

##### (i) Price risk

The Fund has insignificant exposure to price risk, therefore a sensitivity analysis has not been presented.

##### (ii) Interest rate risk

The Fund's interest-bearing financial instruments expose it to risks associated with the effect of fluctuations in the prevailing levels of market interest rates, which will affect the value of these financial instruments and therefore the financial position and cash flows of the Fund. Interest rate risk represents a significant component of the market risk of the Fund.

The Manager will regularly assess the economic condition, monitor changes in interest rates outlook, and invest in debt securities with different maturity profiles and may use derivatives to manage the Fund's interest rate risk.

The table below summarises the Fund's exposure to interest rate risk. They include the Fund's trading assets and liabilities at fair value, categorised by the earlier of contractual re-pricing or maturity dates.

|                          | As at 31 December 2023  |                      |                         |                                     |                   |
|--------------------------|-------------------------|----------------------|-------------------------|-------------------------------------|-------------------|
|                          | Up to 1<br>year<br>US\$ | 1-5<br>years<br>US\$ | Over 5<br>years<br>US\$ | Non-<br>interest<br>bearing<br>US\$ | Total<br>US\$     |
| <b>Assets</b>            |                         |                      |                         |                                     |                   |
| Portfolio of investments | 13,414,326              | 13,817,149           | 10,231,077              | 371,050                             | 37,833,602        |
| Bank balances            | 307,019                 | -                    | -                       | -                                   | 307,019           |
| Receivables              | -                       | -                    | -                       | 6,297                               | 6,297             |
| Financial derivatives    | -                       | -                    | -                       | 18,840                              | 18,840            |
| Margin account           | 63,499                  | -                    | -                       | -                                   | 63,499            |
| <b>Total assets</b>      | <b>13,784,844</b>       | <b>13,817,149</b>    | <b>10,231,077</b>       | <b>396,187</b>                      | <b>38,229,257</b> |
| <b>Liabilities</b>       |                         |                      |                         |                                     |                   |
| Payables                 | -                       | -                    | -                       | 18,092                              | 18,092            |
| Financial derivatives    | -                       | -                    | -                       | 53,082                              | 53,082            |
| <b>Total liabilities</b> | <b>-</b>                | <b>-</b>             | <b>-</b>                | <b>71,174</b>                       | <b>71,174</b>     |

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#### 9. Financial risk management (continued)

##### (a) Market risk (continued)

##### (ii) Interest rate risk (continued)

|                          | As at 31 December 2022  |                      |                         |                                     |                   |
|--------------------------|-------------------------|----------------------|-------------------------|-------------------------------------|-------------------|
|                          | Up to 1<br>year<br>US\$ | 1-5<br>years<br>US\$ | Over 5<br>years<br>US\$ | Non-<br>interest<br>bearing<br>US\$ | Total<br>US\$     |
| <b>Assets</b>            |                         |                      |                         |                                     |                   |
| Portfolio of investments | 12,908,964              | 31,340,017           | 7,526,560               | 469,148                             | 52,244,689        |
| Bank balances            | 298,665                 | -                    | -                       | -                                   | 298,665           |
| Receivables              | -                       | -                    | -                       | 2,894                               | 2,894             |
| Financial derivatives    | -                       | -                    | -                       | 4                                   | 4                 |
| Margin account           | 150,301                 | -                    | -                       | -                                   | 150,301           |
| <b>Total assets</b>      | <b>13,357,930</b>       | <b>31,340,017</b>    | <b>7,526,560</b>        | <b>472,046</b>                      | <b>52,696,553</b> |
| <b>Liabilities</b>       |                         |                      |                         |                                     |                   |
| Payables                 | -                       | -                    | -                       | 24,123                              | 24,123            |
| Financial derivatives    | -                       | -                    | -                       | 1,106                               | 1,106             |
| <b>Total liabilities</b> | <b>-</b>                | <b>-</b>             | <b>-</b>                | <b>25,229</b>                       | <b>25,229</b>     |

As at reporting date, the Fund's notional exposure on derivative contracts to interest rate risk were as follows:

|                      | 2023<br>Total Notional in<br>US\$ | 2022<br>Total Notional in<br>US\$ |
|----------------------|-----------------------------------|-----------------------------------|
| Bond futures (short) | 1,093,828                         | 1,942,313                         |

The table below summarises the potential impact of increases/decreases in each of the Fund's reference interest rates on the Fund's net assets attributable to unitholders as at reporting date. The Fund's exposure to interest rate risks arises mainly from debt securities and the analysis is based on the assumption that each of the Fund's reference interest rates increases/decreases by a reasonable possible shift, with all other variables held constant, and that the fair value of the Fund's investments in debt securities moves inversely to the interest rate changes. This represents the Manager's best estimate of a reasonable possible shift in each of the reference interest rates, having regard to their historical movement.

| Currency<br>denomination<br>of debt<br>securities | 2023<br>Reasonable<br>possible<br>change<br>bps | 2023<br>Impact on<br>net assets<br>attributable to<br>unitholders<br>US\$ | 2022<br>Reasonable<br>possible<br>change<br>bps | 2022<br>Impact on<br>net assets<br>attributable to<br>unitholders<br>US\$ |
|---|---|---|---|---|
| USD   | 63  | 432,377   | 57  | 609,694   |

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#### 9. Financial risk management (continued)

(a) Market risk (continued)

(iii) Currency risk

The Fund may hold monetary and non-monetary assets and liabilities denominated in currencies other than United States dollars. Consequently, the Fund may be exposed to currency risk since the value of these assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates. The Manager monitors the exposure on all foreign currency denominated assets and liabilities and may manage the currency risks by hedging some or all of the currency risk exposure through derivatives such as forward currency contracts, currency futures, currency swap agreements or currency options, or alternatively increase exposure to preferred foreign currencies.

The table below summarises the Fund's exposure to foreign currencies from its monetary and non-monetary assets and liabilities:

|  | As at 31 December 2023 |                |               |                   |                   |
|--|------------------------|----------------|---------------|-------------------|-------------------|
|  | CNH<br>US\$            | EUR<br>US\$    | SGD<br>US\$   | USD<br>US\$       | Total<br>US\$     |
| <b>Assets</b>  |                        |                |               |                   |                   |
| Portfolio of investments                             | 990,503                | 216,514        | -             | 36,626,585        | 37,833,602        |
| Bank balances  | 2,108                  | 1,279          | 608           | 303,024           | 307,019           |
| Receivables  | -                      | 1              | 5,171         | 1,125             | 6,297             |
| Margin account                                       | -                      | -              | -             | 63,499            | 63,499            |
| <b>Total assets</b>                                  | <b>992,611</b>         | <b>217,794</b> | <b>5,779</b>  | <b>36,994,233</b> | <b>38,210,417</b> |
| <b>Liabilities</b>                                   |                        |                |               |                   |                   |
| Payables   | -                      | -              | 16,811        | 1,281             | 18,092            |
| Financial derivatives (excluding currency contracts) | -                      | -              | -             | 35,078            | 35,078            |
| <b>Total liabilities</b>                             | <b>-</b>               | <b>-</b>       | <b>16,811</b> | <b>36,359</b>     | <b>53,170</b>     |
| <b>Net financial assets/ (liabilities)</b>           |                        |                |               |                   |                   |
|  | 992,611                | 217,794        | (11,032)      | 36,957,874        | 38,157,247        |
| Currency forward                                     | (989,041)              | (208,166)      | 85,330        | 1,111,877         |                   |
| <b>Currency exposure</b>                             | <b>3,570</b>           | <b>9,628</b>   | <b>74,298</b> | <b>38,069,751</b> |                   |

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**9. Financial risk management (continued)****(a) Market risk (continued)****(iii) Currency risk (continued)**

|  | As at 31 December 2022 |                |                 |                   |                   |
|--|------------------------|----------------|-----------------|-------------------|-------------------|
|  | EUR<br>US\$            | HKD<br>US\$    | SGD<br>US\$     | USD<br>US\$       | Total<br>US\$     |
| <b>Assets</b>  |                        |                |                 |                   |                   |
| Portfolio of investments                             | 214,032                | 547,198        | -               | 51,483,459        | 52,244,689        |
| Bank balances  | 332                    | -              | 191             | 298,142           | 298,665           |
| Receivables  | -                      | -              | 2,318           | 576               | 2,894             |
| Margin account                                       | -                      | -              | -               | 150,301           | 150,301           |
| <b>Total assets</b>                                  | <b>214,364</b>         | <b>547,198</b> | <b>2,509</b>    | <b>51,932,478</b> | <b>52,696,549</b> |
| <b>Liabilities</b>                                   |                        |                |                 |                   |                   |
| Payables   | -                      | -              | 21,398          | 2,725             | 24,123            |
| Financial derivatives (excluding currency contracts) | -                      | -              | -               | 422               | 422               |
| <b>Total liabilities</b>                             | <b>-</b>               | <b>-</b>       | <b>21,398</b>   | <b>3,147</b>      | <b>24,545</b>     |
| <b>Net financial assets/ (liabilities)</b>           | <b>214,364</b>         | <b>547,198</b> | <b>(18,889)</b> | <b>51,929,331</b> | <b>52,672,004</b> |
| Currency forward                                     | (213,607)              | -              | 721             | 212,886           |                   |
| <b>Currency exposure</b>                             | <b>757</b>             | <b>547,198</b> | <b>(18,168)</b> | <b>52,142,217</b> |                   |

## SCHRODER SHORT DURATION BOND

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 9. Financial risk management (continued)

(a) Market risk (continued)

(iii) Currency risk (continued)

The following table shows the sensitivity of the Fund's monetary and non-monetary assets and liabilities to foreign currency exposure should the currencies increase or decrease against the Fund's functional currency with all other variables held constant.

| Currency | 2023                         |   | 2022                         |   |
|----------|------------------------------|---|------------------------------|---|
|          | Reasonable possible change % | Impact on net assets attributable to unitholders US\$ | Reasonable possible change % | Impact on net assets attributable to unitholders US\$ |
| CNH      | 4                            | 143   | -                            | -   |
| EUR      | 5                            | 481   | 4                            | 30  |
| HKD      | -                            | -   | *                            | 1,970   |
| SGD      | 3                            | 2,229   | 3                            | (545)   |

\* Less than 1

(b) Liquidity risk

The Fund's liquidity risk arises mainly from redemptions of units. The Fund invests the majority of its assets in investments that are traded in active markets. However, liquidity may be poor in certain segments of the Asian bond markets (e.g. selective corporate bonds) and China Interbank Bond Market, particularly in times of risk aversion. Therefore, the Manager considers liquidity as one of the key risks in Asian fixed income investing. Given this, at all stages of the investment process, the Manager takes into account liquidity and its impact on the overall portfolio and emphasises diversification across the portfolio's credit exposures.

The Fund has the ability to borrow in the short-term for the purposes of meeting redemptions and short-term bridging requirements. Dedicated personnel are responsible for monitoring the Fund's liquidity position on a daily basis to ensure that sufficient cash resources and liquid assets are available to meet liabilities as and when they fall due.

Units are redeemable at the holder's option. However, the Manager also has the option to limit redemption requests to 10% of the total number of units then in issue on each dealing day, with the approval of the Trustee.

## SCHRODER SHORT DURATION BOND

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For the financial year ended 31 December 2023

#### 9. Financial risk management (continued)

##### (b) Liquidity risk (continued)

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying values as the impact of discounting is not significant.

|                       | As at 31 December 2023        |                                  |               |
|-----------------------|-------------------------------|----------------------------------|---------------|
|                       | Less than<br>3 months<br>US\$ | 3 months<br>to<br>1 year<br>US\$ | Total<br>US\$ |
| Payables              | 18,092                        | -                                | 18,092        |
| Financial derivatives | 46,869                        | 6,213                            | 53,082        |
|                       |                               |                                  |               |
|                       |                               | As at 31 December 2022           |               |
|                       |                               | Less than 3 months<br>US\$       |               |
| Payables              |                               | 24,123                           |               |
| Financial derivatives |                               | 1,106                            |               |

All financial derivatives are disclosed above based on fair value as at the reporting date. Realised gains or losses on forward foreign exchange and futures contracts are settled on maturity date. The notional amounts of all financial derivatives are disclosed in Note 6.

##### (c) Credit risk

The Fund takes on exposure to credit risk arising mainly from its investments in debt securities where issuers may be unable to meet their financial obligations, such as payments of principal and/or interest on an instrument. In addition, an issuer may suffer adverse changes in its financial condition that could lower the credit quality of the security. A change in the credit rating of a security can also affect the security's liquidity and make it more difficult to sell.

The Fund may also invest up to 30% of its assets into investment grade debt securities issued by governments, government agencies, supra-national and corporate borrowers outside Asia (ex Japan) debt markets for diversification purposes. An analysis of the credit ratings of the Fund's investments has been disclosed in the Statement of Portfolio.

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#### 9. Financial risk management (continued)

##### (c) Credit risk (continued)

Impairment allowances are made for losses that have been incurred by the reporting date, if any. The Manager has in place procedures for proper credit screening and monitoring of credit risk, including the use of approved counterparties with credit limits set and subject to specified financial strength criteria. Exposure against all counterparties is then monitored on a daily basis. In addition, the Manager uses detailed credit research processes in the investment processes employed in respect of the Fund.

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default, considering both historical analysis and forward looking information in determining any expected credit loss. As at 31 December 2023 and 31 December 2022, the Fund's financial assets (except portfolio of investments and/or financial derivatives) as disclosed in the Statement of Financial Position are realised within three months. The Manager considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

All transactions in quoted securities are settled/paid upon delivery using approved brokers. The risk of default is deemed to be low, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund's exposure to credit risk also arises from its bank balances and assets held with custodians and counterparties. The table below summarises the credit rating of banks, custodians and counterparties with whom the Fund's assets are held as at reporting date.

| As at 31 December 2023                                | Credit rating | Source of credit rating |
|---|---------------|-------------------------|
| <b><u>Bank &amp; Custodian</u></b>                    |               |                         |
| The Hongkong and Shanghai Banking Corporation Limited | a2            | Moody's                 |
| <b><u>Counterparty</u></b>                            |               |                         |
| Barclays Bank PLC                                     | baa2          | Moody's                 |
| BNP Paribas SA  | baa1          | Moody's                 |
| Citibank NA   | baa1          | Moody's                 |
| Goldman Sachs Bank                                    | baa1          | Moody's                 |
| State Street Bank & Trust Co                          | a1            | Moody's                 |
| The Hongkong and Shanghai Banking Corporation Limited | a2            | Moody's                 |
| UBS AG  | a3            | Moody's                 |

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

#### 9. Financial risk management (continued)

##### (c) Credit risk (continued)

| As at 31 December 2022                                | Credit rating | Source of credit rating |
|---|---------------|-------------------------|
| <b><u>Bank &amp; Custodian</u></b>                    |               |                         |
| The Hongkong and Shanghai Banking Corporation Limited | a2            | Moody's                 |
| <b><u>Counterparty</u></b>                            |               |                         |
| State Street Bank & Trust Co                          | a1            | Moody's                 |
| The Hongkong and Shanghai Banking Corporation Limited | a2            | Moody's                 |
| UBS AG  | a3            | Moody's                 |

The credit ratings shown are the Baseline Credit Assessment ratings as published by Moody's.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

##### (d) Fair value estimation

The fair value of financial instruments is based on quoted market prices as at the reporting date. The quoted market price used for debt securities is the market mid price and the quoted market price used for other financial assets is the current bid price; the appropriate quoted market price used for financial liabilities is the current asking price.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

**SCHRODER SHORT DURATION BOND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***9. Financial risk management (continued)****(d) Fair value estimation (continued)**

The following table analyses within the fair value hierarchy the Fund's financial instruments measured at fair value at reporting date:

|   | As at 31 December 2023 |                 |                 |               |
|---|------------------------|-----------------|-----------------|---------------|
|   | Level 1<br>US\$        | Level 2<br>US\$ | Level 3<br>US\$ | Total<br>US\$ |
| <b>Assets</b>   |                        |                 |                 |               |
| Financial assets at fair value through profit or loss |                        |                 |                 |               |
| Debt securities                                       | -                      | 37,833,602      | -               | 37,833,602    |
| Financial derivatives                                 | -                      | 18,840          | -               | 18,840        |
|   | -                      | 37,852,442      | -               | 37,852,442    |

|  |        |        |   |        |
|--|--------|--------|---|--------|
| <b>Liabilities</b>   |        |        |   |        |
| Financial liabilities at fair value through profit or loss |        |        |   |        |
| Financial derivatives                                      | 35,078 | 18,004 | - | 53,082 |

|   | As at 31 December 2022 |                 |                 |               |
|---|------------------------|-----------------|-----------------|---------------|
|   | Level 1<br>US\$        | Level 2<br>US\$ | Level 3<br>US\$ | Total<br>US\$ |
| <b>Assets</b>   |                        |                 |                 |               |
| Financial assets at fair value through profit or loss |                        |                 |                 |               |
| Debt securities                                       | -                      | 52,244,689      | -               | 52,244,689    |
| Financial derivatives                                 | -                      | 4               | -               | 4             |
|   | -                      | 52,244,693      | -               | 52,244,693    |

|  |     |     |   |       |
|--|-----|-----|---|-------|
| <b>Liabilities</b>   |     |     |   |       |
| Financial liabilities at fair value through profit or loss |     |     |   |       |
| Financial derivatives                                      | 422 | 684 | - | 1,106 |

## SCHRODER SHORT DURATION BOND

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#### 9. Financial risk management (continued)

##### (d) Fair value estimation (continued)

Investments in exchange traded derivatives whose values are based on quoted market prices in active markets are classified within level 1. The quoted price for these financial instruments is not adjusted.

Financial instruments that trade in markets not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include government and corporate debt securities and over-the-counter derivatives.

There are no financial instruments classified within level 3.

Except for bank balances and margin account which are classified as level 1, the Fund's assets and liabilities not measured at fair value at reporting date have been classified as level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the reporting date.

##### (e) Offsetting financial assets and financial liabilities

The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements or similar agreements.

The gross and net positions of financial assets and liabilities that have been offset in the Statement of Financial Position are disclosed in the first three columns of the tables below.

| <u>2023</u>              | Gross amounts of recognised financial assets<br>US\$ | Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position<br>US\$ | Net amounts of financial assets presented in the Statement of Financial Position<br>US\$ | Related amounts not set-off in the Statement of Financial Position |                         |                    |
|--------------------------|--|--|--|--|-------------------------|--------------------|
|                          |  |  |  | Financial instruments<br>US\$                                      | Cash collateral<br>US\$ | Net amount<br>US\$ |
| Contracts:               |  |  |  |  |                         |                    |
| Forward foreign exchange | 18,840   | -  | 18,840   | (3,194)  | -                       | 15,646             |

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For the financial year ended 31 December 2023

**9. Financial risk management (continued)****(e) Offsetting financial assets and financial liabilities (continued)**

| <u>2023</u>              | Gross amounts of recognised financial liabilities<br>US\$ | Gross amounts of recognised financial assets set-off in the Statement of Financial Position<br>US\$      | Net amounts of financial liabilities presented in the Statement of Financial Position<br>US\$ | Related amounts not set-off in the Statement of Financial Position |                         |                    |
|--------------------------|---|--|---|--|-------------------------|--------------------|
|                          |   |  |   | Financial instruments<br>US\$                                      | Cash collateral<br>US\$ | Net amount<br>US\$ |
| Contracts:               |   |  |   |  |                         |                    |
| Forward foreign exchange | 18,004  | -  | 18,004  | (3,194)  | -                       | 14,810             |
| Futures                  | 35,078  | -  | 35,078  | -  | (35,078)                | -                  |
| <u>2022</u>              |   |  |   |  |                         |                    |
|                          | Gross amounts of recognised financial assets<br>US\$      | Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position<br>US\$ | Net amounts of financial assets presented in the Statement of Financial Position<br>US\$      | Financial instruments<br>US\$                                      | Cash collateral<br>US\$ | Net amount<br>US\$ |
| Contracts:               |   |  |   |  |                         |                    |
| Forward foreign exchange | 4   | -  | 4   | -  | -                       | 4                  |
| <u>2022</u>              |   |  |   |  |                         |                    |
|                          | Gross amounts of recognised financial liabilities<br>US\$ | Gross amounts of recognised financial assets set-off in the Statement of Financial Position<br>US\$      | Net amounts of financial liabilities presented in the Statement of Financial Position<br>US\$ | Financial instruments<br>US\$                                      | Cash collateral<br>US\$ | Net amount<br>US\$ |
| Contracts:               |   |  |   |  |                         |                    |
| Forward foreign exchange | 684   | -  | 684   | -  | -                       | 684                |
| Futures                  | 422   | -  | 422   | -  | (422)                   | -                  |

**(f) Capital management**

The Fund's capital is represented by the net assets attributable to unitholders. The Fund strives to invest the subscriptions of units in investments that meet the Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

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#### 10. Related party disclosure

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Trustee is HSBC Institutional Trust Services (Singapore) Limited. The Registrar for the Fund is The Hongkong and Shanghai Banking Corporation Limited. Both Trustee and Registrar are subsidiaries of the HSBC Group. The management fees paid to the Manager and registration fees paid to the Registrar; trustee fees, valuation fees and custodian fees charged by, and interest earned on deposits with, the HSBC Group are shown in the Statement of Total Return.

As at reporting date, the Fund maintained with the HSBC Group, the following bank balances:

|                  | <b>2023</b>    | 2022    |
|------------------|----------------|---------|
|                  | <b>US\$</b>    | US\$    |
| Current accounts | <b>307,019</b> | 298,665 |

#### 11. Margin account

|                | <b>2023</b>   | 2022    |
|----------------|---------------|---------|
|                | <b>US\$</b>   | US\$    |
| Margin account | <b>63,499</b> | 150,301 |

Margin account represents the margin deposit amount held with a broker. The potential effect of offsetting arrangement is disclosed in Note 9(e).

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|   | <b>2023</b>   |                            |                                       |                            |
|---|---|----------------------------|---------------------------------------|----------------------------|
|   | <b>Class SGD<br/>Hedged<br/>A Acc</b>   | <b>Class USD<br/>A Acc</b> | <b>Class USD<br/>C Acc</b>            | <b>Class USD<br/>I Acc</b> |
| Expense ratio <sup>1</sup>              | <b>0.43%</b>  | <b>0.43%</b>               | <b>0.31%</b>                          | <b>0.12%</b>               |
|   | <b>For the financial period from<br/>19 Jan 2023<br/>(date of inception)<br/>to<br/>31 Dec 2023</b> |                            |                                       |                            |
|   |   |                            | <b>Class SGD<br/>Hedged<br/>A Dis</b> | <b>Class USD<br/>A Dis</b> |
| Expense ratio <sup>1</sup> (annualised) |   |                            | <b>0.52%</b>                          | <b>0.52%</b>               |
|   | <b>For the financial period from<br/>26 Oct 2021<br/>(date of inception)<br/>to<br/>31 Dec 2022</b> |                            |                                       |                            |
|   | <b>Class SGD<br/>Hedged<br/>A Acc</b>   | <b>Class USD<br/>A Acc</b> | <b>Class USD<br/>C Acc</b>            | <b>Class USD<br/>I Acc</b> |
| Expense ratio <sup>1</sup> (annualised) | 0.49%   | 0.42%                      | 0.36%                                 | 0.18%                      |
|   |   |                            | <b>2023<br/>Fund</b>                  | <b>2022<br/>Fund</b>       |
| Turnover ratio <sup>2</sup>             |   |                            | <b>136.70%</b>                        | 92.82%                     |

<sup>1</sup> The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio was based on annualised total operating expenses divided by the average net asset values for each Class for the year. The total operating expenses do not include brokerage and other transaction costs, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. Expenses which are common to all Classes are apportioned based on the proportion of NAV of each Class. The Fund does not pay any performance fee. The respective values used in the calculation of the expense ratio are disclosed below. The average net asset values are based on the daily balances.

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| Expense ratio calculations | 2023      |           |           |            |
|----------------------------|-----------|-----------|-----------|------------|
|                            | Class SGD | Class USD | Class USD | Class USD  |
|                            | Hedged    | A Acc     | C Acc     | I Acc      |
|                            | A Acc     | A Acc     | C Acc     | I Acc      |
|                            | US\$      | US\$      | US\$      | US\$       |
| Total operating expenses   | 3         | 7         | 3         | 44,328     |
| Average net asset value    | 740       | 1,664     | 1,001     | 36,978,397 |

For the financial period from  
19 Jan 2023  
(date of inception)  
to  
31 Dec 2023

| Expense ratio calculations | Class SGD | Class USD |
|----------------------------|-----------|-----------|
|                            | Hedged    | A Dis     |
|                            | A Dis     | A Dis     |
|                            | US\$      | US\$      |
| Total operating expenses   | 281       | 374       |
| Average net asset value    | 57,635    | 76,366    |

For the financial period from  
26 Oct 2021  
(date of inception)  
to  
31 Dec 2022

| Expense ratio calculations | Class SGD | Class USD | Class USD | Class USD  |
|----------------------------|-----------|-----------|-----------|------------|
|                            | Hedged    | A Acc     | C Acc     | I Acc      |
|                            | A Acc     | A Acc     | C Acc     | I Acc      |
|                            | US\$      | US\$      | US\$      | US\$       |
| Total operating expenses   | 4         | 5         | 4         | 81,697     |
| Average net asset value    | 713       | 981       | 981       | 38,322,328 |

- <sup>2</sup> The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower value of purchases or sales of the underlying investments divided by the average daily net asset value.

| Turnover ratio calculations | 2023       |             | For the financial period from<br>26 Oct 2021<br>(date of inception)<br>to<br>31 Dec 2022 |         |
|-----------------------------|------------|-------------|--|---------|
|                             | Fund       |             | Fund   |         |
|                             | US\$       |             | US\$   |         |
|                             | US\$       | (purchases) | US\$   | (sales) |
| Lower of purchases or sales | 50,736,509 | (purchases) | 35,571,598   | (sales) |
| Average net asset value     | 37,115,803 |             | 38,325,003   |         |

## **SCHRODER SHORT DURATION BOND**

***(a sub-fund of Schroder International Opportunities Portfolio)***

*Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006*

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*For the financial year ended 31 December 2023*

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#### **13. Comparatives**

The 2022 comparative figures are not comparable as the figures were for the financial period from 26 October 2021 (date of inception) to 31 December 2022.

## REPORT TO UNITHOLDERS

31 December 2023

The following is a report on the Schroder Short Duration Bond (the “Fund”):

1. Top 10 holdings of the Fund as at 31 December 2023:

|   | Fair value<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>% |
|---|--------------------|--|
| Woori Bank 4.75% 30 Apr 2024  | 598,143            | 1.57   |
| Bank of China Ltd 5% 13 Nov 2024                                      | 597,081            | 1.56   |
| Wuhan Metro Group Co Ltd EMTN 1.58% 3 Nov 2024                        | 578,590            | 1.52   |
| Weibo Corp 3.5% 5 Jul 2024  | 494,693            | 1.30   |
| CMB Intl Leasing Management Ltd EMTN 3% 3 Jul 2024                    | 494,088            | 1.29   |
| SA Global Sukuk Ltd 0.946% 17 Jun 2024                                | 489,688            | 1.28   |
| Zhongsheng Group Hldg Ltd 3% 13 Jan 2026                              | 466,556            | 1.22   |
| Meituan Convertible Bond 27 Apr 2027                                  | 457,500            | 1.20   |
| Competition Team Technologies Ltd 3.75% 12 Mar 2024                   | 448,318            | 1.17   |
| Guangzhou Metro Investment Finance BVI Ltd EMTN<br>2.609% 14 Nov 2024 | 439,715            | 1.15   |

Top 10 holdings of the Fund as at 31 December 2022:

|   | Fair value<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>% |
|---|--------------------|--|
| US Treasury Bill 10 Aug 2023                                      | 1,556,893          | 2.95   |
| Industrial Bank of Korea 5.125% 25 Oct 2024                       | 999,478            | 1.90   |
| Haitong Intl Securities Group Ltd 2.125% 2 Jul 2023               | 737,614            | 1.40   |
| SA Global Sukuk Ltd 0.946% 17 Jun 2024                            | 706,253            | 1.34   |
| Perusahaan Penerbit SBSN Indonesia III 4.55%<br>29 Mar 2026       | 700,881            | 1.34   |
| Eastern Creation II Investment Hldg Ltd EMTN 1.35%<br>20 Oct 2024 | 700,136            | 1.33   |
| Sunny Optical Technology Group Co Ltd 3.75%<br>23 Jan 2023        | 599,435            | 1.15   |
| MAF Global Securities Ltd 4.75% 7 May 2024                        | 593,063            | 1.13   |
| Oversea-Chinese Banking Corp Ltd 4.25% 19 Jun 2024                | 592,728            | 1.12   |
| KEB Hana Bank 4.375% 30 Sep 2024                                  | 585,027            | 1.11   |

The Fund was not invested in other unit trusts, mutual funds or collective investment schemes as at 31 December 2023. For the full composition of investments of the Fund as at 31 December 2023 and an analysis of the investments by credit ratings, refer to the Statement of Portfolio on pages 13 to 20.

## REPORT TO UNITHOLDERS

31 December 2023

2. The Fund has the following exposure to financial derivatives as at 31 December 2023:

|                          | Fair value<br>US\$ | Percentage<br>of total net<br>assets<br>attributable<br>to<br>unitholders<br>% |
|--------------------------|--------------------|--|
| Contracts:               |                    |  |
| Forward foreign exchange | 836                | *  |
| Futures                  | (35,078)           | (0.09)   |

\* Less than 0.01

The net loss on financial derivatives realised in the period 1 January 2023 to 31 December 2023 amounted to US\$150,753.

The net loss on outstanding financial derivatives marked to market as at 31 December 2023 amounted to US\$34,242.

3. The Fund did not have any borrowings as at 31 December 2023.

4. The amount of subscriptions and redemptions in the period 1 January 2023 to 31 December 2023 were as follows:

|               | US\$       |
|---------------|------------|
| Subscriptions | 10,719,181 |
| Redemptions   | 27,555,170 |

5. Expense Ratio

Class SGD Hedged A Accumulation

1 January 2023 to 31 December 2023 0.43%

26 October 2021 (date of inception) to 31 December 2022 (annualised) 0.49%

Class SGD Hedged A Distribution

19 January 2023 (date of inception) to 31 December 2023 (annualised) 0.52%

Class USD A Accumulation

1 January 2023 to 31 December 2023 0.43%

26 October 2021 (date of inception) to 31 December 2022 (annualised) 0.42%

## REPORT TO UNITHOLDERS

31 December 2023

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### Class USD A Distribution

19 January 2023 (date of inception) to 31 December 2023 (annualised) 0.52%

### Class USD C Accumulation

1 January 2023 to 31 December 2023 0.31%

26 October 2021 (date of inception) to 31 December 2022 (annualised) 0.36%

### Class USD I Accumulation

1 January 2023 to 31 December 2023 0.12%

26 October 2021 (date of inception) to 31 December 2022 (annualised) 0.18%

## 6. Turnover of Portfolio

1 January 2023 to 31 December 2023 136.70%

26 October 2021 (date of inception) to 31 December 2022 92.82%

## 7. Soft dollar commissions/arrangements:

In the management of the Fund, the Manager currently does not receive or enter into any soft dollar commissions or arrangements.

## 8. For related party transactions, refer to Note 10 in the Notes to the Financial Statements.

## REPORT TO UNITHOLDERS

31 December 2023

### 9. Performance of Fund for periods ended 31 December 2023

|                                 | <b>3<br/>mths</b> | <b>6<br/>mths</b> | <b>1<br/>yr</b> | <b>Since<br/>Launch**</b> |
|---------------------------------|-------------------|-------------------|-----------------|---------------------------|
| Class SGD Hedged A Accumulation | 2.5%              | 2.6%              | 4.4%            | 0.8%                      |
| Class SGD Hedged A Distribution | 2.5%              | 2.6%              | -               | 3.0%                      |
| Class USD A Accumulation        | 2.9%              | 3.4%              | 5.6%            | 1.4%                      |
| Benchmark**                     | 1.4%              | 2.7%              | 5.0%            | 3.0%                      |
| Class USD A Distribution        | 2.9%              | 3.3%              | -               | 3.9%                      |
| Benchmark**                     | 1.4%              | 2.7%              | -               | 4.8%                      |
| Class USD C Accumulation        | 2.9%              | 3.4%              | 5.7%            | 1.5%                      |
| Benchmark**                     | 1.4%              | 2.7%              | 5.0%            | 3.0%                      |
| Class USD I Accumulation        | 3.0%              | 3.5%              | 6.0%            | 1.7%                      |
| Benchmark**                     | 1.4%              | 2.7%              | 5.0%            | 3.0%                      |

\* Returns of more than 1 year are annualised

# Since launch figures from 25 October 2021 (Class SGD Hedged A Acc, Class USD A Acc, Class USD C Acc and Class USD I Acc) and 18 January 2023 (Class SGD Hedged A Dis and Class USD A Dis)

\*\* Benchmark: ICE BofA 3-month US Treasury Bill index

Source

Fund: Morningstar (class currency, bid to bid, net income reinvested, net of fees)

Benchmark: Schroders (class currency)

