

# Schroder International Selection Fund Prospectus

(a Luxembourg domiciled open-ended investment company)

September 2014

## Singapore



Schroders

# SCHRODER INTERNATIONAL SELECTION FUND

ESTABLISHED IN LUXEMBOURG

## THIRD SUPPLEMENTARY PROSPECTUS DATED 29 OCTOBER 2014

A copy of this Third Supplementary Prospectus has been lodged with the Monetary Authority of Singapore (the “MAS”) who takes no responsibility for its contents.

This Third Supplementary Prospectus is lodged with the MAS pursuant to Section 298 of the Securities and Futures Act, Chapter 289 of Singapore and is supplemental to the replacement prospectus relating to Schroder International Selection Fund (the “Fund”) dated 26 September 2014 (the “**Replacement Singapore Prospectus**”), which replaced the Singapore prospectus relating to the Fund registered by the MAS on 19 March 2014, as amended by the first supplementary prospectus relating to the Fund dated 26 June 2014 and the second supplementary prospectus relating to the Fund dated 24 July 2014.

Terms used in this Third Supplementary Prospectus will have the meaning and construction ascribed to them in the Replacement Singapore Prospectus. This Third Supplementary Prospectus should be read and construed in conjunction and as one document with the Replacement Singapore Prospectus.

This Third Supplementary Prospectus sets out the amendments made to the Replacement Singapore Prospectus to reflect the availability of the AUD Hedged A Distribution Share Class and the SGD Hedged A Distribution Share Class of the Schroder International Selection Fund Asian Dividend Maximiser for subscription by Singapore investors with effect from 19 November 2014.

**In this connection, the Replacement Singapore Prospectus is amended as follows with effect from 19 November 2014:**

### 1. Paragraph 2.1 of the Replacement Singapore Prospectus

The row relating to Schroder International Selection Fund Asian Dividend Maximiser in the table under the heading “**Specialist Equity Funds**” in paragraph 2.1 of the Replacement Singapore Prospectus will be deleted in its entirety and replaced with the following new row:

“Schroder International Selection Fund Asian Dividend Maximiser	USD	A Accumulation A Distribution# C Accumulation
	EUR	A Accumulation A Distribution#
	EUR Hedged	A Distribution#
	AUD	A Distribution#
	SGD	A Distribution#
	AUD Hedged	A Distribution#
	SGD Hedged	A Distribution#”

### 2. Section A of Annexure V of the Replacement Singapore Prospectus

The new sub-paragraphs 9(f) and 9(g) set out in Annex 1 of this Third Supplementary Prospectus will be inserted immediately after the existing sub-paragraph 9(e) in section A of Annexure V of the Replacement Singapore Prospectus.

### 3. Section B of Annexure V of the Replacement Singapore Prospectus

The two new rows set out in Annex 2 of this Third Supplementary Prospectus will be inserted immediately after the existing row relating to “Schroder International Selection Fund Asian Dividend Maximiser – SGD Class” in row number 9 of the table under the heading “Specialist Equity Funds” in section B of Annexure V of the Replacement Singapore Prospectus.

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**NAME:**  
**DIRECTOR OF SCHRODER INVESTMENT  
MANAGEMENT (SINGAPORE) LTD**

**SIGNED FOR AND ON BEHALF OF:**

**MASSIMO TOSATO**

**JACQUES ELVINGER**

**DANIEL DE FERNANDO GARCIA**

**MIKE CHAMPION**

**MARIE-JEANNE CHEVREMONT-LORENZINI**

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**NAME:**  
**DIRECTOR OF SCHRODER INVESTMENT  
MANAGEMENT (SINGAPORE) LTD**

**SIGNED FOR AND ON BEHALF OF:**

**CARLO TRABATTONI**

**ACHIM KUESSNER**

**KETIL PETERSEN**

**GEORGES-ARNAUD SAIER**

## ANNEX 1

### 9. (f) Schroder International Selection Fund Asian Dividend Maximiser (AUD Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis	Share Class has not been incepted yet and therefore a performance track record of at least one year is not available.								
MSCI AC Pacific ex Japan 100% hedged to AUD Index									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

### 9. (g) Schroder International Selection Fund Asian Dividend Maximiser (SGD Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis	Share Class has not been incepted yet and therefore a performance track record of at least one year is not available.								
MSCI AC Pacific ex Japan 100% hedged to SGD Index									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## ANNEX 2

Schroder International Selection Fund Asian Dividend Maximiser – AUD Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A	N/A
Schroder International Selection Fund Asian Dividend Maximiser – SGD Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A	N/A

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**This Singapore Prospectus dated 26 September 2014 is a replacement prospectus lodged pursuant to Section 298 of the Securities and Futures Act, Chapter 289 of Singapore and replaces the Singapore prospectus registered by the Monetary Authority of Singapore on 19 March 2014 as amended by the first supplementary prospectus dated 26 June 2014 and the second supplementary prospectus dated 24 July 2014.**

This Singapore Prospectus incorporates and is not valid without the attached Luxembourg Prospectus dated July 2014 of Schroder International Selection Fund (the "**Luxembourg Prospectus**"). Schroder International Selection Fund is an open-ended investment company established in Luxembourg and is constituted outside Singapore. Schroder International Selection Fund has appointed Schroder Investment Management (Singapore) Ltd as its agent for service of process and as its Singapore Representative in connection with the offer of Shares in the 65 sub-funds of Schroder International Selection Fund which are recognised and available for investment in Singapore.

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# Important Information

The collective investment schemes offered in this Singapore Prospectus, i.e. the 65 sub-funds (the “**Sub-Funds**”) of Schroder International Selection Fund (the “**Fund**”) listed in paragraph 2 of this Singapore Prospectus, are recognised schemes under the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”). A copy of this Singapore Prospectus has been lodged with and registered by the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Singapore Prospectus. The registration of this Singapore Prospectus by the Authority does not imply that the SFA or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the Sub-Funds.

**Investors should note that references to other sub-funds or other share classes in the Luxembourg Prospectus which are not listed in paragraph 2 of this Singapore Prospectus are not available to investors in Singapore and are not and should not be construed as an offer of shares in such other sub-funds and share classes in Singapore.**

This Singapore Prospectus is a replacement prospectus lodged with the Authority on 26 September 2014. It replaces the Singapore prospectus that was registered by the Authority on 19 March 2014 as amended by the first supplementary prospectus dated 26 June 2014 and the second supplementary prospectus dated 24 July 2014 and will expire on 19 March 2015, i.e. 12 months from the date of registration.

This Singapore Prospectus relating to the 65 Sub-Funds incorporates and is not valid without the Luxembourg Prospectus. Unless the context otherwise requires, terms defined in the Luxembourg Prospectus shall have the same meaning when used in this Singapore Prospectus except where specifically provided for in this Singapore Prospectus. Certain defined terms can be found in the “DEFINITIONS” section of the Luxembourg Prospectus.

The Fund is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“**SICAV**”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended (“**Law**”). The Fund was incorporated on 5 December 1968 and its articles of association (“**Articles**”) were published in the Mémorial on 16 December 1968. The Articles were last amended on 11 October 2011. The Fund exists for an indefinite period.

**Each Sub-Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile. Details of the use of FDIs by Mainstream Equity Funds, Specialist Equity Funds, Alpha Equity Funds, Quantitative Equity Funds, Absolute Return Funds, Mainstream Bond Funds, Specialist Bond Funds, Specialist Bond Funds (Medium-Higher Risk), Currency Funds and Multi-Asset Funds are set out in APPENDIX III of the Luxembourg Prospectus. All derivative investments will be made in accordance with “APPENDIX I - INVESTMENT RESTRICTIONS” of the Luxembourg Prospectus.**

The Fund is registered under Number B-8202 with the “Registre de Commerce et des Sociétés”, where the Articles have been filed and are available for inspection. Copies of the Articles are available for inspection by investors from the Singapore Representative, during normal Singapore business hours.

The assets of the Fund are held in different Sub-Funds. Each Sub-Fund is a separate portfolio of securities managed in accordance with its specific investment objective. Separate classes of shares (the “**Shares**”) are issued in relation to the Sub-Funds.

The Investment Manager of each Sub-Fund is listed in paragraph 3.2 of this Singapore Prospectus.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale, switching or redemption of Shares other than those contained in this Singapore Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon by an investor. Any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Singapore Prospectus will be solely at the risk of the investor. Shares are offered on the basis of the information contained in this Singapore Prospectus and the documents referred to in this Singapore

# Important Information (continued)

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Prospectus. Neither the delivery of this Singapore Prospectus nor the offer, placement, subscription or issue of any of the Shares shall under any circumstances create any implication or constitute a representation that the information given in this Singapore Prospectus is correct as of any time subsequent to the date hereof. To reflect material changes, this Singapore Prospectus may be updated from time to time and investors should verify whether any more recent Singapore Prospectus is available.

Investors in the Fund agree that personal details contained in the application form and data relating to them may be stored, modified or used in any other way by the Fund or any Investment Manager or their associated companies within the Schroder group or any other company appointed by the Management Company for the purpose of administering and developing the business relationship with investors.

The directors of the Fund (the “**Directors**”) have taken all reasonable care to ensure that the information contained in this Singapore Prospectus is, to the best of their knowledge and belief, in accordance with the facts and does not omit anything material to such information. The Directors accept responsibility accordingly.

The distribution of this Singapore Prospectus and the offering of the Shares may be restricted in certain jurisdictions. This Singapore Prospectus is not an offer or solicitation in any jurisdiction where such offer or solicitation is unlawful, where the person making the offer or solicitation is not authorised to make it or a person receiving the offer or solicitation may not lawfully receive it.

The value of the Sub-Funds will change with the value of their respective underlying investments. Hence, the capital value of Shares and the income arising from them will fluctuate and is not guaranteed. Investors are advised to carefully consider the risk factors set out in Appendix II of the Luxembourg Prospectus, and to refer to paragraph 7 of this Singapore Prospectus.

No application has been made for the Shares to be listed on the Singapore Exchange Securities Trading Limited. There is no secondary market for the Sub-Funds.

Investors should seek professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements, which they may encounter under the laws of the countries of their citizenship, residence or domicile, and which may be relevant to the subscription, holding or disposal of Shares in the Sub-Funds. If you are in any doubt about the contents of this Singapore Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser as to the suitability of investing in the Sub-Funds.

Investors should refer to the section headed “U.S. Tax Reporting Obligations under FATCA” in the Luxembourg Prospectus for information on the U.S. tax reporting obligations under FATCA (as defined in that section in the Luxembourg Prospectus).

All enquiries in relation to the Sub-Funds should be directed to the Singapore Representative, Schroder Investment Management (Singapore) Ltd at 65 Chulia Street, #46-00 OCBC Centre, Singapore 049513.

# Directory

## Board Of Directors

### Chairman

**Massimo Tosato**, Vice Chairman, Schroders PLC

### Directors

**Jacques Elvinger**, Avocat, Elvinger, Hoss & Prussen

**Daniel De Fernando Garcia**, Independent Director

**Mike Champion**, Head of Product Development, Schroder Investment Management Limited

**Carlo Trabattoni**, Head of Pan European Intermediary Distribution and GFIG, Schroder Investment Management Limited

**Achim Kuessner**, Country Head Germany, Austria & CEE, Schroder Investment Management GmbH

**Ketil Petersen**, Country Head Nordic Region, Schroder Investment Management AVS

**Georges-Arnaud Saier**, Independent Director

**Marie-Jeanne Chevremont-Lorenzini**, Independent Advisor

## Registered Office

5, rue Höhenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg

## Management Company And Domiciliary Agent

Schroder Investment Management (Luxembourg) S.A., 5, rue Höhenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg

## Investment Managers

- Schroder Investment Management (Switzerland) AG, Central 2, CH-8021 Zürich, Switzerland
- Schroder Investment Management Limited, 31 Gresham Street, London EC2V 7QA United Kingdom
- Schroder Investment Management North America Inc., 875 Third Avenue, 22<sup>nd</sup> Floor, New York, New York 10022-6225, United States of America
- Schroder Investment Management (Hong Kong) Limited, Level 33, Two Pacific Place, 88 Queensway, Hong Kong
- Schroder Investment Management (Japan) Limited, 21st Floor Marunouchi Trust Tower Main, 1-8-3 Marunouchi, Chiyoda-Ku, Tokyo 100-0005, Japan
- Schroder Investment Management (Singapore) Limited, 65 Chulia Street, #46-00 OCBC Centre, Singapore 049513

## Custodian, Fund Administrator And Listing Agent

J.P. Morgan Bank Luxembourg S.A., European Bank & Business Centre, 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg

## Agent For Service Of Process In Singapore

Schroder Investment Management (Singapore) Limited, 65 Chulia Street, #46-00 OCBC Centre, Singapore 049513

## Singapore Representative, Singapore Sub-distributor And Singapore Sub-registrar

Schroder Investment Management (Singapore) Limited, 65 Chulia Street, #46-00 OCBC Centre, Singapore 049513

## Independent Auditors

PricewaterhouseCoopers Société coopérative 400, route d'Esch, L-1471 Luxembourg, Grand Duchy of Luxembourg

## Principal Paying Agent

Schroder Investment Management (Luxembourg) S.A., 5, rue Höhenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg

## Legal Advisers As To Luxembourg Law

Elvinger, Hoss & Prussen, 2 place Winston Churchill, L-2014 Luxembourg, Grand Duchy of Luxembourg

## Legal Advisers As To Singapore Law

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

# 1. The Fund

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The Fund is an open-ended investment company organised as a “société anonyme” under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV. The Fund’s assets are held in different Sub-Funds. Each Sub-Fund is a separate portfolio of securities managed in accordance with its specific investment objective. Separate Classes of Shares are issued in relation to each of the Sub-Funds. Full details of the Fund and the Sub-Funds are set out under the headings “THE COMPANY”, “COMPANY INFORMATION”, “GENERAL INFORMATION” and “FUND DETAILS” in the Luxembourg Prospectus. The Fund and each Sub-Fund is referred to as the “Company” and a “Fund” respectively in the Luxembourg Prospectus.

The Fund constitutes a single legal entity, but the assets of each Sub-Fund shall be invested for the exclusive benefit of the shareholders of the corresponding Sub-Fund and the assets of a specific Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.

Some of the Shares are presently listed on the Luxembourg Stock Exchange. The Directors may decide to make an application to list other Shares, as well as list all such Shares on any recognised stock exchange.

The Directors may at any time resolve to set up new Sub-Funds and/or create within each Sub-Fund one or more Share Classes. Class A, A1, B, B1, C, I and X Shares may be made available for investment in relation to any or all of the Sub-Funds by the Directors at their discretion and Shares may be offered in a currency other than the Sub-Fund’s base currency as a new Share Class. The base currency of each Sub-Fund is set out under the heading “APPENDIX III - FUND DETAILS” of the Luxembourg Prospectus. The Directors may also at any time resolve to close a Sub-Fund, or one or more Share Classes within a Sub-Fund, to further subscriptions.

## 2. The Sub-funds

### 2.1

The Fund is comprised of various types of Sub-Funds such as mainstream equity funds, specialist equity funds, style equity funds, alpha equity funds, quantitative equity funds, asset allocation funds, multi-asset funds, multi-manager funds, absolute return funds, mainstream bond funds, specialist bond funds, specialist bond funds (medium-higher risk), defensive funds, liquidity funds and currency funds. Presently, the Fund is offering to investors in Singapore the Share Classes in the 65 Sub-Funds\* listed below. This Singapore Prospectus will be updated as and when additional Sub-Funds or Share Classes of Sub-Funds are recognised by the Authority and made available for investment. Unless otherwise stated in this Singapore Prospectus, Class A Accumulation and Class A Distribution Shares will be commonly referred to as Class A Shares, Class A1 Accumulation and Class A1 Distribution Shares (if any) will be commonly referred to as Class A1 Shares, Class B Accumulation and Class B Distribution Shares (if any) will be commonly referred to as Class B Shares, Class B1 Accumulation and Class B1 Distribution Shares (if any) will be commonly referred to as Class B1 Shares, Class C Accumulation and Class C Distribution Shares will be commonly referred to as Class C Shares, Class I Accumulation and Class I Distribution Shares (if any) will be commonly referred to as Class I Shares, and Class X Accumulation and Class X Distribution Shares (if any) will be commonly referred to as Class X Shares, in this Singapore Prospectus.

*\* Please note that Class B1 Shares of the Sub-Funds are currently closed to subscriptions as well as switching into.*

### **Mainstream Equity Funds**

Profile of a typical investor: These Sub-Funds may be suitable for investors who are seeking long-term growth potential offered through investment in equities.

<b>Sub-Fund of Schroder International Selection Fund</b>	<b>Currency of Share Class</b>	<b>Share Class</b>
Schroder International Selection Fund EURO Equity*	EUR	A Accumulation A Distribution @ A1 Accumulation B Accumulation B1 Accumulation C Accumulation C Distribution @
	USD Hedged	A Accumulation C Accumulation
Schroder International Selection Fund European Large Cap	EUR	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund Japanese Equity*	JPY	A Accumulation A Distribution @ A1 Accumulation B1 Accumulation C Accumulation C Distribution @
	USD	A1 Accumulation B1 Accumulation
	USD Hedged	A Accumulation C Accumulation I Accumulation

## 2. The Sub-funds (continued)

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Fund Asian Opportunities	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @ I Accumulation
	EUR	A Accumulation A1 Accumulation C Accumulation
	SGD	A Accumulation
Schroder International Selection Fund Swiss Equity	CHF	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund UK Equity	GBP	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund Global Equity	USD	A Accumulation A Distribution @ C Accumulation C Distribution @ I Accumulation
Schroder International Selection Fund US Large Cap	USD	A Accumulation A Distribution @ C Accumulation C Distribution @ I Accumulation

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

\* B1 Accumulation Shares of Schroder International Selection Fund EURO Equity and Schroder International Selection Fund Japanese Equity are currently closed to subscriptions as well as switching into.

## 2. The Sub-funds (continued)

### **Specialist Equity Funds**

Profile of a typical investor: These Sub-Funds may be suitable for investors who are more concerned with maximising long-term returns than minimising possible short-term losses.

<b>Sub-Fund of Schroder International Selection Fund</b>	<b>Currency of Share Class</b>	<b>Share Class</b>
Schroder International Selection Fund Asian Dividend Maximiser	USD	A Accumulation A Distribution# C Accumulation
	EUR	A Accumulation A Distribution#
	EUR Hedged	A Distribution#
	AUD	A Distribution#
	SGD	A Distribution#
Schroder International Selection Fund Asian Equity Yield	USD	A Accumulation A Distribution# A1 Accumulation C Accumulation C Distribution#
Schroder International Selection Fund Asian Smaller Companies	USD	A Accumulation A1 Accumulation C Accumulation
Schroder International Selection Fund BRIC (Brazil, Russia, India, China)	USD	A Accumulation
	EUR	A Accumulation
Schroder International Selection Fund Emerging Asia	USD	A Accumulation A1 Accumulation C Accumulation
	EUR	A Accumulation A1 Accumulation C Accumulation
Schroder International Selection Fund Emerging Europe	EUR	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @

## 2. The Sub-funds (continued)

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Fund Emerging Markets*	USD	A Accumulation A Distribution @ A1 Accumulation B1 Accumulation C Accumulation C Distribution @
	EUR	A Accumulation A1 Accumulation C Accumulation I Accumulation
Schroder International Selection Fund European Dividend Maximiser	EUR	A Accumulation A Distribution#
	USD Hedged	A Distribution#
Schroder International Selection Fund European Equity Yield	EUR	A Accumulation A Distribution# A1 Accumulation C Accumulation C Distribution#
	SGD Hedged	A Distribution#
	USD Hedged	A Distribution#
Schroder International Selection Fund European Smaller Companies	EUR	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund Frontier Markets Equity	USD	A Accumulation C Accumulation I Accumulation
Schroder International Selection Fund European Special Situations	EUR	A Accumulation A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund Global Climate Change Equity	SGD	A Accumulation
	USD	A Accumulation A1 Accumulation C Accumulation
	EUR	A Accumulation A1 Accumulation C Accumulation



## 2. The Sub-funds (continued)

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Fund Global Energy	USD	A Accumulation A1 Accumulation B Accumulation C Accumulation C Distribution @ I Accumulation
	EUR	A1 Accumulation
Schroder International Selection Fund Global Dividend Maximiser	SGD	A Accumulation A Distribution#
	USD	A Accumulation A Distribution# A1 Accumulation C Accumulation
	EUR Hedged	A Distribution#
	AUD Hedged	A Distribution#
Schroder International Selection Fund Global Emerging Market Opportunities	SGD	A Accumulation
	USD	A Accumulation A1 Accumulation C Accumulation
	EUR	A Accumulation
Schroder International Selection Fund Global Equity Yield	USD	A Accumulation A1 Accumulation C Accumulation C Distribution#
	EUR	A Accumulation A1 Accumulation C Accumulation
Schroder International Selection Fund Global Property Securities	USD	A Accumulation A1 Accumulation B Accumulation C Accumulation C Distribution @
	EUR Hedged	A Accumulation A1 Accumulation C Accumulation

## 2. The Sub-funds (continued)

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Fund Global Smaller Companies	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation I Accumulation
Schroder International Selection Fund Greater China*	USD	A Accumulation A1 Accumulation B1 Accumulation C Accumulation
Schroder International Selection Fund Hong Kong Equity	HKD	A Accumulation A1 Accumulation C Accumulation
	USD	A Accumulation
Schroder International Selection Fund Indian Opportunities	USD	A Accumulation C Accumulation I Accumulation
Schroder International Selection Fund Japanese Opportunities	JPY	A Accumulation A Distribution@ C Accumulation C Distribution@ I Accumulation
	USD	A Accumulation
	USD Hedged	A Accumulation C Accumulation I Accumulation
Schroder International Selection Fund Japanese Smaller Companies	JPY	A Accumulation A Distribution @ A1 Accumulation C Accumulation
Schroder International Selection Fund Korean Equity	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @

## 2. The Sub-funds (continued)

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Fund Latin American	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
	SGD	A Accumulation
	EUR	A Accumulation
Schroder International Selection Fund Middle East	USD	A Accumulation A1 Accumulation C Accumulation
	EUR	A Accumulation A1 Accumulation C Accumulation
	SGD	A Accumulation
Schroder International Selection Fund US Small & Mid Cap Equity	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @ X Accumulation
	EUR	A Accumulation A1 Accumulation C Accumulation
	EUR Hedged	A Accumulation A1 Accumulation C Accumulation
Schroder International Selection Fund US Smaller Companies**	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund Asian Total Return***	USD	A Accumulation A1 Accumulation C Accumulation
	SGD	A Distribution @

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Funds Asia Pacific Property Securities	USD	A Accumulation C Accumulation
Schroder International Selection Fund China Opportunities	SGD Hedged USD	A Accumulation A Accumulation

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

\* B1 Accumulation Shares of Schroder International Selection Fund Emerging Markets and Schroder International Selection Fund Greater China are currently closed to subscriptions as well as switching into.

\*\* A and C Shares of Schroder International Selection Fund US Smaller Companies are currently closed to subscriptions as well as switching into.

\*\*\* A Accumulation Shares (USD), A1 Accumulation Shares (USD) and A Distribution Shares (SGD) of Schroder International Selection Fund Asian Total Return are currently closed to subscriptions as well as switching into.

## **Alpha Equity Funds**

Profile of a typical investor: These Sub-Funds may be suitable for investors who are more concerned with maximising long-term returns than minimising possible short-term losses.

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Fund European Equity Alpha	EUR	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund Global Equity Alpha	USD	A Accumulation A Distribution @ C Accumulation C Distribution @
	EUR	A Accumulation C Accumulation
Schroder International Selection Fund Japanese Equity Alpha	JPY	A Accumulation A1 Accumulation C Accumulation
	USD	A Accumulation

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

## 2. The Sub-funds (continued)

### Quantitative Equity Funds

Profile of a typical investor: These Sub-Funds may be suitable for investors who are seeking long-term growth potential offered through investment in equities.

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Fund QEP <sup>1</sup> Global Active Value	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
	EUR	A Accumulation A1 Accumulation C Accumulation
	EUR Hedged	A Accumulation C Accumulation
Schroder International Selection Fund QEP Global Core	USD	C Accumulation C Distribution @ I Accumulation
Schroder International Selection Fund QEP Global Quality	USD	A Accumulation B Accumulation C Accumulation C Distribution @ I Accumulation
	EUR	A Accumulation B Accumulation C Accumulation I Accumulation
Schroder International Selection Fund QEP Global Emerging Markets	USD	A Accumulation C Accumulation I Accumulation
	EUR	A Accumulation C Accumulation I Accumulation

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

<sup>1</sup> QEP means quantitative equity products

## 2. The Sub-funds (continued)

### **Absolute Return Funds**

Profile of a typical Investor: These Sub-Funds may be suitable for Investors who are seeking long-term growth potential offered through investment in equities, debt securities, liquidities and/or currency markets and UCIs.

<b>Sub-Fund of Schroder International Selection Fund</b>	<b>Currency of Share Class</b>	<b>Share Class</b>
Schroder International Selection Fund Asian Bond Absolute Return*	USD	A Accumulation A Distribution# A1 Accumulation A1 Distribution# B1 Accumulation C Accumulation
	EUR Hedged	A Accumulation A1 Accumulation A1 Distribution# C Accumulation
	SGD Hedged	A Accumulation
Schroder International Selection Fund Emerging Markets Debt Absolute Return	USD	A Accumulation A Distribution# A1 Accumulation A1 Distribution# C Accumulation C Distribution @
	EUR Hedged	A Accumulation A1 Accumulation C Accumulation
	SGD Hedged	A Distribution#

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

\* B1 Accumulation Shares of Schroder International Selection Fund Asian Bond Absolute Return are currently closed to subscriptions as well as switching into.

## 2. The Sub-funds (continued)

### **Mainstream Bond Funds**

Profile of a typical investor: These Sub-Funds may be suitable for investors who are seeking to combine capital growth opportunities with income in the relative stability of the debt markets over the long term.

<b>Sub-Fund of Schroder International Selection Fund</b>	<b>Currency of Share Class</b>	<b>Share Class</b>
Schroder International Selection Fund EURO Short Term Bond	EUR	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund EURO Government Bond	EUR	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
Schroder International Selection Fund Global Inflation Linked Bond	EUR	A Accumulation A1 Accumulation C Accumulation
	USD Hedged	A Accumulation B Accumulation C Accumulation
Schroder International Selection Fund US Dollar Bond	USD	A Accumulation A Distribution# A1 Accumulation C Accumulation C Distribution @
	EUR Hedged	A Accumulation C Accumulation
Schroder International Selection Fund Global Bond	USD	A Accumulation A Distribution @ C Accumulation C Distribution @ I Accumulation
	EUR Hedged	A Accumulation A Distribution# C Accumulation I Accumulation
	USD Hedged	A Accumulation I Accumulation

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

## 2. The Sub-funds (continued)

### Specialist Bond Funds

Profile of a typical investor: These Sub-Funds may be suitable for investors who are seeking to combine capital growth opportunities with income in the relative stability of the debt markets over the long term.

Sub-Fund of Schroder International Selection Fund	Currency of Share Class	Share Class
Schroder International Selection Fund EURO Corporate Bond	EUR	A Accumulation A1 Accumulation C Accumulation
Schroder International Selection Fund Global Corporate Bond	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation C Distribution @
	EUR Hedged	A Accumulation A Distribution# A1 Accumulation
	SGD Hedged	A Distribution @
	RMB Hedged	A Distribution @
Schroder International Selection Fund Global High Yield	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation
	EUR Hedged	A Accumulation A1 Accumulation C Accumulation
Schroder International Selection Fund Strategic Bond	USD	A Accumulation A Distribution# A1 Accumulation C Accumulation C Distribution @
	EUR Hedged	A Accumulation A1 Accumulation C Accumulation
Schroder International Selection Fund Asian Local Currency Bond	USD	A Accumulation A Distribution @ A1 Accumulation
	SGD Hedged	A Accumulation
Schroder International Selection Fund Global High Income Bond	USD	A Accumulation A Distribution # I Accumulation

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends



## 2. The Sub-funds (continued)

### **Specialist Bond Funds (Medium-Higher Risk)**

Profile of a typical investor: These Sub-Funds may be suitable for investors who are seeking to combine capital growth opportunities with income in the debt markets over the long term.

<b>Sub-Fund of Schroder International Selection Fund</b>	<b>Currency of Share Class</b>	<b>Share Class</b>
Schroder International Selection Fund Asian Convertible Bond	USD	A Accumulation A1 Accumulation C Accumulation
	EUR Hedged	A Accumulation A1 Accumulation C Accumulation
Schroder International Selection Fund Global Convertible Bond	USD	A Accumulation A1 Accumulation C Accumulation
	EUR Hedged	A Accumulation A1 Accumulation C Accumulation

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

### **Currency Funds**

Profile of a typical Investor: These Sub-Funds may be suitable for investors who are managing their longer term cash positions and are seeking active currency management.

<b>Sub-Fund of Schroder International Selection Fund</b>	<b>Currency of Share Class</b>	<b>Share Class</b>
Schroder International Selection Fund Global Managed Currency	USD	A Accumulation A Distribution @ A1 Accumulation C Accumulation

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

## 2. The Sub-funds (continued)

### **Multi-Asset Funds**

Profile of a typical Investor: The Schroder International Selection Fund Global Multi-Asset Income will be suitable for Investors who desire a sustainable level of income with some capital growth, offered through investment in a range of asset classes. The Schroder International Selection Fund Wealth Preservation EUR will be suitable for investors who seek real value (a positive rate of return after inflation) offered through investment in a range of asset classes.

<b>Sub-Fund of Schroder International Selection Fund</b>	<b>Currency of Share Class</b>	<b>Share Class</b>
Schroder International Selection Fund Global Multi-Asset Income	USD	A Accumulation A Distribution# A1 Accumulation A1 Distribution# C Accumulation C Distribution# I Accumulation
	SGD	A Accumulation
	SGD Hedged	A Accumulation A Distribution#
	AUD Hedged	A Distribution@
	RMB Hedged	A Distribution#
	EUR Hedged	A Accumulation A Distribution#
	GBP Hedged	A Distribution#
	Schroder International Selection Fund Wealth Preservation EUR	EUR

# Distribution Share Class with fixed dividends

@ Distribution Share Class with variable dividends

## 2. The Sub-funds (continued)

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### 2.2

The subscription proceeds of Shares in a Sub-Fund are invested in one common underlying portfolio of investments. The allocation of the assets and liabilities of the Fund to each Sub-Fund is described in the Articles. All Shares of the same Class have equal rights and privileges. Each Share is, upon issue, entitled to participate equally in assets of the Sub-Fund to which it relates on liquidation. Each Class of Distribution Shares in a Sub-Fund is entitled to participate equally in dividends and other distributions as declared for such Class of Distribution Shares in the Sub-Fund. The Shares will carry no preferential or pre-emptive rights and each whole Share will be entitled to one vote at all meeting of shareholders.

The Fund offers different types of Distribution Share Classes. Distribution Share Classes may differ in terms of their distribution frequency and in terms of the basis for calculating the dividend. Dividends may be paid out of capital and further reduce the relevant Sub-Fund's Net Asset Value. Dividends paid out of capital could be taxed as income in certain jurisdictions. Please refer to the heading "DIVIDENDS" in the Luxembourg Prospectus for more details.

Holders of the Distribution Shares of the Sub-Funds offered in this Singapore Prospectus may receive dividends in the form of cash in the relevant Share Class currency. Please refer to Annexure I to this Singapore Prospectus for the distribution frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Funds and the C Distribution Share Classes of the Schroder International Selection Fund US Dollar Bond and Schroder International Selection Fund QEP Global Active Value offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus. Dividends for the A Distribution and A1 Distribution Share Classes of the Sub-Funds and the C Distribution Share Classes of the Schroder International Selection Fund US Dollar Bond and Schroder International Selection Fund QEP Global Active Value offered in this Singapore Prospectus may be paid more or less frequently as deemed appropriate from time to time by the Board of Directors. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Share Classes of a Sub-Fund accumulate income received from the Sub-Fund's investments, meaning it is kept in the Sub-Fund and its value is reflected in the price of the Shares in the Share Classes.

Each Share Class may have a different fee structure, currency or other specific feature. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Share Class.

Hedged Share Classes of a Sub-Fund aim to provide investors with the performance returns of the Sub-Fund's investments in the Sub-Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Share Class currency and the Sub-Fund's base currency.

For the Schroder International Selection Fund QEP Global Active Value, the Investment Manager undertakes the hedging of the Shares of the hedged Share Classes by considering the relevant proportionate underlying currency exposures of the Sub-Fund. Performance of these hedged Share Classes may therefore vary significantly from equivalent Share Classes in the Sub-Fund's base currency.

For the Schroder International Selection Fund Global Bond, the Investment Manager undertakes the hedging of the Shares of the hedged Share Classes by considering the relevant underlying currency exposures within the benchmark of the Sub-Fund. Performance of these hedged Share Classes may therefore vary significantly from equivalent Share Classes in the Sub-Fund's base currency.

Full details of the different types of Sub-Funds are set out under the heading "APPENDIX III - FUND DETAILS" in the Luxembourg Prospectus. Full details of the specific features of the various Share Classes are set out under the heading "SHARE CLASSES" in the Luxembourg Prospectus and under the heading "APPENDIX III - FUND DETAILS" in the Luxembourg Prospectus.

Please refer to paragraphs 4 and 6 of this Singapore Prospectus for the investment objective of each Sub-Fund and the applicable fees and expenses for each Share Class respectively.

# 3. Management And Administration

Full details on the management and administration of the Fund are set out under the heading "GENERAL INFORMATION" in the Luxembourg Prospectus.

## 3.1 Board of Directors

The Directors are responsible for the stewardship of all of the Fund's affairs. Each Director is entitled to remuneration for his services at a rate determined by the Fund at the general meeting from time to time. In addition, each Director may be paid reasonable expenses incurred while attending meetings of the Board of Directors or general meetings of the Fund. Directors who are also directors/employees of the Management Company and/or any Schroders company will waive their Directors' remuneration.

## 3.2 Investment Managers and Investment Advisers

The Investment Managers and (where applicable) the Investment Advisers of the respective Sub-Funds are as follows:-

No.	Sub-Fund	Investment Manager
1.	Schroder International Selection Fund EURO Equity	Schroder Investment Management Limited
2.	Schroder International Selection Fund European Large Cap	Schroder Investment Management Limited
3.	Schroder International Selection Fund Japanese Equity	Schroder Investment Management (Japan) Limited
4.	Schroder International Selection Fund Asian Opportunities	Schroder Investment Management (Singapore) Ltd
5.	Schroder International Selection Fund Swiss Equity	Schroder Investment Management (Switzerland) AG
6.	Schroder International Selection Fund UK Equity	Schroder Investment Management Limited
7.	Schroder International Selection Fund Global Equity	Schroder Investment Management Limited
8.	Schroder International Selection Fund US Large Cap	Schroder Investment Management North America Inc
9.	Schroder International Selection Fund Asian Dividend Maximiser	Schroder Investment Management (Singapore) Ltd
10.	Schroder International Selection Fund Asian Equity Yield	Schroder Investment Management Limited
11.	Schroder International Selection Fund Asian Smaller Companies	Schroder Investment Management (Singapore) Ltd
12.	Schroder International Selection Fund BRIC (Brazil, Russia, India, China)	Schroder Investment Management Limited
13.	Schroder International Selection Fund Emerging Asia	Schroder Investment Management (Hong Kong) Limited
14.	Schroder International Selection Fund Emerging Europe	Schroder Investment Management Limited
15.	Schroder International Selection Fund Emerging Markets	Schroder Investment Management Limited
16.	Schroder International Selection Fund European Dividend Maximiser	Schroder Investment Management Limited

## 3. Management And Administration (continued)

17.	Schroder International Selection Fund European Equity Yield	Schroder Investment Management Limited
18.	Schroder International Selection Fund European Smaller Companies	Schroder Investment Management Limited
19.	Schroder International Selection Fund Frontier Markets Equity	Schroder Investment Management Limited
20.	Schroder International Selection Fund European Special Situations	Schroder Investment Management Limited
21.	Schroder International Selection Fund Global Climate Change Equity	Schroder Investment Management Limited
22.	Schroder International Selection Fund Global Emerging Market Opportunities	Schroder Investment Management Limited
23.	Schroder International Selection Fund Global Energy	Schroder Investment Management Limited
24.	Schroder International Selection Fund Global Dividend Maximiser	Schroder Investment Management Limited
25.	Schroder International Selection Fund Global Equity Yield	Schroder Investment Management Limited
26.	Schroder International Selection Fund Global Property Securities	Schroder Investment Management Limited
27.	Schroder International Selection Fund Global Smaller Companies	Schroder Investment Management Limited
28.	Schroder International Selection Fund Greater China	Schroder Investment Management (Hong Kong) Ltd
29.	Schroder International Selection Fund Hong Kong Equity	Schroder Investment Management (Hong Kong) Ltd
30.	Schroder International Selection Fund Indian Opportunities	Schroder Investment Management (Singapore) Ltd
31.	Schroder International Selection Fund Japanese Opportunities	Schroder Investment Management (Japan) Limited
32.	Schroder International Selection Fund Japanese Smaller Companies	Schroder Investment Management (Japan) Limited
33.	Schroder International Selection Fund Korean Equity	Schroder Investment Management (Singapore) Ltd
34.	Schroder International Selection Fund Latin American	Schroder Investment Management Limited
35.	Schroder International Selection Fund Middle East	Schroder Investment Management Limited
36.	Schroder International Selection Fund US Smaller Companies	Schroder Investment Management North America Inc.
37.	Schroder International Selection Fund Asian Total Return	Schroder Investment Management (Singapore) Ltd
38.	Schroder International Selection Fund Asia Pacific Property Securities	Schroder Investment Management (Hong Kong) Limited
39.	Schroder International Selection Fund China Opportunities	Schroder Investment Management (Hong Kong) Limited
40.	Schroder International Selection Fund US Small & Mid Cap Equity	Schroder Investment Management North America Inc.
41.	Schroder International Selection Fund European Equity Alpha	Schroder Investment Management Limited

## 3. Management And Administration (continued)

42.	Schroder International Selection Fund Global Equity Alpha	Schroder Investment Management Limited
43.	Schroder International Selection Fund Japanese Equity Alpha	Schroder Investment Management (Japan) Ltd
44.	Schroder International Selection Fund QEP Global Active Value	Schroder Investment Management Limited
45.	Schroder International Selection Fund QEP Global Core	Schroder Investment Management Limited
46.	Schroder International Selection Fund QEP Global Quality	Schroder Investment Management Limited
47.	Schroder International Selection Fund QEP Global Emerging Markets	Schroder Investment Management Limited
48.	Schroder International Selection Fund Asian Bond Absolute Return	Schroder Investment Management (Singapore) Ltd
49.	Schroder International Selection Fund Emerging Markets Debt Absolute Return	Schroder Investment Management Limited
50.	Schroder International Selection Fund EURO Short Term Bond	Schroder Investment Management Limited
51.	Schroder International Selection Fund EURO Government Bond	Schroder Investment Management Limited
52.	Schroder International Selection Fund Global Inflation Linked Bond	Schroder Investment Management Limited
53.	Schroder International Selection Fund US Dollar Bond	Schroder Investment Management North America Inc.
54.	Schroder International Selection Fund Global Bond	Schroder Investment Management Limited
55.	Schroder International Selection Fund EURO Corporate Bond	Schroder Investment Management Limited
56.	Schroder International Selection Fund Global Corporate Bond	Schroder Investment Management North America Inc.
57.	Schroder International Selection Fund Global High Yield	Schroder Investment Management North America Inc.
58.	Schroder International Selection Fund Strategic Bond	Schroder Investment Management Limited
59.	Schroder International Selection Fund Asian Local Currency Bond	Schroder Investment Management (Singapore) Ltd
60.	Schroder International Selection Fund Global High Income Bond	Schroder Investment Management North America Inc.
61.	Schroder International Selection Fund Asian Convertible Bond	Schroder Investment Management (Switzerland) AG
62.	Schroder International Selection Fund Global Convertible Bond	Schroder Investment Management (Switzerland) AG
63.	Schroder International Selection Fund Global Managed Currency	Schroder Investment Management Limited
64.	Schroder International Selection Fund Global Multi-Asset Income*	Schroder Investment Management Limited

## 3. Management And Administration (continued)

65.	Schroder International Selection Fund Wealth Preservation EUR	Schroder Investment Management Limited
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\* With effect from 1 July 2013, the investment management of a portion of the fixed income portfolio of Schroder International Selection Fund Global Multi-Asset Income has been delegated by Schroder Investment Management Limited to Schroder Investment Management (Singapore) Ltd.

No.	Sub-Fund	Investment Adviser
1.	Schroder International Selection Fund Global Smaller Companies	Schroder Investment Management North America Inc.
2.	Schroder International Selection Fund Korean Equity	Schroders Korea Limited
3.	Schroder International Selection Fund Asia Pacific Property Securities	Schroder Investment Management (Singapore) Ltd
4.	Schroder International Selection Fund EURO Short Term Bond	Schroder Investment Management North America Inc.
5.	Schroder International Selection Fund Global Bond	Schroder Investment Management North America Inc.
6.	Schroder International Selection Fund Global High Yield	Schroder Investment Management North America Limited (in respect of the EUR and GBP denominated assets of the Sub-Fund)
7.	Schroder International Selection Fund Strategic Bond	Schroder Investment Management North America Inc.
8.	Schroder International Selection Fund Indian Opportunities	Schroder Investment Management (Hong Kong) Limited  Schroder Investment Management Limited  Axis Asset Management Company Limited

Schroder Investment Management Limited is domiciled in the United Kingdom and has been managing collective investment schemes and discretionary funds since 1985. Schroder Investment Management Limited is regulated by the Financial Conduct Authority.

Schroder Investment Management (Singapore) Ltd is domiciled in Singapore and has been managing collective investment schemes and discretionary funds in Singapore since 1992. Schroder Investment Management (Singapore) Ltd is regulated by the Monetary Authority of Singapore.

Schroder Investment Management (Hong Kong) Limited is domiciled in Hong Kong SAR and has been managing funds since 1974. Schroder Investment Management (Hong Kong) Limited is regulated by the Hong Kong Securities and Futures Commission.

Schroder Investment Management North America Inc. is domiciled in the United States of America and has been managing funds since 1999. Schroder Investment Management North America Inc. is regulated by the United States Securities and Exchange Commission (the "US SEC").

Schroder Investment Management North America Limited is domiciled in the United Kingdom and has been managing funds since 1989.

## 3. Management And Administration (continued)

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Schroder Investment Management (Switzerland) AG is domiciled in Switzerland and has been managing funds since 1967. Schroder Investment Management (Switzerland) AG is regulated by the Swiss Financial Market Supervisory Authority.

Schroder Investment Management (Japan) Limited is domiciled in Japan and has been managing funds since 1987. Schroder Investment Management (Japan) Limited is regulated by the Financial Services Agency.

Schroders Korea Limited is domiciled in Korea and has been managing funds since 2001.

Schroder Investment Management Limited, Schroder Investment Management (Singapore) Ltd, Schroder Investment Management (Hong Kong) Ltd, Schroder Investment Management North America Inc., Schroder Investment Management North America Limited, Schroder Investment Management (Switzerland) AG and Schroder Investment Management (Japan) Limited and Schroders Korea Limited are all ultimately wholly-owned subsidiaries of Schroders plc. Schroders plc has been listed on the London Stock Exchange since 1959. The history of the Schroders group however dates back more than 200 years when Schroders was founded as a merchant bank in 1804.

The Investment Managers may on a discretionary basis acquire and dispose of securities of the Sub-Funds for which they have been appointed as investment adviser and manager, subject to and in accordance with instructions received from the Management Company and/or the Sub-Fund from time to time, and in accordance with stated investment objectives and restrictions. The Investment Managers are entitled to receive as remuneration for their services management fees, as more fully described in paragraph 6. Such fees are calculated and accrued on each Dealing Day by reference to the Net Asset Values of the Sub-Funds and paid monthly in arrears. Investment Managers may seek, at their own expenses, advice from investment advisers.

### 3.3 Management Company

The Directors have appointed Schroder Investment Management (Luxembourg) S.A. as the Management Company to perform investment management, administration and marketing functions, within the meaning of the Law relating to undertakings for collective investment. The Management Company is licensed and regulated by the Commission de Surveillance du Secteur Financier (the "CSSF"). The Management Company has been permitted by the Fund to delegate certain administrative, distribution and management functions to specialised service providers. In that context, the Management Company has delegated certain administrative functions to J.P. Morgan Bank (Luxembourg) S.A. and may delegate certain marketing functions to entities which form part of the Schroders group. The Management Company has also delegated certain management functions to the Investment Managers. The Management Company has been authorised to manage funds since 12 August 2005 and has been appointed management company of other funds but has similarly delegated its management functions for such funds to other investment managers. As such, the Management Company has not been managing funds directly as at the date of registration of this Singapore Prospectus.

#### 3.3A Directors and Key Executives of the Management Company

##### Noel Fessey

Noel is a director of the Management Company.

He is currently the Global Head of Fund Services and the Country Head of Luxembourg in the Schroders group. Prior to his current appointment, Noel was the Head of Information Systems and Corporate Support in London. Noel joined the Schroders group in 2000.

Noel graduated from Cranfield University with a Bachelor of Science in Command, Control, Communications and Information Systems.



## 3. Management And Administration (continued)

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### Paul Duncombe

Paul is a director of the Management Company.

He is currently the Head of Multi-Asset Investment Solutions at Schroder Investment Management Limited ("**SIML**"). He was previously a Senior Investment Solutions Manager in the UK Multi Asset Product team of SIML. Paul joined SIML in 2007. Prior to that, Paul worked for State Street Global Advisors from 1995 to 2006, where he was the Global Head of Currency Management and later, the Managing Director of the London office.

Paul holds a Masters in Business Administration from London Business School and a Masters in Engineering from Cambridge University.

### John Troiano

John is a director of the Management Company.

He is currently the Global Head of Institutional Business at SIML. He joined SIML in 1981. He started as an investment analyst specialising in engineering and technology in London and New York and was appointed the Head of the UK Research Department in London in 1987.

In 1988, he became the Head of the American equity team and in 1991, he set up Schroders' Emerging Market equity capability. John was then appointed Chief Executive of Schroder Investment Management North America Inc. in 1997 and Managing Director of Schroders' UK business in 2001.

John was educated at Oxford University and graduated with a Bachelor of Arts in Economics, Engineering & Management. He is an Associate Member of the Institute of Investment Management & Research and a member of the Investment Committee at the Association of British Insurers.

### Marco Zwick

Marco is a director of the Management Company.

He is currently the Head of Compliance and Risk for Continental Europe and Middle East of the Schroders group. He is the Compliance and Risk Director of the Management Company. Marco joined the Management Company in 2005.

He has previously worked at Deutsche Börse Group as the Head of Compliance, at Clearstream International as an Internal Audit Manager and at Banque Générale du Luxembourg S.A. where he held various positions.

Marco graduated with a Masters in Business Administration from Sheffield Business School and holds a Diplôme de Fin d'Etudes Secondaires Section B Classique (Mathematics). He is also a member of the CSSF Compliance Committee.

### Gary Janaway

Gary is a director of the Management Company.

He is currently the Head of Operations at the Management Company. As a member of the European Fund Services Executive Committee, Gary is involved in the strategy for developing and maintaining the services provided to Schroders' investment fund ranges in Europe. He joined the Schroders group in 1991.

Prior to joining the Schroders group, Gary worked as a chartered accountant, in the area of auditing and business support, where he covered the set-up of new businesses and consultancy services.

Gary has previously worked with ALFI, where he chaired the working group covering late trading and market timing. He is currently a member of the ALFI TA Steering Committee within the investment fund industry. In addition, he participates in the industry groups run by the EUROFI and the ISSA, whose focus is on UCITS IV and the distribution of investment funds. Gary is also the Chairman of the EUROCLEAR (Fundsettle) user strategy group and the Findel Group.

Gary is a Qualified Member of the Association of Accounting Technicians.

## 3. Management And Administration (continued)

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### Markus H Ruetimann

Markus is a director of the Management Company.

He is currently the Chief Operating Officer of the Schroders group. Markus' global responsibilities encompass Institutional Portfolio Services, Fund Services, Information Technology, Change & Project Management and Corporate Services.

Markus joined the Schroders group in 2004 and was appointed as the Chairman of the Management Company in January 2005. Markus has been a Member of Schroders' Group Management Committee since June 2005. He was appointed as a Director of Schroder & Co Bank AG, Zurich in September 2009.

Prior to this, Markus was the Global Head of Technology & Portfolio Services at UBS Global Asset Management from 1999 to late 2004 and the Chief Operating Officer of Phillips & Drew from 1988 to 1998.

Markus is a board member of the Jersey Financial Services Commission and previously held board membership at Omgeo and CRESTCo.

Markus holds a Diploma in Accounting, Economics, IT and Languages from Zurich Business School.

### Finbarr Browne

Finbarr is a director of the Management Company.

He is currently the Head of Finance at the Management Company. He joined the Management Company in 2002.

Currently, Finbarr has global responsibilities within Schroders' Fund Services business for fund distribution data services and fund revenue and commissions services, as well as regional responsibility for Schroders' Finance and Tax matters in Continental Europe.

Prior to joining Schroders, Finbarr was a manager in the Corporate Finance division of Deloitte Luxembourg and the Head of Fund Reporting in Brown Brothers Harriman.

Finbarr holds a Bachelor of Commerce from University College Galway and qualified as a Chartered Accountant in 1998 with the Institute of Chartered Accountants Ireland.

### Ketil Petersen

Ketil is a director of the Fund and a key executive of the Management Company in relation to the Fund.

He is currently the Schroders group Country Head for the Nordic Region. Prior to this, he was the General Manager & Country Head for Denmark, Norway and Iceland of the Schroders group.

Ketil has previously served as the Head of Equities at BG Asset Management and as the Group Portfolio Manager at Alm. Brand Group. He has also worked in Roskilde Bank.

Ketil graduated with a Bachelor in Business Administration from Copenhagen Business School. He also holds a Diploma in Business Excellence from the Institute for Corporate Governance and was on the Wharton Executive Program at The Wharton School.

## 3.4 The Singapore Representative

### 3.4.1

Schroder Investment Management (Singapore) Ltd has been appointed by the Fund as the corporate representative for the Sub-Funds in Singapore pursuant to section 287 of the SFA (the "**Singapore Representative**") to provide and maintain certain administrative and other facilities in respect of the Sub-Funds.

## 3. Management And Administration (continued)

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In particular, the Singapore Representative shall carry out the following functions:-

- (i) facilitate the issue and redemption of Shares in each Sub-Fund, in particular:
  - (a) receive and send all applications for the issue of Shares and requests for the switching or redemption of Shares;
  - (b) receive and remit in such manner as the Fund may direct in writing, subscription monies in respect of applications for the issue of Shares, and issue to applicants receipts in respect of such monies;
- (ii) publish and provide information orally or in writing to shareholders on the most recent published Net Asset Value per Share;
- (iii) facilitate the sending of reports of each Sub-Fund or the Fund to shareholders;
- (iv) facilitate the furnishing of such books relating to the sale and redemption of Shares in each Sub-Fund which has been purchased, redeemed or switched through the Singapore Representative or as the Authority may require, subject at all times to compliance with applicable Luxembourg laws including banking secrecy laws;
- (v) facilitate the inspection of instruments constituting the Fund and each Sub-Fund;
- (vi) maintain on behalf of the Fund for inspection in Singapore (a) a subsidiary register of shareholders who subscribed for or purchased Shares of each Sub-Fund in Singapore or (b) any facility that enables the inspection or extraction of the equivalent information;
- (vii) procure the payment of amounts due from each Sub-Fund to shareholders in respect of the proceeds of the redemption of Shares or any liquidation proceeds;
- (viii) give notice (within 14 days) of any change in the contact particulars or registered office of the Singapore Representative, the agent appointed to accept service of process and such other information as the Authority may prescribe;
- (ix) furnish such information or record regarding the Sub-Funds and/or the Fund generally available to shareholders or as the Authority may at any time require, subject at all times to compliance with applicable Luxembourg laws including banking secrecy laws;
- (x) make available at the Singapore Representative's office for public inspection free of charge, and offer copies to shareholders and/or applicants the Articles, the latest annual report and semi-annual report (if any) of the Fund and such other documents required to be made available under the SFA and the Code on Collective Investment Schemes issued by the Authority (as the same may be amended from time to time) (the "**Code**");
- (xi) make available at the Singapore Representative's office to shareholders and/or applicants details or copies of any notices, advertisements, circulars and other documents of a similar nature which have been given or sent to shareholders;

## 3. Management And Administration (continued)

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- (xii) arrange for the publication of notices, advertisements, circulars and other documents of that nature in relation to the Fund or which have been given to shareholders, or a summary of any such document, as may be required by the Fund, which documents may relate, *inter alia*, to:
- (a) the publication of annual reports and semi-annual reports of the Fund, as the case may be;
  - (b) the publication of any updated or revised prospectus and any amendments thereto;
  - (c) any amendment to the Articles;
  - (d) the calling of any meetings of shareholders;
  - (e) the declaration of dividends of each Sub-Fund or the Fund; and
  - (f) any revocation of the recognition of any of the Sub-Funds as recognised schemes under section 287 of the SFA by the Authority;
- (xiii) accept on behalf of the Fund service of all notices and other documents addressed to the Fund by any shareholder and immediately dispatch the same to the Fund;
- (xiv) in consultation with the Fund, perform on behalf of the Fund all acts and things in Singapore which are necessary to comply with the provisions of the SFA, the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 (as the same may be amended from time to time) and the Code and for maintaining the status of the Sub-Funds as recognised schemes under section 287 of the SFA;
- (xv) such other duties and obligations as may be agreed in writing between the Fund and the Singapore Representative from time to time; and
- (xvi) such other functions as the Authority or any other applicable regulatory authority may prescribe.

### 3.4.2

Schroder Investment Management (Singapore) Ltd has been appointed by the Fund to act as the Fund's local agent in Singapore to accept service of process on behalf of the Fund.

### 3.5 Custodian

J.P. Morgan Bank Luxembourg S.A. has been appointed as Custodian of the Fund and its registered office is at European Bank & Business Centre, 6 route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg. The Custodian is licensed and regulated by the CSSF.

All cash, securities and other assets constituting the assets of the Fund shall be held under the control of the Custodian on behalf of the Fund and its shareholders. The Custodian shall ensure that the issue and redemption of Shares in the Fund and the application of the Fund's income are carried out in accordance with the provisions of Luxembourg law and the Articles, and the receipt of funds from transactions in the assets of the Fund are received within the usual time limits.

## 3. Management And Administration **(continued)**

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The Fund has appointed the Custodian as the global custodian to provide custodial services to the Fund globally. The Custodian is entitled to appoint sub-custodians to perform any of the Custodian's duties in specific jurisdictions where the Fund invests.

The Custodian is a global custodian with direct market access in certain jurisdictions. In respect of markets for which it uses the services of selected sub-custodians, the Custodian shall act in good faith and use reasonable care in the selection and monitoring of its selected sub-custodians.

The criteria upon which a sub-custodian is appointed is pursuant to all relevant governing laws and regulations and subject to satisfying all requirements of the Custodian in its capacity as global custodian. Such criteria may be subject to change from time to time and may include factors such as the financial strength, reputation in the market, systems capability, operational and technical expertise. All sub-custodians appointed shall be licensed and regulated under applicable law to carry out the relevant financial activities in the relevant jurisdiction.

### 3.6 Independent Auditor

The independent auditor of the Fund is PricewaterhouseCoopers S.à.r.l.

# 4. Investment Objectives and Strategies / Product Suitability

## 4.1

The investment objectives and policies of each Sub-Fund are described under the heading "APPENDIX III - FUND DETAILS" of the Luxembourg Prospectus. Specifically, the investment objectives of the 65 Sub-Funds on offer in Singapore are reproduced below. The investment strategy of each of the 65 Sub-Funds are also set out below. The Sub-Funds are suitable for the investors set out below their respective investment objectives and strategies below. **Investors should consult their financial advisers if in doubt as to whether the relevant Sub-Fund is suitable for them.**

### Mainstream Equity Funds

#### Use of financial derivative instruments

Each Mainstream Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.

#### Fund Risk Profile and Specific Risk Considerations

These Sub-Funds are medium risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund EURO Equity	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of companies in countries participating in the European Monetary Union.</p> <p><b>Investment Strategy:</b></p> <p>At least 75% of the Sub-Fund (excluding cash) will be invested in shares of companies that are incorporated in the European Economic Area. At least two-thirds of the Sub-Fund (excluding cash) will also be invested in shares of companies in countries whose currency is the Euro. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Sub-Fund invests in quality businesses with credible management teams, which the Investment Manager believes have been undervalued by the market. Investment decisions are based on in-depth research into a company's financial and business strength, as well as regular meetings with its management. To a lesser extent, the Investment Manager allows more macroeconomic or thematic views to influence portfolio positioning when they find pertinent opportunities.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in European equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund European Large Cap	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of European large cap companies. Large cap companies are companies which, at the time of purchase, are considered to form the top 80% by market capitalisation of the European market.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of large European companies. The companies will be in the top 80% by size of the European market at the time of purchase. At least 75% of the Sub-Fund will be invested in shares of companies that are incorporated in the European Economic Area. The Sub-Fund has no bias to any particular industry.</p> <p>The Sub-Fund invests in quality businesses, with credible management teams, which the Investment Manager believes have been undervalued by the market. Investment decisions are based on in-depth research into a company's financial and business strength, as well as regular meetings with the company's management. To a lesser extent, the Investment Manager allows more macroeconomic or thematic views to influence portfolio positioning when they find pertinent opportunities.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in European equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Japanese Equity</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of Japanese companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Japanese companies. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Sub-Fund aims to make the most of the considerable investment potential in the Japanese market. The Sub-Fund looks to invest in companies that can continue to grow their profits and with management teams focused on improving efficiency, as the Investment Manager believes these have the best prospects over the longer term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in Japanese equities.</li> </ul>



## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Asian Opportunities	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of Asian (ex Japan) companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies in Asia, excluding Japan. The Sub-Fund has no bias to any particular industry or size of company. The Sub-Fund is managed with reference to the MSCI AC Asia ex Japan (TR).</p> <p>The Investment Manager believes that Asia offers superior economic growth potential, with China and India providing key support. Companies in the region are also in generally good shape, with disciplined capital spending and healthy balance sheets. The Investment Manager's extensive resources and in-depth research means that they are strongly positioned to identify the most promising investment opportunities, which should enable them to reward investors with strong returns over the long term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of Asian excluding Japan companies.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Swiss Equity</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of Swiss companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in a concentrated range of shares of Swiss companies. This means typically holding fewer than 30 to 50 companies.</p> <p>The Sub-Fund invests in companies that offer strong cash flow generation and reasonable valuations. It benefits from a bias towards small and medium-sized companies because they are generally less well researched by other investors. The Investment Manager uses an active fund management style and places great emphasis on maintaining close contact with company managers. Fundamental research is the hallmark of their approach with analysts gaining a thorough insight into the management and market approach of Swiss companies.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in Swiss equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund UK Equity	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of UK companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in the shares of UK companies. At least 75% of the Sub-Fund will be invested in shares of companies that are incorporated in the European Economic Area. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Sub-Fund invests in a broad range of UK equities, selecting from the full spectrum of large, medium-sized and smaller companies. The Investment Manager's approach is grounded in the belief that sentiment drives share prices in the short term, such that companies with strong long-term prospects often become undervalued by the market. The Investment Manager looks for companies with healthy balance sheets, strong management teams and compelling business models as they believe these attributes, along with the undervaluation of the longer-term potential, can generate superior investment returns over time.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in UK equities</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Global Equity	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of companies worldwide.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies worldwide.</p> <p>The Sub-Fund invests in a broad range of stocks spread across the world, with the aim of delivering strong returns over the long term. The Investment Manager focuses on their best investment ideas, which are identified by characteristics such as a company's medium-term growth prospects, attractive stock valuation, management quality, financial position and sustainable competitive advantage.</p> <p>The Investment Manager considers investment opportunities that reflect the importance of themes that drive longer term growth in companies, including climate change, changes to population demographics and the rising importance of emerging market countries within the world economy.</p> <p>The Investment Manager's approach takes advantage of the most attractive investment opportunities, throughout the global investment universe, without regional constraint. They combine in-depth knowledge with global expertise to identify attractively-valued, quality growth stocks with a sustainable competitive advantage. Extensive local research generates globally-diverse investment ideas which are viewed in a global context, selecting stocks based on 'best in class'.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities worldwide.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund US Large Cap	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of US large cap companies. Large cap companies are companies which, at the time of purchase, are considered to form the top 85% by market capitalisation of the US market.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in the shares of larger-sized US companies. The companies will be in the top 85% by size of the US market at the time of purchase.</p> <p>The Sub-Fund invests in some of the world's largest, industry-leading companies. The Investment Manager focuses on finding companies where they can exploit a 'growth gap' which means looking for companies with unrecognised or underappreciated earnings potential. The Sub-Fund may make some non-US investments but the companies must be listed on one of the major North American stock exchanges.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in shares of larger-sized US companies.</li> </ul>

### Specialist Equity Funds

#### Use of financial derivative instruments

Each Specialist Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.

#### Fund Risk Profile and Specific Risk Considerations

These Sub-Funds are higher risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Asian Dividend Maximiser	<p><b>Investment Objective:</b></p> <p>To provide income and capital growth.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund will invest primarily in equities or equity related securities of Asia-Pacific (ex Japan) companies. The Sub-Fund will also selectively enter into option contracts to generate additional income, as more fully described below.</p> <p>To enhance the yield of the Sub-Fund the Investment Manager will selectively sell short dated call options over individual securities held by the Sub-Fund, to generate extra income by agreeing strike prices above which potential upside is sold.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Asia-Pacific (ex Japan) companies that offer a high dividend income and are selected for their long-term income and growth potential.</p> <p>The Sub-Fund generates its income from two sources: Dividends received from shares in companies and cash received from selling on a rolling basis some of the potential capital growth on the shares held within the Sub-Fund. The Sub-Fund aims to deliver a target income per year but this is not guaranteed and could change depending on market conditions.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments will be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in equities in Asia-Pacific excluding Japan.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Asian Equity Yield	<p><b>Investment Objective:</b></p> <p>To provide a total return primarily through investment in equity and equity related securities of Asian companies which offer attractive yields and sustainable dividend payments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Asian companies (excluding Japan). The Sub-Fund has no bias to any particular country or industry.</p> <p>The Sub-Fund aims to generate stable long-term returns through a combination of capital growth and income streams at a low level of volatility. The Sub-Fund invests in the shares of companies in the Asia (ex Japan) region that are disciplined in how they use their available cash, preferring those that pay attractive levels of dividends now but, crucially, also retain enough cash to reinvest back into the company to generate future growth.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in equities in Asia excluding Japan.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Asian Smaller Companies</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of Asian (ex Japan) smaller-sized companies. Smaller-sized companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the Asian (ex Japan) market.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of smaller-sized Asian companies, excluding Japan. The companies will be in the bottom 30% by size of the Asian (ex Japan) market at the time of purchase. The Sub-Fund has no bias to any particular country or industry.</p> <p>The Sub-Fund invests in a range of smaller companies in Asia on the belief that they offer better growth prospects than their larger peers over the long term. Typically, smaller companies are in the early stages of their development, and less researched than larger ones. Therefore, by conducting in-depth research, the Investment Manager believes they can unearth some good investments overlooked by the market as a whole. The Investment Manager's disciplined investment approach, supported by their well-resourced team, should enable them to gain access to these exciting opportunities.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of smaller companies in Asia excluding Japan.</li> </ul>



## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund BRIC (Brazil, Russia, India, China)	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of Brazilian, Russian, Indian and Chinese companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in a concentrated range of shares of companies in the MSCI BRIC index. The Sub-Fund will typically hold fewer than 50 companies with no bias to any particular size of company or industry.</p> <p>The key reason for investing in the BRIC markets (Brazil, Russia, India and China) is their excellent long-term growth potential. Their advantages include a large share of the world's natural resources, while relatively low wage levels give these economies a significant competitive edge. Furthermore, the size of the middle class in these countries is growing rapidly, fuelling strong consumer spending growth. The Investment Manager's highly detailed 'on the ground' research in these countries and the depth of their investment resources enables them to access the best investment opportunities.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in emerging markets equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Emerging Asia</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of companies in the emerging economies of Asia.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies in emerging Asian markets. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>Emerging Asian markets offer some of the most exciting opportunities in terms of long-term growth potential. The region's key advantages include a growing population with strong income growth and continued urbanisation, which should continue to generate strong consumption growth. With the help of the Investment Manager's detailed 'on the ground' research and extensive investment resources, the Investment Manager believes that they are well placed to access the best investment opportunities and identify where growth is being undervalued in the market.</p> <p>The Sub- Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in emerging Asian markets equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Emerging Europe	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of Central and Eastern European companies including the markets of the former Soviet Union and the Mediterranean emerging markets. The portfolio may, to a limited extent, seek exposure to the markets of Northern Africa and the Middle East.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies in emerging European markets. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The main attraction of emerging European markets is their strong long-term growth potential. Russia is the region's largest market and its advantages include huge reserves of oil, natural gas and metals. Turkey is another of the region's larger markets. It has an attractive domestic market due to a large and growing population and is highly competitive as a manufacturing hub for Western Europe. The depth of the Investment Manager's investment resources and their commitment to high quality research enable them to make the most of this compelling investment potential.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in emerging European markets equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Emerging Markets</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of emerging markets companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies in emerging markets with no bias to any particular industry or size of company.</p> <p>The high quality ‘on the ground’ research the Investment Manager carries out in emerging market countries enables them to take maximum advantage of the compelling investment potential available in this asset class. Emerging market economies have excellent long-term growth prospects. They are generally growing at a faster rate than the developed world and this is a trend which is set to continue in the future. Following considerable improvements in recent years, emerging market countries are also generally in better financial shape than the developed world.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in emerging markets equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund European Dividend Maximiser	<p><b>Investment Objective:</b></p> <p>To provide income and capital growth primarily through investment in equity and equity related securities of European companies. The Sub-Fund will also selectively enter into option contracts to generate additional income, as more fully described below.</p> <p>To enhance the yield of the Sub-Fund, the Investment Manager will selectively sell short dated call options over individual securities held by the Sub-Fund, in order to generate extra income by effectively agreeing target 'strike' prices at which those securities will be sold in the future. The Investment Manager is also permitted to sell put options on securities to be bought in the future, at target prices that are pre-set below the current market level.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of European companies which offer a high dividend income and are selected for their long-term income and growth potential. At least 75% of the Sub-Fund will be invested in shares of companies that are incorporated in the European Economic Area. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Sub-Fund generates its income from two sources: dividends and cash received from selling some of the potential capital growth on the shares held in the Sub-Fund.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek income and capital growth; and</li> <li>• understand the risks of investing in European equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund European Equity Yield</p>	<p><b>Investment Objective:</b></p> <p>To provide a total return primarily through investment in equity and equity related securities of European companies which offer attractive yields and sustainable dividend payments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of European companies. The Sub-Fund has no bias to any particular country or industry.</p> <p>The Sub-Fund invests in a diversified portfolio of high yielding equities in companies that the Investment Manager believes are attractive – firstly, because of the quality, sustainability and growth potential of their dividend and secondly, because the fundamental outlook for the companies is favourable. The Investment Manager’s research focuses on identifying companies that are currently paying attractive levels of dividends while retaining enough cash to reinvest back into the company to generate future growth.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in European equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund European Smaller Companies	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of smaller European companies. Smaller European companies are considered companies, which, at the time of purchase, form the bottom 30% by market capitalisation of each European market.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of smaller-sized European companies. The companies will be in the bottom 30% by size of the European market at the time of purchase. The Sub-Fund has no bias to any particular industry.</p> <p>Smaller companies offer investors exposure to some niche growth areas that, often, cannot be accessed through large companies. They also tend to grow more rapidly than larger firms and can go on to become household names. The Investment Manager's investment approach centers on stock selection, which means they focus on each company's ability to create value for shareholders, rather than try to predict what will happen in the wider economic environment.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of smaller companies in Europe.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Frontier Markets Equity</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of frontier markets* companies.</p> <p><i>*Frontier markets are countries included in the MSCI Frontier Markets Index or any other recognised Frontier Markets financial index.</i></p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of frontier markets companies.</p> <p>Frontier markets are at an even earlier stage of development than the emerging markets and offer some of the fastest rates of economic growth in the world. Frontier countries are characterised by large populations and low labour costs, and they also benefit from access to significant natural resources. Using proprietary research, the Investment Manager seeks to add value through country selection and their choice of stocks.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in frontier markets equities.</li> </ul>



## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund European Special Situations	<p><b>Investment Objective:</b></p> <p>To provide capital growth through investment in equity securities of European companies. In order to achieve the objective of the Sub-Fund, the Investment Manager will invest in a select portfolio of securities in special situations, where the Investment Manager believes a special situation to be a company whose future prospects are not fully reflected in its valuation.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of European companies. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Sub-Fund invests companies whose future prospects, the Investment Manager believes, are not reflected in the current share price. The Investment Manager is particularly attracted to companies that are industry leaders; operators in markets with limited competition and high barriers to entry; or firms whose fortunes do not closely track the economic cycle. The Investment Manager's focus is on finding companies with strong underlying businesses, solid market positions, good long-term growth drivers and excellent management teams.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in European equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Global Climate Change Equity</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equities securities of worldwide issuers which will benefit from efforts to accommodate or limit the impact of global climate change.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies worldwide. The Sub-Fund has no bias to any particular size of company.</p> <p>The Investment Manager invests in companies that they believe will benefit from efforts to limit or adapt to the impact of global climate change. Examples include companies that provide renewable energy solutions, such as solar, wind power and biofuel, as well as companies that develop low-energy light bulbs and hybrid-powered cars. There are also compelling investment opportunities in the agriculture industry, with climate change making it vital to improve crop production.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Global Emerging Market Opportunities	<p><b>Investment Objective:</b></p> <p>To provide a total return.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund may invest in equity and equity related securities of emerging market countries worldwide. The Sub-Fund may also invest in fixed income securities worldwide and liquidities for defensive purposes.</p> <p><b>Investment Strategy:</b></p> <p>The Sub-Fund will be invested in shares of companies in emerging markets. It may also invest in bonds and cash for defensive purposes. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Sub-Fund provides focused exposure to the best investment ideas generated by the Investment Manager's global team of emerging market experts. It has the flexibility to be aggressively positioned to maximise growth potential when market conditions are favourable and also to be cautiously positioned when stock markets are expected to be weak. The Sub-Fund can have up to 60% in cash and global bonds if necessary in order to protect returns during such periods. Typically, the majority of the Sub-Fund is invested in emerging market equities as the Investment Manager believes that these are likely to deliver strong returns over the longer term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in emerging markets equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Global Energy	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in securities of companies active in the energy sector.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in a concentrated range of shares of resource-related companies. The Sub-Fund will typically hold fewer than 50 companies and has a bias towards smaller and medium sized companies.</p> <p>The Sub-Fund focuses the Investment Manager's highest conviction investment ideas, which largely comprise traditional oil and gas-based companies, but also can include companies involved in infrastructure, utilities, renewable and alternative energy. The Sub-Fund will have a bias towards exploration and production companies. The Sub-Fund focuses on companies with attractive longer term growth prospects, often supported by rising production, which the Investment Manager believes are misunderstood and under-valued by the market. The Investment Manager believes that energy is an ongoing investment theme, which should continue to provide compelling returns for investors especially over the long term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of resource-related companies.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Global Dividend Maximiser	<p><b>Investment Objective:</b></p> <p>To provide income and capital growth primarily through investment in equities or equity related securities worldwide. The Sub-Fund will also selectively enter into option contracts to generate additional income, as more fully described below.</p> <p>To enhance the yield of the Sub-Fund the Investment Manager will selectively sell short dated call options over individual securities held by the Sub-Fund, in order to generate extra income by effectively agreeing target 'strike' prices at which those securities will be sold in the future. The Investment Manager is also permitted to sell put options on securities to be bought in the future, at target prices that are pre-set below the current market level.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies worldwide, which offer a high dividend income and are selected for their long-term income and growth potential. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Sub-Fund generates its income from two sources, namely dividends and cash received from selling some of the potential capital growth on the shares held in the Sub-Fund.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek income and capital growth; and</li> <li>• understand the risks of investing in equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Global Equity Yield</p>	<p><b>Investment Objective:</b></p> <p>To provide a total return primarily through investment in equity and equity related securities of companies worldwide which offer attractive yields and sustainable dividend payments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies worldwide offering attractive and sustainable dividend payments.</p> <p>The Sub-Fund has a natural bias toward companies that pay out an above-average dividend. The Investment Manager combines top-down analysis (looking at global growth trends, interest rate cycles and currencies) with bottom-up analysis (looking at key metrics including capital discipline, operational efficiency and stability of earnings). Through extensive research and a disciplined investment approach, the Investment Manager believes that they can find good opportunities globally to invest in robust, well-managed and cash-generative businesses with sustainable earnings power.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Global Property Securities	<p><b>Investment Objective:</b></p> <p>To provide a total return primarily through investment in equity securities of property companies worldwide.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of property companies worldwide.</p> <p>The Sub-Fund invests in global property companies which generate the majority of their earnings from property investment related activities. This gives the Investment Manager flexible access to commercial property markets in many countries, where it may be difficult and costly to benefit through buying property directly. The Sub-Fund is able to gain exposure to office, retail, industrial, hotel and residential properties. The Investment Manager's global presence enables them to take advantage of the world's varying property cycles rather than just relying on the real estate trends in one region.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in shares of property companies worldwide.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Global Smaller Companies</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of smaller-sized companies worldwide. Smaller-sized companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of each individual market.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of smaller-sized companies worldwide. The companies will be in the bottom 30% by size of each individual market at the time of purchase. The Sub-Fund has no bias to any particular industry.</p> <p>The Investment Manager believes smaller companies can provide higher growth prospects than larger companies over the longer term, due to the fact they are typically in the early stages of their development. Smaller companies are also less researched than larger ones. The Investment Manager believes that their focus on finding companies that offer sustainable growth patterns and are trading on compelling valuations should reward the Sub-Fund's investors.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of smaller companies.</li> </ul>



## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Greater China*	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of the People's Republic of China, Hong Kong SAR and Taiwan companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies in People's Republic of China, Hong Kong and Taiwan. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>China's economic growth is creating many investment opportunities across a broad range of sectors in Greater China (China, Hong Kong and Taiwan). The Investment Manager believes that the Sub-Fund is strongly positioned to capture this investment potential through their rigorous research. The Investment Manager focuses exclusively on identifying the most compelling investment stories in Greater China, which should result in the most promising returns over the longer term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in China, Hong Kong and Taiwan equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Hong Kong Equity</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of Hong Kong SAR companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Hong Kong companies. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Investment Manager believes that the region offers superior economic growth potential, with China and India providing key support. Companies in the region are also in generally good shape, with disciplined capital spending and healthy balance sheets. The Investment Manager's extensive resources and in-depth research means that they are strongly positioned to identify the most promising investment opportunities, which they believe should enable them to reward investors with strong returns over the long term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in Hong Kong equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Indian Opportunities	<p><b>Investment Objective:</b></p> <p>To provide capital growth.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund will invest primarily in equity and equity related securities of Indian companies or companies which have a substantial business exposure to India. The Sub-Fund will invest in a select portfolio of securities, which the Investment Manager believes offer the best opportunities for future growth. There are no market capitalisation restrictions on the securities that can be held.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Indian companies or companies expected to benefit from the growth of the Indian market. Typically holding between 35-70 companies, the Sub-Fund will have no bias to any particular size of company or industry.</p> <p>The Investment Manager believes that India will benefit from long-term growth trends, such as demographic change, income growth, increasing infrastructure and consumer spending as well as the continuing economic development of the country. They believe that with their extensive resources and in-depth research, they are well positioned to identify attractive investment opportunities.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of Indian companies or companies which have a substantial business exposure to India.</li> </ul> <p>The Sub-Fund invests in India directly through a Foreign Institutional Investors (“FII”) sub-account opened directly under the Fund’s FII.</p> <p>Investors should refer to Annexure IV to this Singapore Prospectus for details on the Sub-Fund’s investment in India under the FII regime, including the risks in respect of such investment.</p>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Japanese Opportunities	<p><b>Investment Objective:</b></p> <p>To provide capital growth.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund may invest primarily in equity securities of Japanese companies. The Sub-Fund seeks to identify and invest in significantly undervalued stocks by estimating fair value of a stock based on mid to long term earnings outlook and qualitative factors (sustainability of above average earnings growth, quality of earnings, management capability, and degree of shareholder focus). It will keep holding the position for a long time until the market reflects the value of a stock. The Sub-Fund has a long term smaller cap bias.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Japanese companies.</p> <p>The Sub-Fund seeks to identify and invest in significantly undervalued stocks by estimating the fair value of a stock based on the mid to long term earnings outlook as well as the quality of earnings and company management. It will keep holding the position for a long time until the market reflects the value of a stock. The Sub-Fund has a long term smaller cap bias but has no bias to any particular industry.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in Japanese equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Japanese Smaller Companies	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of smaller Japanese companies. Smaller Japanese companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the Japanese market.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of smaller-sized Japanese companies. The companies will be in the bottom 30% by size of the Japanese market at the time of purchase. The Sub-Fund has no bias to any particular industry.</p> <p>The Japanese smaller-companies market is inefficiently researched, meaning there is the opportunity to invest in good quality companies which may not have been identified by other investors. The Investment Manager's focus is to invest in attractively-valued companies with solid medium to long-term growth potential, which have strong positions in promising markets and a sound financial footing.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of smaller companies in Japan.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Korean Equity	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of Korean companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Korean companies. The Sub-Fund does not have any bias to any particular industry or sector.</p> <p>The Sub-Fund will typically hold fewer than 70 companies and focuses on the Investment Manager's highest-conviction investment ideas. This offers investors access to high quality Korean companies operating on a global scale where company profits are still growing. The portfolio is constructed around the 'super cycle' themes of demographic change, climate change and growth in emerging markets. These are issues which the Investment Manager believes will drive the Korean economy over the long term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in Korean equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Latin American	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of Latin American companies.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Latin American companies. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The case for investing in Latin America is strong, with these countries generally in much better financial shape when compared to the past. The region also has large reserves of natural resources. This puts Latin American economies in a strong position to supply to the developed world, where many of these resources are becoming increasingly scarce, as well as to strongly growing emerging economies. The depth of the Investment Manager's investment resources and their commitment to highly-detailed 'on the ground' research enable them to make the most of this compelling investment potential.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in Latin American equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund Middle East</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of Middle Eastern companies including companies in emerging Mediterranean markets. The portfolio may also, to a limited extent, seek exposure to the markets of Northern Africa.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Middle Eastern companies. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>Middle Eastern countries are at a relatively early stage in their development and have strong long-term growth potential. While many of these countries continue to benefit from oil and gas riches, they are investing in new products and skills to diversify away from reliance on energy exports. The region has a young, fast-growing population which should also contribute to more rapid economic development. The Investment Manager's highly-detailed research in these countries and the depth of their investment resources enable them to access the best investment opportunities.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing Middle Eastern equities.</li> </ul>



## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund US Small & Mid-Cap Equity	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of smaller and medium-sized US companies. Smaller and medium-sized US companies are considered companies which, at the time of purchase, form the bottom 40% by market capitalisation of the US market.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in the shares of smaller and medium-sized US companies. The companies will be in the bottom 40% by size of the US market at the time of purchase.</p> <p>The Sub-Fund invests in a broad range of small- and medium-sized companies in the US. The Investment Manager's investment approach focuses on three types of US companies; companies that demonstrate strong growth trends and improving levels of cash; companies which generate dependable earnings and revenues; and companies that are undergoing positive changes that are not recognised by the market. By doing so, the Investment Manager believes that they can reduce overall risk and improve returns for their investors over the medium to long term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in small and mid-cap equities in the USA.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selection Fund US Smaller Companies</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of smaller US companies. Smaller US companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the US market.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in the shares of smaller-sized US companies. The companies will be in the bottom 30% by size of the US market at the time of purchase.</p> <p>The Sub-Fund invests in a broad range of smaller companies in the US on the belief that they will offer better growth prospects than their larger peers over the medium to long term. Smaller companies are typically at the early stages of their expansion and under-researched compared to their larger peers. The Investment Manager's investment approach focuses on three types of companies; companies that demonstrate strong growth trends and improving levels of cash; companies which generate dependable earnings and revenues; and companies which are undergoing positive changes that are not recognised by the market. By doing so, the Investment Manager believes that they can reduce overall risk and improve returns for their investors over the medium to long term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of smaller companies in the USA.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund Asian Total Return	<p><b>Investment Objective:</b></p> <p>To provide a total return of capital growth and income primarily through investment in equity and equity related securities of Asia Pacific companies. The Sub-Fund also aims to offer a high degree of capital preservation through the tactical use of financial derivative instruments.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund may buy or sell equity index futures and buy and sell index options on indices or individual stocks. To obtain exposure to equity indices and individual stocks, the Sub-Fund may also enter into contracts for difference where the underlying investments are not delivered and settlement is made in cash.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Asia Pacific companies. The Sub-Fund has no bias to any particular country or industry.</p> <p>The Sub-Fund aims to provide stable long-term returns by investing in the shares of Asia Pacific companies, while at the same time limiting volatility and aiming for some capital protection through the tactical use of financial derivative instruments. The Investment Manager's approach, while disciplined, is not tied to a benchmark. The Investment Manager focuses on companies with solid balance sheets and earnings growth, which they believe should result in the most promising returns over the long term.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently and in particular to provide a degree of capital preservation in falling markets.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in Asia Pacific equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
<p>Schroder International Selected Fund Asia Pacific Property Securities</p>	<p><b>Investment Objective:</b></p> <p>To provide a total return primarily through investment in equity securities of Asia Pacific property companies including Japan and Australasia.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in a concentrated range of shares of Asia Pacific property companies including Japan and Australasia. This means typically holding fewer than 50 companies. The Sub-Fund has no bias to any particular country or size of company.</p> <p>The Sub-Fund offers investors access to the strong growth potential in the region's property sector through shares in real estate investment trusts (REITs), and listed property and property-related companies based in Asia. To gain access to the best opportunities, the Investment Manager undertakes comprehensive sector analysis as well as a thorough assessment of a company's management team to determine the potential impact on net asset values. In short, the Sub-Fund invests in companies whose assets the Investment Manager would want to own if they were investing directly in the physical property themselves.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in equities of Asia Pacific property companies.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy / Product Suitability
Schroder International Selection Fund China Opportunities*	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity and equity related securities of companies which are headquartered and/or listed in or have a substantial business exposure to the People's Republic of China.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of Chinese companies. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Sub-Fund invests in companies based in, or which have substantial business exposure to, China. Backed by impressive economic growth, China offers many exciting investment opportunities for companies across a broad range of sectors. The Investment Manager believes that opportunities can only be exploited through thorough in-depth research.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in China equities.</li> </ul>

\* As at the date of registration of this Singapore Prospectus, Schroder International Selection Fund Greater China and Schroder International Selection Fund China Opportunities are not Qualified Foreign Institutional Investors (QFII), but may each invest indirectly in the A-Shares market by purchasing equity linked products including, but not limited to, equity linked notes, swaps and participatory notes offered by QFIIs.

### **Alpha Equity Funds**

#### **Use of financial derivative instruments**

Each Alpha Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.

#### **Fund Risk Profile and Specific Risk Considerations**

These Sub-Funds are higher risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund European Equity Alpha	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of European companies. In order to achieve the objective, the Investment Manager will invest in a select portfolio of securities, which it believes offer the best potential for future growth.</p> <p><b>Investment Strategy:</b></p> <p>At least two thirds of the Sub-Fund (excluding cash) will be invested in a concentrated range of shares of European companies.</p> <p>As an “Alpha” fund, the Sub-Fund invests in companies in which the Investment Manager has a high conviction that the current share price does not reflect the future prospects for that business. The Sub-Fund will typically hold fewer than 50 companies and has no bias to any particular industry or size of company.</p> <p>The Sub-Fund is managed with a value-style basis, meaning a preference for investment in those companies the Investment Manager believes have been undervalued by the market and where movements in a company’s price does not necessarily correspond with its long term prospects.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities in Europe.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Global Equity Alpha	<p>To provide capital growth primarily through investment in equity and equity related securities of companies worldwide. In order to achieve the objective the Investment Manager will invest in a select portfolio of securities, which it believes offer the best potential for future growth.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in a concentrated range of shares of companies worldwide.</p> <p>As an “Alpha” fund, the Sub-Fund invests in companies in which the Investment Manager has a high conviction that the current share price does not reflect the future prospects for that business. The Sub-Fund will typically hold fewer than 50 companies and has no bias to any particular industry or size of company.</p> <p>The Investment Manager considers investment opportunities that reflect the importance of themes that drive longer term growth in companies, including climate change, changes to population demographics and the rising importance of emerging market countries within the world economy.</p> <p>The Investment Manager’s approach takes advantage of the most attractive investment opportunities, throughout the global investment universe, without regional constraint. They combine in-depth knowledge with global expertise to identify attractively-valued, quality growth stocks with a sustainable competitive advantage. Extensive local research generates globally-diverse investment ideas which are viewed in a global context, selecting stocks based on ‘best in class’.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
<p>Schroder International Selection Fund Japanese Equity Alpha</p>	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of Japanese companies. In order to achieve the objective the Investment Manager will invest in a select portfolio of securities, which it believes offer the best potential for future growth.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in a concentrated range of shares of Japanese companies.</p> <p>As an “Alpha” fund, the Sub-Fund invests in companies in which the Investment Manager has a high conviction that the current share price does not reflect the future prospects for that business. The Sub-Fund will typically hold fewer than 50 companies.</p> <p>The Sub-Fund has an emphasis on small and medium-sized companies. In terms of investment research, this area of the market is not as widely covered as the largest companies in Japan. As a result, there is considerable scope for the Investment Manager’s intensive company-by-company research to uncover good investment opportunities that have been overlooked by other investors.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities of small and medium-sized companies in Japan.</li> </ul>

For “Alpha” Funds, the relevant Investment Manager adopts an active management strategy, by aggressively positioning the portfolio according to prevailing market conditions. This could be on the basis of particular sectors, themes or styles, or on a selected number of stocks which the relevant Investment Manager believes have the potential to provide enhanced returns relative to the market.



## 4. Investment Objectives and Strategies / Product Suitability (continued)

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### **Schroder International Selection Fund Global Equity Alpha**

The Schroder International Selection Fund Global Equity Alpha may invest in equities, equity related securities (including without limitation, preferred shares, American depositary receipt (ADR), Global depositary receipt (GDR) and notes), closed-end funds, collective investment schemes, warrants, financial derivatives on equities and equity related securities, and cash. This Sub-Fund may invest up to 49% of its Net Asset Value in cash. At least two-thirds of the Net Asset Value of this Sub-Fund which is invested in investments other than cash, will be investments in equities. This Sub-Fund may engage in securities lending from time to time. Please refer to the section "Securities lending" under "USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS" in "APPENDIX I – INVESTMENT RESTRICTIONS" of the Luxembourg Prospectus for further information on securities lending.

### **Quantitative Equity Funds**

#### **Use of financial derivative instruments**

Each Quantitative Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.

#### **Fund Risk Profile and Specific Risk Considerations**

These Sub-Funds are medium to higher risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
<p>Schroder International Selection Fund QEP Global Active Value</p>	<p><b>Investment Objective:</b></p> <p>To provide a total return primarily through active investment in a diversified value style biased portfolio of equity and equity related securities of companies worldwide.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies worldwide that meet the Investment Manager's "value" criteria. This means looking at indicators such as dividends and cash flow to determine those shares that the Investment Manager believes have been undervalued by the market, and where a company's price does not necessarily correspond with its long-term prospects.</p> <p>The Investment Manager's views on the factors that contribute to share price returns are fed into a model which allows them to analyse over 15,000 companies on a daily basis. They are then able to build a highly diversified portfolio of over 500 companies minimising the risk that the performance of a single stock could significantly affect the performance of the overall portfolio.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund QEP Global Core	<p><b>Investment Objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of companies worldwide. In order to achieve the objective, the Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies worldwide. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Investment Manager's views on the factors that contribute to share price returns are fed into a model which allows them to analyse over 15,000 companies on a daily basis. They are then able to build a highly diversified portfolio of over 500 companies minimising the risk that the performance of a single stock could significantly affect the performance of the overall portfolio.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund QEP Global Quality	<p><b>Investment Objective:</b></p> <p>To provide a total return primarily through investment in equity and equity related securities of companies worldwide whose financial characteristics show a high quality bias. In order to achieve the objective, the Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques that apply a quality screen, including factors such as low leverage and stable profitability.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies worldwide that meet the Investment Manager's 'quality' criteria. This means looking at indicators such as a company's profitability, stability and financial strength.</p> <p>The Investment Manager's views on the factors that contribute to share price returns are fed into a model which allows them to analyse over 5,000 companies on a daily basis. They are then able to build a highly diversified portfolio of over 400 companies minimising the risk that the performance of a single stock could significantly affect the performance of the overall portfolio.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in equities.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund QEP Global Emerging Markets	<p><b>Investment Objective:</b></p> <p>To provide capital growth.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund may primarily invest in equity and equity related securities of companies in emerging markets countries.</p> <p>The Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques that aim to achieve an optimal allocation between value style biased and quality style biased companies.</p> <p>The Investment Manager views value style biased companies as those whose stocks are attractively valued relative to their peers based on factors such as dividends, earnings, sales, assets and cash flow. Quality style biased companies are defined on measures of company profitability, stability and financial strength. Combining both drivers in a single portfolio offers investors the potential of outperformance across a broader range of market environments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in shares of companies in emerging markets countries. The Sub-Fund has no bias to any particular industry or size of company.</p> <p>The Investment Manager's views on the factors that contribute to share price returns are fed into a model which allows them to analyse over 4,000 companies on a daily basis. They are then able to build a highly diversified portfolio of over 300 companies minimising the risk that performance of a single stock could significantly affect the overall performance of the Sub-Fund.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in emerging markets equities.</li> </ul>

“Quantitative Equity Funds” are managed on a bottom up basis. Overweight and underweight positions in securities of a given country, sector and stock are determined through the application of analytical techniques to such countries, sectors and stocks.

### **Absolute Return Funds**

#### **Use of financial derivative instruments**

Each Absolute Return Fund may employ financial derivative instruments for hedging and

## 4. Investment Objectives and Strategies / Product Suitability (continued)

investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional income from exposure to credit risk in purchasing or selling protection through credit default swaps, adjusting the Sub-Fund's duration through the tactical use of interest related financial derivative instruments, generating additional income through inflation or volatility linked financial derivative instruments or increasing its currency exposure through the use of currency related financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Sub-Funds are low to medium risk vehicles unless otherwise indicated in the Sub-Fund's specific investment policy in Appendix III of the Luxembourg Prospectus. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Asian Bond Absolute Return	<p><b>Investment Objective:</b></p> <p>To provide an absolute return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by governments, government agencies, supra-national and corporate issuers in Asia excluding Japan and financial derivative instruments (including total return swaps). Where the Sub-Fund uses total return swaps, the underlying consists of instruments in which the Sub-Fund may invest according to its Investment Objective. As part of its primary objective, the Sub-Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds and currencies. The bonds will be issued by governments, government agencies and companies in Asia, excluding Japan.</p> <p>The Sub-Fund seeks to capitalise on the broad range of fixed income opportunities in Asia, with the aim of generating absolute returns. Utilising Schroders' experience of Asian fixed income investment, an extensive research resource and an unconstrained investment approach, the Sub-Fund seeks to add value via a combination of interest rate strategies, currencies and corporate bonds.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. In aiming to deliver an absolute return, a substantial part of the Sub-Fund may be held in cash which may include short term developed market government bonds.</p> <p><b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in Asian bonds and currencies.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Emerging Markets Debt Absolute Return	<p><b>Investment Objective:</b></p> <p>To provide an absolute return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by governments, government agencies, supra-national and corporate issuers in emerging markets.</p> <p><b>Investment Strategy:</b></p> <p>The Sub-Fund will be invested in bonds and currencies in emerging markets as well as holding cash on deposit. The bonds will be issued by governments, government agencies and companies. In aiming to deliver an absolute return, a substantial part of the Sub-Fund may be held in cash which may include short term developed market government bonds.</p> <p>Based on the Investment Manager's in-depth country analysis, they actively allocate to selected countries within their broad investment universe and across a range of government bonds, corporate bonds and currencies that they believe will offer the best risk-adjusted returns. The Sub-Fund has no set target in respect of any emerging markets country or sector but has the flexibility to focus on investments which offer the most attractive opportunities.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in emerging markets bonds and currencies.</li> </ul>

"Absolute Return Funds" are managed with a view to generating a positive return (i.e. greater than zero) over a period of no more than 12 months. The relevant Investment Manager will seek to generate such a return even in falling markets (or in expectation of falling markets) by either shorting (on a covered basis) the various sources of return and/or moving into cash and cash equivalents. There is no guarantee that such objective may be achieved.

### **Mainstream Bond Funds**

#### **Use of financial derivative instruments**

Each Mainstream Bond Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional income from exposure to credit risk in purchasing or selling protection through credit default swaps, adjusting the Sub-Fund's duration through the tactical use of interest related financial derivative instruments, generating additional income through inflation or volatility linked financial derivative instruments or increasing its currency exposure through the use of currency related financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

# 4. Investment Objectives and Strategies / Product Suitability (continued)

## Fund Risk Profile and Specific Risk Considerations

These Sub-Funds are low to medium risk vehicles. However, the use of financial derivative instruments may lead to a higher volatility in the price of Shares and may increase the Sub-Fund's counterparty risk. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund EURO Short Term Bond	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth and income primarily through investment in a portfolio of short term bonds and other fixed and floating rate securities denominated in Euro and issued by governments, government agencies, supra-national and corporate issuers worldwide. The average maturity of the securities held in the portfolio must not exceed three years, whereas the residual maturity of any such security must not exceed five years. The Sub-Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in short term bonds in the euro currency issued by governments, government agencies and companies worldwide.</p> <p>The bonds held in the Sub-Fund will have an average maturity that will not exceed 3 years and the residual maturity of any such bond will not exceed 5 years. This means that the average remaining life of the bonds held in the Sub-Fund will be less than 3 years and the remaining life of every such bond will be less than 5 years.</p> <p>The Sub-Fund focuses on bonds which have less than five years to run before they are repaid. These bonds normally offer the potential for higher returns than money market instruments, and tend to be less risky than longer-dated bonds.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in Euro denominated short term bonds issued by governments, government agencies and companies.</li> </ul>



## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund EURO Government Bond	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by Eurozone governments. The Sub-Fund also has the flexibility to implement active currency positions either via currency forwards or via the above instruments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds issued by governments of countries whose currency is the Euro.</p> <p>Government bonds generally offer a more stable alternative to shares of companies, providing diversification and a relatively safer environment in more cautious times. The Investment Manager's European Government Bond team decides the Sub-Fund's strategy utilising the in-depth research and views of their specialist Economics team, which formulates views on global economic growth, inflation and fiscal policy. The Economics team provides a valuable input to the Sub-Fund's investment decisions.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in bonds issued by governments of countries whose currency is the Euro.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
<p>Schroder International Selection Fund Global Inflation Linked Bond</p>	<p><b>Investment Objective:</b></p> <p>To provide a combination of capital growth and income primarily through investment in a portfolio of inflation-linked debt securities issued by governments, government agencies, supra-national and corporate issuers worldwide. The Sub-Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in inflation-linked bonds issued by governments, government agencies and companies worldwide.</p> <p>Inflation-linked bonds provide protection against the effects of rising prices as generally both the value of the original amount borrowed and the interest payments move in line with consumer prices.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in inflation-linked bonds issued by governments, government agencies and companies worldwide.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund US Dollar Bond	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth and income primarily through investment in a portfolio of bonds and fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in USD and issued by governments, government agencies, supra-national and corporate issuers worldwide. The Sub-Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds in the US Dollar currency issued by governments, government agencies and companies worldwide.</p> <p>The Sub-Fund provides investors with access to the world's largest bond market. It is able to invest in the full spectrum of US highly-rated bond sectors and can also invest into lower-rated and non-US dollar based bonds. The Investment Manager's investment approach is designed with the aim of maximising capital growth and income over time while applying the disciplined risk control essential to generate consistent performance.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in US Dollar denominated bonds issued by governments, government agencies and companies worldwide.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Global Bond	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide. The Sub-Fund also has the flexibility to implement active currency positions through currency forwards, or via the above instruments. A maximum of 20% of the net assets of the Sub-Fund can be invested in securities with a credit rating below investment grade (as measured by Standard &amp; Poor's or any equivalent grade of other credit rating agencies).</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide.</p> <p>A maximum of 20% of the Sub-Fund will be invested in bonds that have been awarded lower ratings from credit agencies i.e. sub-investment grade bonds.</p> <p>For those investors who are seeking to balance their portfolio, investment in global bonds can offer a good source of diversification whilst offering the lower risk profile associated with bond funds. Investors also get the chance to benefit from a wider range of opportunities.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p>The Sub-Fund may use leverage or take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in bonds denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide.</li> </ul>

# 4. Investment Objectives and Strategies / Product Suitability (continued)

## Specialist Bond Funds

### Use of financial derivative instruments

Each Specialist Bond Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional income from exposure to credit risk in purchasing or selling protection through credit default swaps, adjusting the Sub-Fund's duration through the tactical use of interest related financial derivative instruments, generating additional income through inflation or volatility linked financial derivative instruments or increasing its currency exposure through the use of currency related financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Sub-Funds are medium risk vehicles. However, the use of financial derivative instruments may lead to a higher volatility in the price of Shares and may increase the Sub-Fund's counterparty risk. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund EURO Corporate Bond	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in Euro issued by governments, government agencies, supra-national and corporate issuers. A maximum of 20% of the net assets of the Sub-Fund will be held in securities issued by governments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds issued in Euros by companies worldwide. A maximum of 20% of the Sub-Fund can be invested in bonds issued by governments and government agencies.</p> <p>The central appeal of the corporate bond market is that bonds in this sector generally offer higher interest payments than those available on government bonds, creating the potential for higher returns over the longer term. Corporate bonds also tend to be less volatile than shares of companies. In addition, with many companies and industries to choose from, there is a lot of scope to add value through issuer and sector selection.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in corporate and government bonds issued in Euros.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
<p>Schroder International Selection Fund Global Corporate Bond</p>	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers worldwide. A maximum of 20% of the net assets of the Sub-Fund will be held in securities issued by governments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds in various currencies issued by companies worldwide. A maximum of 20% of the Sub-Fund can be invested in bonds issued by governments and government agencies.</p> <p>The Investment Manager, supported by Schroders' global team of credit analysts, seeks to identify high quality companies which offer the best possible risk/reward profile. The Sub-Fund can also invest in non-corporate fixed income assets, usually as a defensive measure, if the Investment Manager deems necessary. Investing on a global basis allows investors to benefit from the best opportunities available around the world, and does not limit the Sub-Fund to a single region or market.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in bonds in various currencies issued by companies worldwide.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Global High Yield	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers worldwide. A minimum of 70% of the net assets of the Sub-Fund will be invested in securities with a credit rating below investment grade (as measured by Standard &amp; Poor's or any equivalent grade of other credit rating agencies).</p> <p><b>Investment Strategy:</b></p> <p>The Sub-Fund will be invested in bonds issued by governments, government agencies and companies worldwide in various currencies. A minimum of 70% of the Sub-Fund (excluding cash) will be invested in bonds that have been awarded lower ratings from credit agencies. These bonds are known as sub-investment grade bonds.</p> <p>Although high yield bonds are typically perceived to have higher levels of risk, the additional income they offer over an investment grade bond is intended to compensate for this. The Sub-Fund is dedicated to getting the best out of the high yield universe. The Investment Manager works with their global team of credit experts to evaluate economic, market, sector and other risks in order to determine the bonds that offer the best risk/reward profiles.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in bonds issued by governments, government agencies and companies worldwide in various currencies.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Strategic Bond	<p><b>Investment Objective:</b></p> <p>To provide a total return primarily through investment in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide. As part of its primary objective, the Sub-Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments. The full spectrum of available securities, including non-investment grade, may be utilised.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds and currencies. The bonds will be issued by governments, government agencies and companies worldwide.</p> <p>The Sub-Fund has no set target in respect of any country or sector but has the flexibility to focus on investments which offer the most attractive opportunities.</p> <p>The Sub-Fund uses a flexible, opportunistic investment approach to maximise the return opportunities from global bond markets throughout the market cycle. The Sub-Fund is free to invest globally, across region, bond type and credit quality. It can invest in sovereign debt in the developed and emerging economies as well as investment grade and non-investment grade corporate bonds, giving the Investment Manager the freedom to take advantage of the best opportunities across fixed income.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in bonds issued by governments, government agencies and companies worldwide.</li> </ul>



## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Asian Local Currency Bond	<p><b>Investment Objective:</b></p> <p>To provide long term return of capital growth and income by seeking out opportunities in Asian local fixed income and currency markets. As part of its primary objective, the Sub-Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.</p> <p><b>Investment Policy:</b></p> <p>Investment will primarily be in local currency bonds issued by government, quasi-government and corporate issuers in Asia ex Japan and financial derivative instruments (including total return swaps). Where the Sub-Fund uses total return swaps, the underlying consists of instruments in which the Sub-Fund may invest according to its Investment Objective and Policy.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds and currencies. The bonds will be issued by governments, government agencies and companies in Asia, excluding Japan.</p> <p>The Sub-Fund invests in local currency bonds in a diverse range of Asian countries, each with very different economies. The Investment Manager believes that Asian economies will continue to prosper over the longer term and therefore sees great potential in the region's bond and currency markets. The Sub-Fund will be positioned accordingly to take advantage of these improvements over the long term.</p> <p>The Sub-Fund has no bias to any particular size of company or government or any particular industry.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in bonds issued by governments, government agencies and companies in Asia, excluding Japan.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Global High Income Bond	<p><b>Investment Objective:</b></p> <p>To provide a high income return primarily through investment in a portfolio of bonds and other fixed and floating rate debt securities denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund may invest in the full spectrum of available securities, including asset-backed and mortgage-backed securities and non-investment grade securities. Asset-backed securities and mortgage-backed securities will not exceed 20% of the net assets of the Sub-Fund. The Sub-Fund also has the flexibility to implement active currency positions through currency forwards or via the above instruments.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in bonds and other fixed and floating rate debt securities denominated in various currencies issued by governments, government agencies and companies worldwide.</p> <p>The Sub-Fund invests in bonds that have been awarded lower ratings from credit agencies, known as sub-investment grade bonds. A maximum of 20% of the Sub-Fund will be invested in asset-backed securities and mortgage-backed securities. The Sub-Fund seeks to generate a high income by investing in emerging market government bonds, emerging market corporate bonds and developed market high yield corporate bonds. Using a well-defined, multi-stage investment process, the Investment Manager allocates funds across these sectors, reflecting their views on which sectors and companies are most likely to outperform in the prevailing environment. The Investment Manager also actively manages currency positions to provide an additional source of return.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p>The Sub-Fund may use leverage and take short positions.</p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in bonds and other fixed and floating rate debt securities denominated in various currencies issued by governments, government agencies and companies worldwide.</li> </ul>

# 4. Investment Objectives and Strategies / Product Suitability (continued)

## Specialist Bond Funds (Medium-Higher Risk)

### Use of financial derivative instruments

Each Specialist Bond Fund (Medium-Higher Risk) may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional income from exposure to credit risk in purchasing or selling protection through credit default swaps, adjusting the Sub-Fund's duration through the tactical use of interest related financial derivative instruments, generating additional income through inflation or volatility linked financial derivative instruments or increasing its currency exposure through the use of currency related financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Sub-Funds are medium to higher risk vehicles. However, the use of financial derivative instruments may lead to a higher volatility in the price of Shares and may increase the Sub-Fund's counterparty risk. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Asian Convertible Bond	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth primarily through investment in a portfolio of convertible securities and other similar transferable securities, such as convertible preference securities, exchangeable bonds or exchangeable medium term notes, issued by corporate issuers in Asia excluding Japan. The Sub-Fund may also, to a limited extent, seek exposure to fixed and floating rate securities, equity securities and equity linked notes.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in convertible bonds issued by companies in Asia excluding Japan.</p> <p>The Sub-Fund provides investors with diversified exposure to the exciting Asian growth story. Convertible bonds are simply corporate bonds that can be converted into shares at a given price. As such, investors can gain exposure to Asian (ex Japan) equity markets, but with the defensive benefits and less volatile characteristics of a bond investment. The Sub-Fund aims to maximise these opportunities by rigorously evaluating the range of economic, regional, equity and corporate bond market considerations.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in convertible securities in Asia excluding Japan.</li> </ul>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Global Convertible Bond	<p><b>Investment Objective:</b></p> <p>To provide a return of capital growth primarily through investment in a portfolio of convertible securities and other similar transferable securities, such as convertible preference securities, exchangeable bonds or exchangeable medium term notes, issued by corporate issuers worldwide. The Sub-Fund may also, to a limited extent, seek exposure to fixed and floating rate securities, equity securities and equity linked notes.</p> <p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested in convertible bonds issued by companies worldwide.</p> <p>The Sub-Fund, which has no regional constraints, provides broadly diversified exposure to the global convertible bond universe. Convertible bonds are simply corporate bonds that can be converted into shares at a given price. As such, investors can gain exposure to global equity markets, but with the defensive benefits and less volatile characteristics of a bond investment. The Sub-Fund aims to maximise these opportunities by rigorously evaluating the range of economic, regional, equity and corporate bond market considerations.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth; and</li> <li>• understand the risks of investing in convertible bonds issued by companies worldwide.</li> </ul>

### Currency Funds

#### **Use of financial derivative instruments**

Each Currency Fund may, for investment purposes, employ financial derivative instruments in order to achieve its investment objective. The financial derivative instruments may be over-the-counter, which may imply increased counterparty risk. It is not the intention of the relevant Investment Manager to create leverage effect as a result of the use of financial derivative instruments.

#### **Fund Risk Profile and Specific Risk Considerations**

These Sub-Funds are low-medium risk vehicles aiming to protect global purchasing power as described in the relevant investment objectives. They may be suitable for investors who are managing their longer term cash positions and are seeking active currency management. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

## 4. Investment Objectives and Strategies / Product Suitability (continued)

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Global Managed Currency	<p><b>Investment Objective:</b></p> <p>The Sub-Fund invests in a basket of world currencies with the aim of providing capital growth and/or the opportunity to diversify portfolio currency risk.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund may invest in cash, deposits and fixed income instruments in any currency, provided that (i) at the time of acquisition, the average initial or residual maturity of all such securities held in the portfolio does not exceed 12 months, taking into account any financial instruments connected therewith, or (ii) the terms and conditions governing those securities provide that the applicable interest rate is adjusted at least annually on the basis of market conditions.</p> <p>The Sub-Fund may also invest in currency related derivatives including but not limited to forwards, futures, swaps and options.</p> <p><b>Investment Strategy:</b></p> <p>The Sub-Fund invests in a diversified portfolio of currencies, which is established through buying currency instruments and money market instruments denominated in different currencies.</p> <p>The Sub-Fund aims to preserve and increase investors' global purchasing power over the long term by investing in a diversified basket of cash instruments. Unlike many other currency vehicles, the Sub-Fund can invest in any currency around the world, including the emerging markets, where, historically, a lot of value has been generated. As such, investors can broadly diversify their cash holdings, gaining exposure to the world's best performing currencies and gaining an alternative to cash and government bonds that can deliver a higher yield and the potential for capital gains.</p> <p>The Sub-Fund may also invest in other financial instruments and hold cash on deposit. <b>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and/or diversification of portfolio currency risk; and</li> <li>• understand the risks of investing in a basket of world currencies.</li> </ul>

# 4. Investment Objectives and Strategies / Product Suitability (continued)

## Multi-Asset Funds

### Use of financial derivative instruments

Each Multi-Asset Fund may employ financial derivative instruments for hedging and investment purposes. These financial derivative instruments may be used to gain exposure to a wide range of asset classes including, but not limited to, currencies, real estate, infrastructure and commodities. Such financial derivative instruments include, but are not limited to, over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Sub-Funds are medium-high risk vehicles unless otherwise indicated in the Sub-Fund's specific investment policy. In particular the use of financial derivative instruments for investment purposes may increase the Shares price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Sub-Funds, please refer to "APPENDIX II - RISKS OF INVESTMENT" of the Luxembourg Prospectus.

Name of Sub-Fund	Investment Objective and Strategy/Product Suitability
Schroder International Selection Fund Global Multi-Asset Income	<p><b>Investment Objective:</b></p> <p>To provide income and capital growth over the medium to longer term by investing primarily in global equities and global fixed income securities directly or indirectly through the use of Investment Funds or financial derivative instruments (including, but not limited to, futures, options and credit default swaps).</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund will seek to achieve the investment objective by actively allocating between equity securities of companies globally, which offer attractive yields and sustainable dividend payments, global bonds and other fixed or floating rate securities (including but not limited to asset-backed securities and mortgage-backed securities), issued by governments, government agencies, supra-national or corporate issuers, which offer attractive yields, cash (which will be treated as a separate asset class and will be deployed if necessary to limit downside risk during adverse market conditions) and Alternative Asset Classes indirectly through ETFs, REITs and/or eligible derivative transactions.</p> <p>Asset-backed securities and mortgage-backed securities will not exceed 20% of the net assets of the Sub-Fund. The Sub-Fund will not invest more than 10% into open ended investment Funds. As part of its primary objective, the Sub-Fund also has the flexibility to implement active currency positions either via currency forwards or via the above instruments. The Sub-Fund may substantially invest in non-investment grade and unrated securities.</p>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

	<p><b>Investment Strategy:</b></p> <p>At least two-thirds of the Sub-Fund (excluding cash) will be invested directly in shares and bonds of companies worldwide, bonds and currencies of governments and government agencies worldwide or indirectly through funds and derivatives. The Sub-Fund will not invest more than 10% into funds.</p> <p>The Sub-Fund aims to provide a sustainable level of income. It invests in a broad range of assets from around the world, and seeks to identify attractive sources of income whilst diversifying risk. The regional allocation and allocation to asset classes may vary over time.</p> <p>The Sub-Fund may also hold cash on deposit. <b><i>Financial derivative instruments and cash may be used to achieve the investment objective, to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income; and</li> <li>• understand the risks of investing in shares and bonds of companies worldwide, bonds and currencies of governments and government agencies worldwide or indirectly through funds and derivatives.</li> </ul>
Schroder International Selection Fund Wealth Preservation EUR	<p><b>Investment Objective:</b></p> <p>To preserve and enhance real value, as measured in euro terms after adjusting for inflation, over 3-5 years.</p> <p><b>Investment Policy:</b></p> <p>The Sub-Fund may invest globally in equity and equity related securities, a broad range of fixed income instruments, Investment Funds, Investment Trusts, ETFs, money market instruments, cash, deposits and Alternative Asset Classes in any currency.</p> <p>The Sub-Fund may also invest in financial derivative instruments, including forwards and futures. The Sub-Fund may, at times, be substantially invested in cash and money market instruments when necessary to preserve capital.</p>

## 4. Investment Objectives and Strategies / Product Suitability (continued)

	<p><b>Investment Strategy:</b></p> <p>The Sub-Fund will invest worldwide in shares, bonds, currencies, commodities and cash. The Sub-Fund will not acquire any physical commodities.</p> <p>The Sub-Fund has the flexibility to focus on investment opportunities that the Investment Manager believes to be the most attractive, as it has no set target allocation in respect of country, currency or sector. The Sub-Fund may, at times, be substantially invested in cash when necessary to preserve capital.</p> <p><b><i>Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Sub-Fund more efficiently.</i></b></p> <p><b>Product Suitability:</b></p> <p>The Sub-Fund is suitable for investors who:</p> <ul style="list-style-type: none"><li>• seek real value (i.e. a positive return after inflation) offered through investment in a range of asset classes; and</li><li>• understand the risks of investing in a range of asset classes worldwide including shares, bonds, currencies, commodities and cash.</li></ul>
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### 4.2

Details of the investment restrictions applying to the Fund are set out under the heading "APPENDIX I – INVESTMENT RESTRICTIONS" of the Luxembourg Prospectus.

### 4.3

Investors should refer to "APPENDIX III – FUND DETAILS" of the Luxembourg Prospectus which elaborates and clarifies some of the terms used in the description of the investment objectives and policies of the various Sub-Funds.

## 5. CPF Investment Scheme

The Schroder International Selection Fund Global Equity Alpha is included under the Central Provident Fund ("CPF") Investment Scheme and is classified by the CPF Board under the risk classification of "Higher Risk – Broadly Diversified". However, this Sub-Fund is not available for subscription using CPF monies.



# 6. Charges And Expenses

## Charges and expenses payable by Shareholders

	Class A Shares	Class A1 Shares	Class B Shares	Class B1 Shares	Class C Shares	Class I Shares	Class X Shares
Initial Charge	<u>Equity Funds</u> Up to 5.00% of the Gross Investment Sum <sup>1</sup>	<u>Equity Funds</u> Up to 4.00% of the Gross Investment Sum <sup>1</sup>	None	None	Up to 1.00% of the Gross Investment Sum <sup>1</sup>	None	None
	<u>Multi-Asset Funds</u> Up to 5.00% of the Gross Investment Sum <sup>1</sup> for Schroder International Selection Fund Global Multi-Asset Income	<u>Multi-Asset Funds</u> Up to 4.00% of the Gross Investment Sum <sup>1</sup> for Schroder International Selection Fund Global Multi-Asset Income					
	Up to 4.00% of the Gross Investment Sum <sup>1</sup> for Schroder International Selection Fund Wealth Preservation EUR	Up to 3.00% of the Gross Investment Sum <sup>1</sup> for Schroder International Selection Fund Wealth Preservation EUR					
	<u>Absolute Return Funds</u> Up to 3.00% of the Gross Investment Sum <sup>1</sup>	<u>Absolute Return Funds</u> Up to 2.00% of the Gross Investment Sum <sup>1</sup>					
	<u>Bond Funds</u> Up to 3.00% of the Gross Investment Sum <sup>1</sup>	<u>Bond Funds</u> Up to 2.00% of the Gross Investment Sum <sup>1</sup>					
	<u>Currency Funds</u> Up to 3.00% of the Gross Investment Sum <sup>1</sup>	<u>Currency Funds</u> Up to 2.00% of the Gross Investment Sum <sup>1</sup>					

## 6. Charges And Expenses (continued)

Contingent Deferred Sales Charge ("CDSC") <sup>2</sup>	N/A	N/A	N/A	Up to 4.0% of the Net Asset Value per Share 1 <sup>st</sup> Year - 4.0% 2 <sup>nd</sup> Year - 3.0% 3 <sup>rd</sup> Year - 2.0% 4 <sup>th</sup> Year - 1.0% After end of 4 <sup>th</sup> Year - None	N/A	N/A	N/A
Switching Charge	Up to 1%						

<sup>1</sup> Gross Investment Sum means the aggregate amount comprising the net investment amount paid by or received from an investor for the subscription of Shares in a Sub-Fund plus the Initial Charge. For Class A Shares, the Initial Charge of 5% of the Gross Investment Sum is equivalent to 5.26315% of the Net Asset Value per Share, the Initial Charge of 4% of the Gross Investment Sum is equivalent to 4.16667% of the Net Asset Value per Share and the Initial Charge of 3% of the Gross Investment Sum is equivalent to 3.09278% of the Net Asset Value per Share. For Class A1 Shares, the Initial Charge of 4% of the Gross Investment Sum is equivalent to 4.16667% of the Net Asset Value per Share, the Initial Charge of 3% of the Gross Investment Sum is equivalent to 3.09278% of the Net Asset Value per Share and the Initial Charge of 2% of the Gross Investment Sum is equivalent to 2.04081% of the Net Asset Value per Share. For Class C Shares, the Initial Charge of 1% of the Gross Investment Sum is equivalent to 1.0101% of the Net Asset Value per Share. The Initial Charge may be partly or fully waived by the Directors at their full discretion.

The current amount of sales charge, redemption charge, contingent deferred sales charge, switching charge and distribution fee (if applicable) varies according to the type of Sub-Funds and the Class of Shares in each Sub-Fund.

<sup>2</sup> No redemption charge is payable for any of the Classes apart from the CDSC applicable to B1 Shares stated below.

### Contingent Deferred Sales Charge ("CDSC") applicable to B1 Shares

The amount of CDSC is calculated by multiplying the relevant percentage rate as determined above by the lower of a) the Net Asset Value of the Shares being redeemed on the relevant Dealing Day or b) the price paid for the original issue of Shares being redeemed or for the B1 Shares of another Sub-Fund from which those Shares were exchanged, in either case calculated in the relevant dealing currency of the Shares being redeemed.

The applicable rate of CDSC is determined by reference to the total length of time during which the Shares being redeemed (including the B1 Shares from which they were derived (if any) as a result of a switch from another Sub-Fund) were in issue. In determining whether a CDSC is applicable, the calculation will be effected in a manner that results in the lowest possible rate being applied. It will therefore be assumed that, first, a redemption will be made of those B1 Shares in issue for a period exceeding four years and then those B1 Shares in issue for the longest period of time during the four year period. No CDSC is payable in respect of those B1 Shares which have been in issue for longer than a four year period. Dividends paid on B1 distribution Share Classes cannot be automatically reinvested and will be paid in cash.

The amounts accrued as CDSC, annual distribution charge and shareholder servicing fee are incurred for the provision of certain services pertaining to the sales, promotion, marketing and financing of B1 Shares.

Investors in B1 Shares will not be permitted to switch the holding of such shares into other classes of shares, nor will they be permitted to transfer such shares from one distributor to another. However, holdings in B1 Shares will be converted automatically into A1 Shares on the last Business Day of the month in which the sixth anniversary of issue of such B1 Shares occurs on the basis of the respective Net Asset Values of the relevant B1 and A1 Shares. This conversion may give rise to a tax liability for investors in certain jurisdictions. Investors should consult their tax advisors about their position.

In all instances of switching that involve B1 Shares into another B1 Share Class, the age of the old B1 Shares will carry over and continue in the new B1 Shares. No CDSC is payable at the time of a switch of B1 Shares to B1 Shares in another Sub-Fund.

B1 Shares will also be subject to an annual distribution charge of 1%, and an annual shareholder servicing fee of 0.25%, both calculated and accrued daily by reference to the Net Asset Values of such Shares and paid monthly to the Management Company or such other party as the Management Company may appoint from time to time.

### Redemption charge

The Fund may introduce a redemption charge based on the Net Asset Value per Share of the relevant Share Classes of the relevant Sub-Fund in favour of the Sub-Fund. **At the date of registration of this Singapore Prospectus, no such redemption charge is applicable to the Sub-Funds.**

## 6. Charges And Expenses (continued)

### Share Classes

Class A1 and B1 Shares will only be available to investors who at the time the relevant subscription order is received are customers of certain distributors appointed specifically for the purpose of distributing the A1 and B1 Shares and only in respect of those Sub-Funds for which distribution arrangements have been made with such distributors. Class I Shares will be offered to institutional investors (i) who, at the time the relevant subscription order is received, are clients of Schroders with an agreement covering the charging structure relevant to the clients' investments in such Shares; and (ii) who are institutional investors, within the meaning of Article 174 of the Law and as may be defined from time to time by the guidelines or recommendations issued by the CSSF. Class X Shares will only be available, with prior agreement of the Management Company, to institutional investors, within the meaning of Article 174 of the Law and as may be defined from time to time by the guidelines or recommendations issued by the CSSF.

Please refer to the heading "SHARE CLASSES" in the Luxembourg Prospectus for details on the current fees and the specific features of the Share Classes.

### Charges and expenses payable by the Sub-Funds - Annual Management Fee

Sub-Fund	Annual Management Fee <sup>1</sup>						
	Class A Shares	Class A 1 Shares	Class B Shares	Class B1 Shares	Class C Shares	Class I <sup>2</sup> Shares	Class X Shares
Schroder International Selection Fund EURO Equity	1.50%	1.50%	1.50%	1.50%	0.75%	N.A.	N.A.
Schroder International Selection Fund European Large Cap	1.25%	1.50%	N.A.	N.A.	0.75%	N.A.	N.A.
Schroder International Selection Fund Japanese Equity	1.25%	1.50%	N.A.	1.50%	0.75%	Nil	N.A.
Schroder International Selection Fund Asian Opportunities	1.50%	1.50%	N.A.	N.A.	0.75%	Nil	N.A.
Schroder International Selection Fund Swiss Equity	1.25%	1.50%	N.A.	N.A.	0.75%	N.A.	N.A.
Schroder International Selection Fund UK Equity	1.25%	1.50%	N.A.	N.A.	0.75%	N.A.	N.A.
Schroder International Selection Fund Global Equity	1.25%	N.A.	N.A.	N.A.	0.75%	Nil	N.A.
Schroder International Selection Fund US Large Cap	1.25%	N.A.	N.A.	N.A.	0.75%	Nil	N.A.
Schroder International Selection Fund Asian Dividend Maximiser	1.50%	N.A.	N.A.	N.A.	0.75%	N.A.	N.A.
Schroder International Selection Fund Asian Equity Yield	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Asian Smaller Companies	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund BRIC (Brazil, Russia, India, China)	1.50%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Schroder International Selection Fund Emerging Asia	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Emerging Europe	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Emerging Markets	1.50%	1.50%	N.A.	1.50%	1.00%	Nil	N.A.
Schroder International Selection Fund European Dividend Maximiser	1.50%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Schroder International Selection Fund European Equity Yield	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund European Smaller Companies	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Frontier Markets Equity	1.50%	N.A.	N.A.	N.A.	1.00%	Nil	N.A.
Schroder International Selection Fund European Special Situations	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Global Climate Change Equity	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Global Emerging Market Opportunities	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Global Energy	1.50%	1.50%	1.50%	N.A.	1.00%	Nil	N.A.
Schroder International Selection Fund Global Dividend Maximiser	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Global Equity Yield	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Global Property Securities	1.50%	1.50%	1.50%	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Global Smaller Companies	1.50%	1.50%	N.A.	N.A.	1.00%	Nil	N.A.
Schroder International Selection Fund Greater China	1.50%	1.50%	N.A.	1.50%	1.00%	N.A.	N.A.

## 6. Charges And Expenses (continued)

Sub-Fund	Annual Management Fee <sup>1</sup>						
	Class A Shares	Class A 1 Shares	Class B Shares	Class B1 Shares	Class C Shares	Class I <sup>2</sup> Shares	Class X Shares
Schroder International Selection Fund Hong Kong Equity	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Indian Opportunities	1.50%	N.A.	N.A.	N.A.	0.75%	Nil	N.A.
Schroder International Selection Fund Japanese Opportunities	1.50%	N.A.	N.A.	N.A.	1.00%	Nil	N.A.
Schroder International Selection Fund Japanese Smaller Companies	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Korean Equity	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Latin American	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Middle East	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund US Small & Mid Cap Equity	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	Up to 1.00%
Schroder International Selection Fund US Smaller Companies	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Asian Total Return	1.50%	1.50%	N.A.	N.A.	1.00%	Nil	N.A.
Schroder International Selection Fund Asia Pacific Property Securities	1.50%	N.A.	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund China Opportunities	1.50%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Schroder International Selection Fund European Equity Alpha	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Global Equity Alpha	1.50%	N.A.	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Japanese Equity Alpha	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund QEP Global Active Value	1.25%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund QEP Global Core	N.A.	N.A.	N.A.	N.A.	0.275%	Nil	N.A.
Schroder International Selection Fund QEP Global Quality	1.25%	N.A.	1.25%	N.A.	1.00%	Nil	N.A.
Schroder International Selection Fund QEP Global Emerging Markets	1.50%	N.A.	N.A.	N.A.	1.00%	Nil	N.A.
Schroder International Selection Fund Asian Bond Absolute Return	1.25%	1.25%	N.A.	1.00%	0.75%	N.A.	N.A.
Schroder International Selection Fund Emerging Markets Debt Absolute Return	1.50%	1.50%	N.A.	N.A.	0.90%	N.A.	N.A.
Schroder International Selection Fund EURO Short Term Bond	0.50%	0.50%	N.A.	N.A.	0.20%	N.A.	N.A.
Schroder International Selection Fund EURO Government Bond	0.40%	0.40%	N.A.	N.A.	0.20%	N.A.	N.A.
Schroder International Selection Fund Global Inflation Linked Bond	0.75%	0.75%	0.75%	N.A.	0.50%	N.A.	N.A.
Schroder International Selection Fund US Dollar Bond	0.75%	0.75%	N.A.	N.A.	0.50%	N.A.	N.A.
Schroder International Selection Fund Global Bond	0.75%	N.A.	N.A.	N.A.	0.50%	Nil	N.A.
Schroder International Selection Fund EURO Corporate Bond	0.75%	0.75%	N.A.	N.A.	0.45%	N.A.	N.A.
Schroder International Selection Fund Global Corporate Bond	0.75%	0.75%	N.A.	N.A.	0.45%	N.A.	N.A.
Schroder International Selection Fund Global High Yield	1.00%	1.00%	N.A.	N.A.	0.60%	N.A.	N.A.
Schroder International Selection Fund Strategic Bond	1.00%	1.00%	N.A.	N.A.	0.60%	N.A.	N.A.
Schroder International Selection Fund Asian Local Currency Bond	1.00%	1.00%	N.A.	N.A.	N.A.	N.A.	N.A.
Schroder International Selection Fund Global High Income Bond	1.00%	N.A.	N.A.	N.A.	N.A.	Nil	N.A.
Schroder International Selection Fund Asian Convertible Bond	1.25%	1.25%	N.A.	N.A.	0.75%	N.A.	N.A.
Schroder International Selection Fund Global Convertible Bond	1.25%	1.25%	N.A.	N.A.	0.75%	N.A.	N.A.
Schroder International Selection Fund Global Managed Currency	1.50%	1.50%	N.A.	N.A.	1.00%	N.A.	N.A.
Schroder International Selection Fund Global Multi-Asset Income	1.25%	1.25%	N.A.	N.A.	0.75%	Nil	N.A.
Schroder International Selection Fund Wealth Preservation EUR	1.50%	1.50%	N.A.	N.A.	0.75%	N.A.	N.A.

<sup>1</sup> Calculated based on the Net Asset Value of each Share Class

<sup>2</sup> I Shares are designed to accommodate an alternative charging structure whereby the investor is a client of Schroders and is charged management fees directly by Schroders. No management fees will be payable in respect of I Shares out of the net assets of the relevant Sub-Fund.

## 6. Charges And Expenses (continued)

### - Distribution Charge

	Class A Shares	Class A1 Shares	Class B Shares	Class B1 Shares	Class C Shares	Class I Shares	Class X Shares
Distribution Charge <sup>1</sup>	None	0.50% per annum of the net assets of the Sub-Funds	<u>Equity Funds</u> 0.60% per annum of the net assets of the Sub-Funds  <u>Absolute Return Funds</u> 0.50% per annum of the net assets of the Sub-Funds  <u>Bond Funds</u> 0.50% per annum of the net assets of the Sub-Funds with the exception of 0.10% per annum of the net assets of Schroder International Selection Fund EURO Short Term Bond  <u>Currency Funds</u> 0.50% per annum of the net assets of the Sub-Funds  <u>Multi-Asset Funds</u> 0.60% per annum of the net assets of the Schroder International Selection Fund Global Multi-Asset Income  0.50% per annum of the net assets of Schroder International Selection Fund Wealth Preservation EUR	1.25% per annum of the net assets of the Sub-Funds (including a shareholder servicing fee of 0.25% per annum)	None	None	None

**Note: Fees for Style Equity Funds, Multi-Manager Funds, Defensive Funds and Liquidity Funds and Asset Allocation Funds have not been stated since none of the 65 Sub-Funds fall within these categories.**

<sup>1</sup> Distribution charges in respect of A1 and B1 Shares are paid at such intervals, as may be agreed from time to time between the Fund and those distributors that are appointed specifically for the purpose of distributing such Shares. Distribution charges in respect of B Shares are payable quarterly.

## 6. Charges And Expenses (continued)

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### - Performance Fees

The performance fees for the (i) Schroder International Selection Fund European Special Situations, (ii) Schroder International Selection Fund Frontier Markets Equity, (iii) Schroder International Selection Fund European Equity Alpha, (iv) Schroder International Selection Fund Japanese Equity Alpha, (v) Schroder International Selection Fund Global Smaller Companies and (vi) Schroder International Selection Fund Asian Convertible Bond (except for Class I Shares within the Schroder International Selection Fund Global Smaller Companies and Schroder International Selection Fund Frontier Markets Equity which do not have a performance fee) are set at 15% of the outperformance of their respective benchmarks, subject to the High Water Mark. Such outperformance is the amount by which the increase in the Net Asset Value per Share of the respective Sub-Fund exceeds the increase in the respective benchmark over the relevant performance period and is calculated by reference to the Net Asset Value per Share at the end of any previous performance period (the High Water Mark), i.e. performance fees are to be paid on positive returns only where the respective Sub-Fund outperforms the respective benchmark and the High Water Mark. It should be noted that the performance fee is calculated prior to any dilution adjustments. The performance period shall normally be each financial year except that where the Net Asset Value per Share as at the end of the financial year is lower than the High Water Mark, the performance period will commence on the date of the High Water Mark. If a performance fee is introduced on a Sub-Fund during a financial year, then its first performance period will commence on the date on which such fee is introduced. The existence of a performance fee will not result in the relevant Investment Manager managing the relevant Sub-Fund in a more risky manner. The respective benchmarks for the (i) Schroder International Selection Fund European Special Situations, (ii) Schroder International Selection Fund Frontier Markets Equity, (iii) Schroder International Selection Fund European Equity Alpha, (iv) Schroder International Selection Fund Japanese Equity Alpha, (v) Schroder International Selection Fund Global Smaller Companies and (vi) Schroder International Selection Fund Asian Convertible Bond for purpose of calculating the performance fee are set out in the "Performance Fee" section under the heading "ADMINISTRATION DETAILS, CHARGES AND EXPENSES" in the Luxembourg Prospectus. For the avoidance of doubt, the aforementioned benchmarks are solely used for performance fee calculation purposes, and they should therefore under no circumstances be considered as indicative of a specific investment style. In relation to currency hedged Share Classes, currency hedged versions of the aforementioned benchmarks (including currency equivalent cash benchmarks) are used for performance fee calculation purposes.

## 6. Charges And Expenses (continued)

A numerical example of the calculation of the Performance Fee (using hypothetical figures for the period 01/01/06 to 31/12/06) is as follows:

				Start of Performance Period 01/01/06	End of Performance Period 31/12/06
Total Number of Shares in issue				10,000,000	11,000,000
Average number of Shares during period		<b>A</b>	10,700,000		
NAV (before deduction of performance fees and prior to any dilution adjustments)				<b>B</b> 12,000,000	<b>C</b> 14,300,000
Increase in NAV	<b>C - B</b>	<b>D</b>	2,300,000		
NAV Per Share				<b>F</b> 1.20	<b>G</b> 1.30
Increase in NAV per share	<b>(G-F)/F</b>	<b>E</b>	8.33%		
High Water Mark (NAV per share)		<b>H</b>	1.20		
Benchmark out-performance of HWM		<b>I</b>	0.00%		
Out performance over the performance period	<b>E - I</b>	<b>J</b>	8.33%		
Per Share Equivalent of out-performance	<b>J x F</b>	<b>K</b>	0.10		
Total NAV to apply performance fee to	<b>K x A</b>	<b>L</b>	1,070,000		
Performance Fee Rate		<b>M</b>	15%		
Performance Fee Paid	<b>L x M</b>	<b>N</b>	<b>160,500</b>		

### Notes

Assume level of benchmark is at the same level as the HWM.

Assume the average number of Shares during the performance period = 10.7m (this figure would be calculated on a daily basis).

The High Water Mark for the next period will be 1.30, i.e. the level at which the performance fee is paid in the previous period.

The performance fee, if applicable, is payable yearly during the month immediately following the end of each financial year. In addition if a Shareholder redeems or switches all or part of their Shares before the end of a performance period, any accrued performance fee with respect to such Shares will crystallise on that Dealing Day and will then become payable to the Investment Manager. The High Water Mark is not reset on those Dealing Days at which performance fees crystallise following the redemption or switch of Shares.

It should be noted that as the Net Asset Value per Share may differ between Share Classes, separate performance fee calculations will be carried out for separate Share Classes within the same Sub-Fund, which therefore may become subject to different amounts of performance fee.

A Share Class' performance fee is accrued on each Business Day, on the basis of the difference between the Net Asset Value per Share on the preceding Business Day (before deduction of any provision for the performance fee), and the higher of the Target Net Asset Value per Share (i.e. the hypothetical Net Asset Value per Share assuming a performance based on the benchmark until the preceding Dealing Day) or the High Water Mark, multiplied by the average number of Shares in issue over the accounting period.

## 6. Charges And Expenses (continued)

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On each Business Day, the accounting provision made on the immediately preceding Business Day is adjusted to reflect the Share Class performance, positive or negative, calculated as described above. If the Net Asset Value per Share on the Business Day is lower than the Target Net Asset Value per Share or the High Water Mark, the provision made on such Dealing Day is returned to the relevant Share Class within the relevant Sub-Fund. The accounting provision may, however, never be negative. Under no circumstances will the respective Investment Manager pay money into a Sub-Fund or to any Shareholder for any underperformance.

### **- Custody fees and administration fees**

The Fund will pay custody fees for safe keeping services and transaction fees; such fees are paid on a monthly basis and calculated and accrued on each Business Day, principally as a percentage rate of the Net Asset Value of the assets of the relevant Sub-Fund. The percentage rate and level of the transaction fee will vary, according to the country in which the safe keeping and settlement of the underlying assets takes place, up to a maximum of 0.5 per cent per annum and USD150 per transaction respectively. The Custodian and the Fund will determine the level of these fees from time to time in the light of the market rates applicable in Luxembourg. Reasonable expenses incurred by the Custodian or by the banks and financial institutions to whom safe keeping of assets of the Fund has been entrusted are additional to these fees.

In addition, the Fund will pay administration fees; such fees include the fees paid to the Fund Administrator, as well as the fees paid to the Fund's Management Company. The administration fees of up to 0.4 per cent per annum of the net asset value of the relevant Sub-Fund is subject to review by the Management Company and the Fund.

### **- Accounting and valuation fees**

The Fund will pay fees relating to fund accounting and valuation; such fees are calculated and accrued on each Business Day at up to 0.02 per cent per annum of the Net Asset Value of a Sub-Fund, subject to an annual minimum fee of USD20,000. Additional fees may be due from each Sub-Fund for additional services such as non-standard valuations, additional accounting services, for example performance fee calculations; and for tax reporting services. The accounting and valuation fees are subject to review by the Custodian and the Fund from time to time.

### **- Other charges/expenses**

The Fund will pay all charges and expenses incurred in the operation of the Fund including, without limitation, taxes, expenses for legal and auditing services, brokerage, governmental duties and charges, stock exchange listing expenses and fees due to supervisory authorities in various countries, including the costs incurred in obtaining and maintaining registrations so that the Shares of the Fund may be marketed in different countries; expenses incurred in the issue and redemption of Shares and payment of dividends, registration fees, insurance, interest and the costs of computation and publication of Share prices and postage, telephone, facsimile transmission and the use of other electronic communication; costs of printing proxies, statements, Share certificates or confirmations of transactions, Shareholders' reports, prospectuses and supplementary documentation, explanatory brochures and any other periodical information or documentation.

Please refer to the heading "ADMINISTRATION DETAILS, CHARGES AND EXPENSES" in the Luxembourg Prospectus for full details.



# 7. Risk Factors, Investments, Derivatives And Supplementary Information

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## 7.1 Risk Factors

Investors should consider and satisfy themselves as to the risks of investing in any of the Sub-Funds. The Directors, the Investment Managers and the Singapore Representative cannot guarantee the extent to which the investment objectives will be achieved.

The value of the Shares in any Sub-Fund and the income from them can fall as well as rise and investors may not realise the value of their initial investment.

Changes in the rates of exchange between currencies may also cause the value of the Shares to diminish or to increase. The Investment Manager may hedge a Sub-Fund's base currency against the currencies in which the underlying assets of the Sub-Fund are denominated or the underlying unhedged assets of a target fund are denominated. There can be no assurance that the currency hedging employed will fully eliminate the currency exposure to the reference currency of the relevant Share Class. Please refer to the heading "APPENDIX I – INVESTMENT RESTRICTIONS", as well as in the preambles of "APPENDIX III – FUND DETAILS" in the Luxembourg Prospectus for further details on the Fund's currency hedging policy.

For Share Classes which are not denominated in SGD, foreign currency exchange rate movements are likely to affect the returns to investors in Singapore, and investors may be exposed to exchange rate risks.

The general risk factors applicable to the Sub-Funds are contained under the heading "APPENDIX II – RISKS OF INVESTMENT" in the Luxembourg Prospectus. The specific risk considerations applicable to the relevant Sub-Funds are contained under the heading "APPENDIX III – FUND DETAILS" in the Luxembourg Prospectus. Please also refer to Annexure II to this Singapore Prospectus for further risk factors applicable to the relevant Sub-Funds.

## 7.2 Permissible Investments and Restrictions

The permissible investments and restrictions relating to the Sub-Funds are more fully described in APPENDIX I under the sub-headings "INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS", "INVESTMENT IN OTHER ASSETS", "FINANCIAL DERIVATIVE INSTRUMENTS", "USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS" and "MANAGEMENT OF COLLATERAL".

## 7.3 Financial Derivative Instruments ("FDIs")

### (a) Types of FDIs

The FDIs which may be used by the Sub-Funds include, but are not limited to, options on securities, stock index options, forward currency contracts, currency futures, currency swap agreements, currency options, interest rate futures or options or interest rate swaps, financial or index futures, over-the-counter (OTC) options, credit default swaps, equity swaps, total return swaps, credit linked notes, equity linked notes or futures or options on any kind of financial instrument.

The Fund may also enter into volatility futures and options transactions traded on a Regulated Market. These instruments measure market expectations of near term implied volatility conveyed by stock index prices and are used to hedge volatility within funds. Any such index has to meet the following requirements:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

# 7. Risk Factors, Investments, Derivatives And Supplementary Information (continued)

(b)

Exposure to FDIs

The global exposure of each Sub-Fund to FDIs will not exceed the total net assets of such Sub-Fund. The Sub-Fund's overall risk exposures shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings<sup>2</sup> so that it may not exceed 210% of any Sub-Fund's total net assets under any circumstances.

The global exposure relating to FDIs is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

The Sub-Funds may use financial derivative instruments for investment purposes and for hedging purposes, within the limits of the Regulations<sup>3</sup>. Under no circumstances shall the use of these instruments and techniques cause a Sub-Fund to diverge from its investment policy or objective. The risks against which the Sub-Funds could be hedged may be, for instance, market risk, foreign exchange risk, interest rates risk, credit risk, volatility or inflation risks.

## Agreements on OTC derivatives

A Sub-Fund may enter into agreements on OTC derivatives. The counterparties to any OTC financial derivative transactions, such as total return swaps or other financial derivative instruments with similar characteristics, entered into by a Sub-Fund, are selected from a list of authorised counterparties established with the Management Company. The counterparties will be first class institutions which are either credit institutions or investment firms, which are subject to prudential supervision. The list of authorised counterparties may be amended with the consent of the Management Company. The identity of the counterparties will be disclosed in the annual report of the Fund.

The counterparties to total return swaps do not assume any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying asset. The approval of the counterparties is not required to any portfolio transactions by the Sub-Fund.

Unless specified otherwise in Appendix III of the Luxembourg Prospectus, the global exposure relating to FDIs will be calculated using a commitment approach. Sub-Funds which apply the commitment approach to calculate their global exposure may net their OTC financial derivative positions with the same counterparty and if applicable, legal opinions will be obtained to the effect that such netting arrangement is legally enforceable by the Sub-Funds against their counterparty. Sub-Funds applying a Value-at-Risk (VaR) approach to calculate their global exposure will contain an indication thereto, as well as information on their expected level of leverage, in Appendix III of the Luxembourg Prospectus.

## Global exposure

A Sub-Fund's global exposure is limited to the total net value of its portfolio.

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<sup>2</sup> The Fund may not borrow for the account of any Sub-Fund, other than amounts which do not in aggregate exceed 10% of the Net Asset Value of the Sub-Fund, and then only as a temporary measure. For the purpose of this restriction back to back loans are not considered to be borrowings.

<sup>3</sup> "Regulations" refers to the Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions. "CSSF" refers to the Commission de Surveillance du Secteur Financier (Luxembourg Financial Sector Supervisory Authority).

# 7. Risk Factors, Investments, Derivatives And Supplementary Information (continued)

## Commitment Approach

Under the commitment approach, financial derivative positions are converted into equivalent positions in the underlying asset, using market price or future price/notional value when more conservative.

## VaR approach

VaR reports will be produced and monitored on a daily basis based on the following criteria:

- 1 month holding period;
- 99% unilateral confidence interval;
- at least a one year effective historical observation period (250 days) unless market conditions require a shorter observation period; and
- parameters used in the model are updated at least quarterly.

Stress testing will also be applied at a minimum of once per month.

VaR limits are set using an absolute or relative approach.

## Absolute VaR approach

The absolute VaR approach is generally appropriate in the absence of an identifiable reference portfolio or benchmark, for example with absolute return funds. Under the absolute VaR approach a limit is set as a percentage of the Net Asset Value of the Sub-Fund. The absolute VaR limit of a Sub-Fund has to be set at or below 20% of its Net Asset Value. This limit is based upon a 1 month holding period and a 99% unilateral confidence interval.

## Relative VaR approach

The relative VaR approach is used for Sub-Funds where a VaR benchmark reflecting the investment strategy which the Sub-Fund is pursuing is defined. Under the relative VaR approach a limit is set as a multiple of the VaR of a benchmark or reference portfolio. The relative VaR limit of a Sub-Fund has to be set at or below twice the VaR of the Sub-Fund's VaR benchmark. Information on the specific VaR benchmark used is disclosed in Appendix III of the Luxembourg Prospectus.

(c)

Use of FDIs/Volatility of the Sub-Funds

**Each Sub-Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile. Details of the use of FDIs by Mainstream Equity Funds, Specialist Equity Funds, Alpha Equity Funds, Quantitative Equity Funds, Absolute Return Funds, Mainstream Bond Funds, Specialist Bond Funds, Specialist Bond Funds (Medium-Higher Risk), Currency Funds and Multi-Asset Funds are set out in APPENDIX III of the Luxembourg Prospectus. All derivative investments will be made in accordance with "APPENDIX I - INVESTMENT RESTRICTIONS" of the Luxembourg Prospectus.**

**Each of the Schroder International Selection Fund European Dividend Maximiser and the Schroder International Selection Fund Global Dividend Maximiser makes use of FDIs in a way that is fundamental to its investment objective. It is possible that this will lead to a higher volatility in the price of their respective Shares.**

**The net asset value of each of the Sub-Funds listed in Annexure III to this Singapore Prospectus is likely to have a high volatility due to its investment policies or portfolio management techniques. The use of derivatives by the Schroder International Selection Fund Asian Total Return has the overall objective of reducing the Sub-Fund's volatility, however no guarantee can be given that this will be achieved.**

# 7. Risk Factors, Investments, Derivatives And Supplementary Information (continued)

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**For Sub-Funds that use FDIs to meet their specific investment objectives, there is no guarantee that the performance of the FDIs will result in a positive effect for the Sub-Fund and its shareholders.**

(d)  
Risks and Limits on use of FDIs

The risks relating to the use of FDIs like warrants, credit default swaps, credit linked notes, equity linked notes and futures and options are set out in "APPENDIX II – RISKS OF INVESTMENT" in the Luxembourg Prospectus.

Each Sub-Fund may, as a part of its investment policy and within the limits laid down in section 1(A)(7) and section 1(C)(5) of Appendix I of the Luxembourg Prospectus under the heading "INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS", invest in FDIs provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in sections 1(C)(1) to (7) of Appendix I of the Luxembourg Prospectus. When a Sub-Fund invests in index-based FDIs<sup>4</sup> compliant with the provisions of sections 1(C)(1) to (7), these investments do not have to be combined with the limits laid down in section 1(C) of Appendix I of the Luxembourg Prospectus. The frequency of the review and rebalancing of the composition of the underlying index of such FDIs varies per index and could be daily, weekly, monthly, quarterly or annually. The rebalancing frequency will have no impact in terms of costs in the context of the performance of the investment objective of the relevant Sub-Fund. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of these restrictions. Transferable securities or money market instruments backed by other assets are not deemed to embed a financial derivative instrument.

## 7.4 Risk Management Process and Supplementary Information

The Fund will employ a risk-management process which enables it, with the relevant Investment Manager, to monitor and measure at any time the risk of the positions, the use of efficient portfolio management techniques, the management of collateral and their contribution to the overall risk profile of each Sub-Fund. The Fund or the relevant Investment Manager will employ, if applicable, a process for an accurate and independent assessment of the value of any OTC derivative instruments.

The Management Company will ensure that the risk management and compliance procedures and controls adopted are adequate and have been or will be implemented and that they have the requisite expertise and experience to manage and contain such investment risks.

At the written request of an investor, the Singapore Representative will procure that supplementary information relating to the relevant Sub-Fund's risk management process employed by the Sub-Fund to measure and manage the risks associated with the use of financial derivative instruments and the investments of the Sub-Fund is provided to such investor, except for any information which the Investment Managers or the Directors may deem sensitive or confidential in nature or information which if disclosed, would not be in the interest of investors of the Sub-Fund generally. The information to be disclosed shall be similar to that which is required to be disclosed under applicable laws and regulations in Luxembourg to investors and will relate to the quantitative limits that apply in the risk management of each Sub-Fund, to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments. This supplementary information includes the Value-at-Risk levels set for the Sub-Funds using such risk measure.

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<sup>4</sup> Sub-Funds launched prior to 18 February 2013 that invest in financial indices that do not comply with the European Securities and Markets Authority Guidelines on ETFs and other UCITS issues have until 18 February 2014 to align their investments with these guidelines.

# 8. Valuation, Market Timing And Frequent Trading Policy

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## 8.1 Net Asset Value

(a)

The Net Asset Value per Share of each Share Class will be calculated on each Dealing Day in the currency of the relevant Share Class. It will be calculated by dividing the net asset value attributable to each Share Class, being the proportionate value of its assets less its liabilities, by the number of Shares of such Share Class then in issue. The resulting sum shall be rounded to the nearest two decimal places.

(b)

If on any Dealing Day the aggregate transactions in Shares of a Sub-Fund result in a net increase or decrease of Shares which exceeds a threshold set by the Directors from time to time for that Sub-Fund (relating to the cost of market dealing for that Sub-Fund), the Net Asset Value of the Sub-Fund will be adjusted by an amount (not exceeding 2% of that Net Asset Value) which reflects both the estimated fiscal charges and dealing costs that may be incurred by the Sub-Fund and the estimated bid/offer spread of the assets in which the Sub-Fund invests. The adjustment will be an addition when the net movement results in an increase of all Shares of the Sub-Fund and a deduction when it results in a decrease. Please see the sections headed "DILUTION" and "DILUTION ADJUSTMENT" of the Luxembourg Prospectus for more details.

(c)

The Directors reserve the right to allow the Net Asset Value per Share of each Class to be calculated more frequently than once daily, or to otherwise alter dealing arrangements on a permanent or a temporary basis, for example, where the Directors consider that a material change to the market value of the investments in one or more Sub-Funds so demands.

Unless otherwise provided for in the Sub-Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the Net Asset Value per Share of the relevant Sub-Fund and such other day as the Directors may decide from time to time. The Management Company may also take into account whether relevant local stock exchanges and / or Regulated Markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for Sub-Funds which invest a substantial amount of their portfolio on these closed stock exchanges and / or Regulated Markets. A list of expected non-Dealing Days for the Funds is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Unless otherwise provided in the Sub-Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

## 8.2 Market Timing and Frequent Trading Policy

The Fund does not knowingly allow dealing activities which are associated with market timing or frequent trading practices, as such practices may adversely affect the interests of all shareholders.

For the purposes of this section, market timing is held to mean subscriptions into, switches between or redemptions from the various Share Classes (whether such acts are performed singly or severally at any time by one or several persons) that seek or could reasonably be considered to appear to seek profits through arbitrage or market timing opportunities. Frequent trading is held to mean subscriptions into, switches between or redemptions from the various Share Classes (whether such acts are performed singly or severally at any time by one or several persons) that by virtue of their frequency or size cause any Sub-Fund's operational expenses to increase to an extent that could reasonably be considered detrimental to the interests of the Sub-Fund's other shareholders.

## 8. Valuation, Market Timing And Frequent Trading Policy (continued)

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Accordingly, the Directors may, whenever they deem it appropriate, cause the Management Company to implement either one, or both, of the following measures:

- The Management Company may combine shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices. Accordingly, the Directors reserve the right to cause the Management Company to reject any application for switching and/or subscription of shares from investors whom the former considers market timers or frequent traders.
- If a Sub-Fund is primarily invested in markets which are closed for business at the time the Sub-Fund is valued, the Directors may, during periods of market volatility, and by derogating from the provisions under the heading "CALCULATION OF NET ASSET VALUE" in the Luxembourg Prospectus, cause the Management Company to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Sub-Fund's investments at the point of valuation.

In practice, the securities of the Sub-Funds' investments in non-European markets are usually valued on the basis of the last available price at the time when the Net Asset Value per Share is calculated. The time difference between the close of the markets in which a Sub-Fund invests and the point of valuation can be significant. For example, in the case of US traded securities the last available price may be as much as 17 hours old. Developments that could affect the value of these securities, which occur between the close of the markets and the point of valuation, will not, therefore, normally be reflected in the Net Asset Value per Share of the relevant Sub-Fund.

As a result, where the Directors believe that a significant event has occurred between the close of the markets in which a Sub-Fund invests and the point of valuation, and that such event will materially affect the value of that Sub-Fund's portfolio, they may cause the Management Company to adjust the Net Asset Value per Share so as to reflect what is believed to be the fair value of the portfolio as at the point of valuation.

The level of adjustment will be based upon the movement in a chosen surrogate up until the point of valuation, provided that such movement exceeds the threshold as determined by the Directors for the relevant Sub-Fund. The surrogate will usually be in the form of a futures index, but might also be a basket of securities, which the Directors believe is strongly correlated to, and representative of, the performance of the Sub-Fund.

Where an adjustment is made as per the foregoing, it will be applied consistently to all Share Classes in the same Sub-Fund.

As at the date of registration of this Singapore Prospectus, it is intended that the measures described above, known as fair value pricing, will only be applied to those Sub-Funds which have a significant exposure to securities traded on the US market. The Directors reserve the right to extend the implementation of fair value pricing in respect of other Sub-Funds whenever they deem it appropriate.

# 9. Subscription For Shares

## 9.1 Subscription Procedure

Applications for Shares may be made on such application forms as may be prescribed by the Management Company or the distributors appointed by the Singapore Representative through whom the investor is purchasing Shares. The right is reserved to reject any application in whole or in part. If any application is rejected, the application monies or balance thereof will be refunded at the cost and risk of the applicant and without interest.

Investors are required to complete the relevant application form and send it, together with a cheque for the application monies, to the distributors duly appointed by the Singapore Representative on or before 5.00 p.m. (Singapore time) on a Singapore Business Day<sup>5</sup> (“**Singapore Cut Off Time**”). Subscription payments may also be made through such other modes of payment as may be accepted by the Singapore Representative from time to time. For a first time investor with Schrodgers, a copy of his Identity Card or passport should be sent to the distributors duly appointed by the Singapore Representative. **Investors should note that the subscription of Shares via the distributors appointed by the Singapore Representative will be subject to the relevant distributors being open for business, and also to the subscription and settlement procedures of the distributors. Investors should also note that not all distributors appointed by the Singapore Representative will offer all the Sub-Funds or all the Share Classes of a Sub-Fund, and that the distributors may impose an earlier dealing or payment cut-off time than that specified in this Singapore Prospectus. Investors should therefore check with the relevant distributor for further details.**

Full details of the issue of Shares in the Sub-Funds and the subscription procedure in respect of Shares in the Sub-Funds are set out under the headings “HOW TO SUBSCRIBE”, “HOW TO PAY” and “RESTRICTIONS ON SUBSCRIPTIONS AND SWITCHES INTO CERTAIN FUNDS OR CLASSES” in the Luxembourg Prospectus. Investors should take note of the investment restrictions applicable to certain investors set out under the headings “INVESTMENT RESTRICTIONS APPLYING TO US INVESTORS” and “INVESTMENT RESTRICTIONS APPLYING TO CANADIAN INVESTORS” in the Luxembourg Prospectus.

## 9.2 Minimum Subscription Amount, Minimum Additional Subscription Amount and Minimum Holding Amount

Share Class	Minimum Subscription Amount	Minimum Additional Subscription Amount	Minimum Holding Amount
A	EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency		
A1	EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency		
B	EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency		
B1	EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency		
C	EUR 500,000 or USD 500,000 or their near equivalent in any other freely convertible currency	EUR 250,000 or USD 250,000 or their near equivalent in any other freely convertible currency	EUR 500,000 or USD 500,000 or their near equivalent in any other freely convertible currency
I	Prior to 1 September 2014: EUR 5,000,000 or USD 5,000,000 or their near equivalent in any other freely convertible currency  With effect from 1 September 2014: EUR 20,000,000 or USD 20,000,000 or their near equivalent in any other freely convertible currency	Prior to 1 September 2014: EUR 2,500,000 or USD 2,500,000 or their near equivalent in any other freely convertible currency  With effect from 1 September 2014: EUR 10,000,000 or USD 10,000,000 or their near equivalent in any other freely convertible currency	Prior to 1 September 2014: EUR 5,000,000 or USD 5,000,000 or their near equivalent in any other freely convertible currency  With effect from 1 September 2014: EUR 20,000,000 or USD 20,000,000 or their near equivalent in any other freely convertible currency. All Shareholders of I Shares at the time of the Luxembourg Prospectus are authorised to remain Shareholders even if they do not comply with the new minimum holding amount.

<sup>5</sup> “**Singapore Business Day**” means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

## 9. Subscription For Shares (continued)

Share Class	Minimum Subscription Amount	Minimum Additional Subscription Amount	Minimum Holding Amount
X	EUR 25,000,000 or their near equivalent in any other freely convertible currency	EUR 12,500,000 or their near equivalent in any other freely convertible currency	EUR 25,000,000 or their near equivalent in any other freely convertible currency

These minimum amounts may be waived at the Directors' discretion from time to time.

### 9.3 Dealing Deadline and Pricing Basis

Shares are priced on a forward basis, as more fully described below. This means that the Net Asset Value per Share is determined after the Dealing Cut Off Time stated below.

Shares of any Share Class are available for subscription up to 1.00 pm (Luxembourg time) on any Dealing Day (the "**Dealing Cut Off Time**").

For Shares to be issued at the Net Asset Value per Share determined on a relevant Dealing Day (plus any applicable Initial Charge), completed applications and cleared funds must be received by the distributors appointed by the Singapore Representative on or before the Singapore Cut Off Time on a Singapore Business Day.

The relevant distributor will collect all applications it receives on or before the Singapore Cut Off Time and will forward such applications to the Singapore Representative for processing with the Management Company or its administrative agent. **Investors should note that the subscription of Shares via the distributors in Singapore will be subject to the relevant distributors being open for business, and also to the subscription and settlement procedures of the distributors. Investors should also note that not all distributors in Singapore will offer all the Sub-Funds or all Share Classes of a Sub-Fund, and the distributors may impose an earlier dealing or payment cut-off time than that specified in this Singapore Prospectus. Investors should therefore check with the relevant distributor for further details.**

Applications received by a duly appointed distributor of the Sub-Funds in Singapore on or before the Singapore Cut Off Time on a Singapore Business Day will, if accepted by the Management Company or its administrative agent on or before the Dealing Cut Off Time of the relevant Dealing Day, be processed on the same Dealing Day and dealt with at the issue price based on the Net Asset Value per Share of the same Dealing Day (plus any applicable Initial Charge). Applications received by the duly appointed distributor after the Singapore Cut Off Time of a Singapore Business Day or at any time on a day which is not a Singapore Business Day shall be deemed as having been received by the distributor before the Singapore Cut Off Time on the next Singapore Business Day.

Details on the calculation of the Net Asset Value per Share and valuation of investments are set out under the heading "CALCULATION OF NET ASSET VALUE" in the Luxembourg Prospectus.

### 9.4 Numerical Example of How Shares are Allotted

#### Class A Shares

Assuming an Initial Charge of 5.0%, the number of Shares allotted for a gross investment amount of \$1,000.00 is calculated as follows:

\$1,000.00	-	\$50.00	=	\$950.00
(Gross Investment Sum)	-	(Initial Charge)	=	(Net Investment Amount)
\$950.00	÷	\$10.00*	=	95 Shares
(Net Investment Amount)	÷	(Net Asset Value per Share)	=	(Number of Shares allotted)

\* notional Value used for illustrative purposes only



## 9. Subscription For Shares (continued)

### Class A1 Shares

Assuming an Initial Charge of 4.0%, the number of Shares allotted for a gross investment amount of \$1,000.00 is calculated as follows:

\$1,000.00	-	\$40.00	=	\$960.00
(Gross Investment Sum)	-	(Initial Charge)	=	(Net Investment Amount)
\$960.00	÷	\$10.00*	=	96 Shares
(Net Investment Amount)	÷	(Net Asset Value per Share)	=	(Number of Shares allotted)

\* notional Value used for illustrative purposes only

### Class B & B1 Shares

\$1,000.00	-	0 <sup>#</sup>	=	\$1,000.00
(Gross Investment Sum)	-	(Initial Charge)	=	(Net Investment Amount)
\$1,000.00	÷	\$10.00*	=	100 Shares
(Net Investment Amount)	÷	(Net Asset Value per Share)	=	(Number of Shares allotted)

\* notional Value used for illustrative purposes only

# no Initial Charge for Class B & B1 Shares

### Class C Shares

Assuming an Initial Charge of 1.0%, the number of Shares allotted for a gross investment amount of \$500,000.00 is calculated as follows:

\$500,000.00	-	\$5,000.00	=	\$495,000.00
(Gross Investment Sum)	-	(Initial Charge)	=	(Net Investment Amount)
\$495,000.00	÷	\$10.00*	=	49,500 Shares
(Net Investment Amount)	÷	(Net Asset Value per Share)	=	(Number of Shares allotted)

\* notional Value used for illustrative purposes only

### Class I Shares

\$5,000,000.00	-	0 <sup>#</sup>	=	\$5,000,000.00
(Gross Investment Sum)	-	(Initial Charge)	=	(Net Investment Amount)
\$5,000,000.00	÷	\$10.00*	=	500,000 Shares
(Net Investment Amount)	÷	(Net Asset Value per Share)	=	(Number of Shares allotted)

\* notional Value used for illustrative purposes only

# no Initial Charge for Class I Shares

### Class X Shares

EUR 25,000,000.00	-	0 <sup>#</sup>	=	EUR 25,000,000.00
(Gross Investment Sum)	-	(Initial Charge)	=	(Net Investment Amount)
EUR 25,000,000.00	÷	EUR 10.00*	=	2,500,000 Shares
(Net Investment Amount)	÷	(Net Asset Value per Share)	=	(Number of Shares allotted)

\* notional Value used for illustrative purposes only

# no Initial Charge for Class X Shares

### 9.5

#### Statement of Account

A Statement of Account will normally be issued within 10 Business Days of the allotment of Shares or such longer period as may be determined by the Directors.

# 10. Redemption Of Shares

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## 10.1

### Shares of the Sub-Funds may be redeemed on any Dealing Day

Instructions for redemption of Shares should be made on a share redemption form, and sending it, together with such documents as may be required by the Management Company, to the relevant distributor in Singapore through whom the Shares were originally purchased.

The Directors reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of any Sub-Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day. Further details are set out under the heading "SUSPENSIONS OR DEFERRALS" in the Luxembourg Prospectus.

For the avoidance of doubt, as at the date of registration of this Singapore Prospectus, there is no applicable minimum redemption amount for a Sub-Fund.

However, investors should note the minimum holding amounts applicable for each Class as set out in paragraph 9.2 above.

Full details of the redemption procedure in respect of Shares in the Sub-Funds are set out under the heading "REDEMPTION AND SWITCHING OF SHARES" in the Luxembourg Prospectus.

## 10.2

### Dealing Deadline and Pricing Basis

Shares are priced on a forward basis, as more fully described below. The applicable Net Asset Value per Share is determined after the Dealing Cut Off Time (as set out in paragraph 9.3 above). No redemption charge is imposed for Class A, A1, B, C & I Shares. A CDSC of up to 4.0% is imposed for Class B1 Shares, as illustrated below.

Investors in Singapore may place instructions to redeem Shares of any Share Class up to the Singapore Cut Off Time (as set out in paragraph 9.1 above) on any Singapore Business Day. The relevant distributor shall collect all orders received on or prior to the Singapore Cut Off Time and will forward such orders to the Singapore Representative for processing with the Management Company or its administrative agent. **Investors should note that the redemption of Shares via the distributors in Singapore will be subject to the relevant distributors being open for business, and also to the redemption procedure of the distributors. Distributors may impose an earlier dealing cut-off time than that specified in this Singapore Prospectus. Investors should therefore check with the relevant distributor for further details.**

Redemption instructions received by the duly appointed distributors on or before the Singapore Cut Off Time on a Singapore Business Day will, if accepted by the Management Company or its administrative agent on or before the Dealing Cut Off Time of the relevant Dealing Day, be processed on the same Dealing Day and dealt with at the redemption price based on the Net Asset Value per Share of the same Dealing Day (less any applicable Redemption Charge (if any)). Redemption instructions received by the distributors after the Singapore Cut Off Time on a Singapore Business Day or at any time on a day which is not a Singapore Business Day shall be deemed as having been received by the distributors before the Singapore Cut Off Time on the next Singapore Business Day.

# 10. Redemption Of Shares (continued)

## 10.3

Numerical examples of calculation of redemption proceeds in respect of 1000 Shares

### Class A, A1, B, C, I & X Shares

Example 1 – Assuming Net Asset Value at \$11.00 at point of realisation

1000	X	\$11.00*	=	\$11,000.00
(No. of Shares)		(Net Asset Value per Share)		(Redemption Proceeds)

\* notional price used for illustrative purposes only - no Redemption Charge is imposed for Class A, A1, B, C, I & X Shares

### Class B1 Shares

Example 1 – Assuming Net Asset Value at \$11.00 at point of realisation

CDSC	CDSC amount	Gross Sale Proceeds	Net Sale proceeds
Year 1 4.00%	(0.04X1,000X10.00) = \$400.00	(1,000X\$11.00) = \$11,000.00	\$11,000 - \$400 = \$10,600
Year 2 3.00%	(0.03X1,000X10.00) = \$300.00	(1,000X\$11.00) = \$11,000.00	\$11,000 - \$300 = \$10,700
Year 3 2.00%	(0.02X1,000X10.00) = \$200.00	(1,000X\$11.00) = \$11,000.00	\$11,000 - \$200 = \$10,800
Year 4 1.00%	(0.01X1,000X10.00) = \$100.00	(1,000X\$11.00) = \$11,000.00	\$11,000 - \$100 = \$10,900
Year 5 0%	(0.00X1,000X10.00) = \$0	(1,000X\$11.00) = \$11,000.00	\$11,000 - \$0 = \$11,000

Where:

CDSC amount = (CDSC X Number of Shares X lower of (a) Net Asset Value per Share or (b) original price paid for the Share)

Gross Sale Proceeds = (Number of Shares X Net Asset Value per Share)

Net Sale Proceeds = Gross Sale Proceeds – CDSC amount

## 10.4

### Payment of Redemption Proceeds

The redemption proceeds are usually paid to investors within 6 Business Days<sup>6</sup> following the receipt of the redemption instructions by the Management Company or its administrative agent provided that the Directors reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days, in the circumstances set out under the headings “REDEMPTION AND SWITCHING OF SHARES” and “SUSPENSIONS OR DEFERRALS” in the Luxembourg Prospectus. Any non-Dealing Days for a Sub-Fund falling within the settlement period are excluded from the calculation of the settlement date. If, on the settlement date, banks are not open for business in the country of the currency of settlement, then settlement will be on the next Business Day on which those banks are open.

Redemption proceeds will normally be paid in the currency of the relevant Share Class. Redemption proceeds in respect of Shares purchased with cash shall be paid to an investor by cheque or such other means as the Singapore Representative may determine.

<sup>6</sup> Provided that such Business Days are also Singapore Business Days. In the event that such Business Days are not also Singapore Business Days, the period within which the redemption proceeds will normally be paid shall be extended accordingly.

## 10. Redemption Of Shares (continued)

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Further details of the redemption of Shares are set out under the heading “REDEMPTION AND SWITCHING OF SHARES” in the Luxembourg Prospectus.

### 10.5 Rights on a winding-up

The Directors may decide to compulsorily redeem all the Shares in a Sub-Fund if the Net Asset Value of all the Share Classes of such Sub-Fund falls below EUR 50 million or its equivalent in another currency (or such other amount as may be determined by the Directors) in accordance with the provisions set out in the Articles.

The Directors may also exercise the right to compulsorily redeem Shares in the circumstances set out under the heading “DETAILS OF SHARES” in the Luxembourg Prospectus.

## 11. Switching Between Sub-funds

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A Shareholder may switch his Shares in a particular Share Class of a Sub-Fund into Shares of another Share Class, either within the same Sub-Fund or a different Sub-Fund, subject to the payment of any applicable switching charge (as set out in paragraph 6 above). Switching forms should be submitted using the same procedures applicable to the submission of redemption forms.

Further details on the switching of Shares and the switching procedure are set out under the headings “REDEMPTION AND SWITCHING OF SHARES” and “RESTRICTIONS ON SUBSCRIPTIONS AND SWITCHES INTO CERTAIN FUNDS OR CLASSES” in the Luxembourg Prospectus.

## 12. No Right of Cancellation of Subscription

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Investors should note that no cancellation period is available, and investors will not be allowed to cancel their subscriptions for Shares of any Share Class of the Sub-Funds.

## 13. Obtaining Price Information

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The Net Asset Value of the Shares of all the relevant Sub-Funds is published at the Singapore Representative’s website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

# 14. Suspension Or Deferrals

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The Fund may suspend or defer the calculation of the Net Asset Value per Share of any Share Class in any Sub-Fund and the issue and redemption of any Shares in such Sub-Fund, as well as the right to switch Shares of any Share Class in any Sub-Fund into Shares of the same Share Class of the same Sub-Fund or any other Sub-Fund:

- (1) during any period when any of the principal stock exchanges or any other Regulated Market on which any substantial portion of the Fund's investments of the relevant Share Class for the time being are quoted, is closed, or during which dealings are restricted or suspended; or
- (2) during any period when the determination of the net asset value per share of and/or the redemptions in the underlying Investment Funds representing a material part of the assets of the relevant Sub-Fund is suspended; or
- (3) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Sub-Fund by the Fund is impracticable; or
- (4) during any breakdown in the means of communication normally employed in determining the price or value of any of the Fund's investments or the current prices or values on any market or stock exchange; or
- (5) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Directors be effected at normal rates of exchange; or
- (6) if the Fund or a Sub-Fund is being or may be wound-up on or following the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Fund or the Sub-Fund is proposed; or
- (7) if the Directors have determined that there has been a material change in the valuations of a substantial proportion of the investments of the Fund attributable to a particular Share Class in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; or
- (8) during any other circumstance or circumstances where a failure to do so might result in the Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment.

Shareholders will be informed of any suspension or deferral as appropriate.

Further details on the suspension and deferral are set out under the heading "SUSPENSIONS OR DEFERRALS" in the Luxembourg Prospectus.

# 15. Performance Of The Sub-funds

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Please refer to Annexure v to this Singapore Prospectus for the Sub-Funds' performance figures, expense and turnover ratios. Past performance is not necessarily indicative of the future performance of the Sub-Funds.

## 16. Soft Commissions

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Each Investment Manager may enter into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Manager, including the relevant Sub-Fund, and where the Investment Manager is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the relevant Sub-Fund. Any such arrangements must be made by the Investment Manager on terms commensurate with best market practice.

## 17. Conflict Of Interest

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The Investment Managers, the Investment Advisers and the Singapore Representative may effect transactions in which the Investment Managers, the Investment Advisers or the Singapore Representative have, directly or indirectly, an interest which may involve a potential conflict with the Investment Managers', the Investment Advisers' or the Singapore Representative's duty to the Fund or relevant Sub-Fund. Neither the Investment Managers, the Investment Advisers nor the Singapore Representative shall be liable to account to the Fund or any Sub-Fund for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Managers', the Investment Advisers' or the Singapore Representative's fees, unless otherwise provided, be abated. The Investment Managers, the Investment Advisers and the Singapore Representative (as the case may be) will ensure that such transactions are effected on terms which are not less favourable to the Fund or relevant Sub-Fund than if the potential conflict had not existed. Such potential conflicting interests or duties may arise because the Investment Managers, the Investment Advisers or the Singapore Representative may have invested directly or indirectly in the Fund or because the Singapore Representative may, in its capacity as manager for other collective investment schemes in Singapore, invest into any one or more of the Sub-Funds.

The Investment Managers may also have to deal with competing or conflicting interests between any of the Sub-Funds which may be managed by the same Investment Manager. In such instance, the Investment Manager will use reasonable endeavours at all times to act fairly and in the interests of the relevant Sub-Funds, taking into account the availability of cash and relevant investment guidelines of the Sub-Funds and ensuring that the securities bought and sold are allocated proportionally as far as possible among the Sub-Funds.

## 18. Reports To Holders And Documents For Inspection

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The Fund's financial year ends on 31 December each year.

An abridged version of the Fund's audited annual report will be sent to Shareholders ahead of the annual general meeting of Shareholders which is in principle held in Luxembourg on the last Tuesday of May each year at 11.00 a.m. (Luxembourg time), or if such day is not a Business Day, on the next Business Day.

The full version of the Fund's audited annual report, the unaudited half-yearly report and the Articles are available for inspection during normal business hours, at the registered office of the Fund and from the Singapore Representative.

# 19. Tax Considerations

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Investors should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or other kind of tax on distributions or deemed distributions of the Sub-Funds, capital gains within the Sub-Funds, whether or not realised, income received or accrued or deemed received within the Sub-Funds. **Please note that the information provided therein is not exhaustive and does not constitute tax or legal advice. Investors who are in doubt of their tax position should consult their own independent tax advisors.**

## 19.1

### Certain Singapore Tax Considerations

The following discussion is a summary of the material Singapore income tax consequences of the purchase, ownership and disposal of Shares of the Share Classes to a holder of such Shares who is a tax resident in Singapore. This discussion does not purport to be a comprehensive description of all of the Singapore tax considerations that may be relevant to a decision to purchase, own or dispose of Shares of the Share Classes and does not purport to deal with the Singapore tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules. Prospective investors of Shares of the Share Classes should consult their own tax advisers as to the Singapore or other tax consequences of the purchase, ownership or disposal of Shares of the Share Classes including, in particular, the effect of any foreign, state or local tax laws to which they are subject. Each prospective investor should inform himself of, and where appropriate take advice on, the taxes applicable to the acquisition, holding and redemption of Shares of the Share Classes by him under the laws of the places of his citizenship, residence and domicile.

Under present Singapore tax law and practice as at the date of registration of this Singapore Prospectus:-

- (i) The Fund is not expected to be subject to Singapore tax in respect of any of its authorised activities, on the assumption that the Fund has no permanent establishment in Singapore, does not carry on any business in Singapore and does not derive any Singapore-sourced income;
- (ii) Individuals resident in Singapore are exempt from Singapore tax on dividends or income distributions received from the Sub-Funds\* (assuming that the dividends and income distributions are not derived through a partnership in Singapore and not treated as Singapore-sourced for the investor). Dividends or income distributions from the Sub-Funds may be treated as Singapore-sourced income in the hands of an individual investor where the dividends or income distributions constitute gains or profits from a trade or business carried on by the investor in Singapore;
- (iii) Corporates or other entities resident in Singapore will be taxed on the dividends or income distributions received from the Sub-Funds at the applicable corporate tax rates. The point of taxation may be on receipt in Singapore (for entities receiving the dividends or income distributions as passive income) or upon such income being derived (for entities receiving the dividends or income distributions as income from a trade or business carried on in Singapore). There are certain exemptions available to Singapore-resident entities on foreign-sourced dividends received by them, subject to certain conditions being met; and
- (iv) Singapore currently does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of gains. In general, gains from the disposal of the Shares may be construed to be of an income nature and subject to Singapore income tax if they arise from activities which the Inland Revenue Authority of Singapore regards as the carrying on of a trade or business in Singapore. Tax exemption may be available on any gains or profits derived by a divesting company from the disposal of ordinary shares in another company where (i) such divesting company had held the legal and beneficial ownership of at least 20% of the ordinary shares in that company for a period of at least 24 months prior to the disposal and (ii) such disposal is made during the period from 1 June 2012 to 31 May 2017, subject to certain conditions.

## 19. Tax Consideration (continued)

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In addition, investors who apply, or who are required to apply, the Singapore Financial Reporting Standard 39 - Financial Instruments : Recognition and Measurement ("FRS 39") for the purposes of Singapore income tax may be required to recognise gains or losses (not being gains or losses in the nature of capital) in accordance with the provisions of FRS 39 (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of Shares of the Share Classes is made.

*\* This follows from the provisions of Singapore income tax law under which individuals resident in Singapore are exempt from Singapore tax on all foreign-source income received in Singapore, other than income received through a partnership in Singapore, on or after 1 January 2004. Such exemption extends only to individuals and not to corporates or other persons or entities.*

### 19.2 Other Tax Considerations

Please refer to the section headed "TAXATION" in the Luxembourg Prospectus for a summary of other tax considerations in relation to the Fund and the Sub-Funds.

## 20. Queries And Complaints

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Investors may contact the Singapore Representative at (65) 6534 4288 to raise any queries or complaints regarding the Fund or any Sub-Fund.



# 21. Other Material Information

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## 21.1

### Conversion of B1 Shares

Investors should note that holdings in B1 Shares will be converted automatically into A1 Shares on the last Business Day of the month in which the 6<sup>th</sup> anniversary of issue of such Shares occurs (“**Automatic Conversion Date**”), on the basis of the respective Net Asset Value per Share of the relevant B1 Shares and A1 Shares.

The Fund will, if necessary, apply for the recognition of the A1 Shares at an appropriate time (and in any event prior to the Automatic Conversion Date in respect of any Share Class) and this Singapore Prospectus will be updated accordingly. Shareholders of B1 Shares will also receive notifications of their holdings of A1 Shares pursuant to the automatic conversion.

Presently, A1 Shares have a lower Distribution Charge of 0.5% per annum and do not charge any CDSC. No Initial Charge will be levied for A1 Shares converted from B1 Shares on an Automatic Conversion Date.

## 21.2

### General provisions

Investors should also read the relevant provisions on transfers, rights on winding-up, pooling and co-management of assets as set out in the Luxembourg Prospectus.

## 21.3

### MSCI disclaimer (Source: MSCI)

The information obtained from MSCI and other data providers, included in this Singapore Prospectus, may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used to create any financial instruments or products or any indices. The MSCI information and that of other data providers is provided on an “as is” basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling or creating any MSCI information (collectively, the “**MSCI Parties**”) and other data providers, expressly disclaim all warranties (including, without limitation any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party or other data provider have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages.

## 21.4

### Treatment of personal data

Each time an individual investor voluntarily provides his or her personal data in order to carry out a transaction in relation to the Fund or any Sub-Fund, the individual investor is deemed to have consented to the following:

- that the Management Company and its related corporations from time to time (the “**Schroder Group**”) shall collect, store and maintain the personal data and other information relating to the individual investor as received (whether in writing, electronically or otherwise) as part of the records of the Fund or the relevant Sub-Fund maintained by the Schroder Group;
- that such personal data collected, stored and maintained shall be used for the purposes of account maintenance and transaction purposes from time to time including but not limited to the processing of such personal data for record keeping purposes, compliance and regulatory (including complying with any anti-money laundering regulations) purposes, legal purposes, audit purposes, tax (including tax reporting) purposes and for the purpose of providing the individual investor with regular statements of account and other notices;

## 21. Other Material Information (continued)

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- that such personal data collected, stored and maintained shall be provided to and processed by third parties for the above purposes from time to time including but not limited to the registrar of the Fund, the agents and service providers employed by the Schroder Group, the distributors, banks, insurers, fund managers, and other intermediaries of the Schroder Group, and the professional advisers to the Schroder Group of companies for the above purposes;
  - that such personal data collected, stored and maintained shall be provided to any and all applicable regulatory authorities (including the Inland Revenue Authority of Singapore, the CPF Board and the Authority) upon request or as may be required by applicable law or regulation from time to time; and
  - that such personal data shall be stored, maintained, used, processed, transferred or held in Singapore or outside Singapore, as the Schroder Group shall consider appropriate for the above purposes.

# Annexure I – Distribution Frequency of A Distribution and A1 Distribution Share Classes of the Sub-Funds and C Distribution Share Class of Schroder International Selection Fund US Dollar Bond and Schroder International Selection Fund QEP Global Active Value

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## **Mainstream Equity Funds**

<b>Name of Sub-Fund</b>	<b>Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus</b>
Schroder International Selection Fund EURO Equity	Annual.
Schroder International Selection Fund European Large Cap	Annual.
Schroder International Selection Fund Japanese Equity	Annual.
Schroder International Selection Fund Asian Opportunities	Annual.
Schroder International Selection Fund Swiss Equity	Annual.
Schroder International Selection Fund UK Equity	Annual.
Schroder International Selection Fund Global Equity	Annual.
Schroder International Selection Fund US Large Cap	Annual.

# Annexure I – Distribution Frequency of A Distribution and A1 Distribution Share Classes of the Sub-Funds and C Distribution Share Class of Schroder International Selection Fund US Dollar Bond and Schroder International Selection Fund QEP Global Active Value (continued)

## Specialist Equity Funds

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund Asian Dividend Maximiser	Monthly.
Schroder International Selection Fund Asian Equity Yield	Monthly.
Schroder International Selection Fund Asian Smaller Companies	Not applicable.
Schroder International Selection Fund BRIC (Brazil, Russia, India, China)	Not applicable.
Schroder International Selection Fund Emerging Asia	Not applicable.
Schroder International Selection Fund Emerging Europe	Annual.
Schroder International Selection Fund Emerging Markets	Annual.
Schroder International Selection Fund European Dividend Maximiser	Monthly.
Schroder International Selection Fund European Equity Yield	EUR A Distribution Share Class: Quarterly. SGD Hedged A Distribution Share Class: Monthly. USD Hedged A Distribution Share Class: Monthly..
Schroder International Selection Fund European Smaller Companies	Annual.
Schroder International Selection Fund Frontier Markets Equity	Not applicable.
Schroder International Selection Fund European Special Situations	Not applicable.
Schroder International Selection Fund Global Climate Change Equity	Not applicable.
Schroder International Selection Fund Global Emerging Market Opportunities	Not applicable.
Schroder International Selection Fund Global Energy	Not applicable.
Schroder International Selection Fund Global Dividend Maximiser	SGD A Distribution Share Class, USD A Distribution Share Class and EUR Hedged A Distribution Share Class: Quarterly. AUD Hedged A Distribution Share Class: Monthly.
Schroder International Selection Fund Global Equity Yield	Not applicable.
Schroder International Selection Fund Global Property Securities	Not applicable.
Schroder International Selection Fund Global Smaller Companies	Annual.
Schroder International Selection Fund Greater China	Not applicable.
Schroder International Selection Fund Hong Kong Equity	Not applicable.
Schroder International Selection Fund Indian Opportunities	Not applicable.
Schroder International Selection Fund Japanese Opportunities	Annual.
Schroder International Selection Fund Japanese Smaller Companies	Annual.
Schroder International Selection Fund Korean Equity	Annual.

# Annexure I – Distribution Frequency of A Distribution and A1 Distribution Share Classes of the Sub-Funds and C Distribution Share Class of Schroder International Selection Fund US Dollar Bond and Schroder International Selection Fund QEP Global Active Value (continued)

Schroder International Selection Fund Latin American	Annual.
Schroder International Selection Fund Middle East	Not applicable.
Schroder International Selection Fund US Small & Mid-Cap Equity	Annual.
Schroder International Selection Fund US Smaller Companies	Annual.
Schroder International Selection Fund Asian Total Return	Annual.
Schroder International Selection Fund Asia Pacific Property Securities	Not applicable.
Schroder International Selection Fund China Opportunities	Not applicable.

## Alpha Equity Funds

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund European Equity Alpha	Annual.
Schroder International Selection Fund Global Equity Alpha	Annual.
Schroder International Selection Fund Japanese Equity Alpha	Not applicable.

## Quantitative Equity Funds

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund QEP Global Active Value	Annual.
Schroder International Selection Fund QEP Global Core	Not applicable.
Schroder International Selection Fund QEP Global Quality	Not applicable.
Schroder International Selection Fund QEP Global Emerging Markets	Not applicable.

Name of Sub-Fund	Distribution Frequency of the C Distribution Share Class of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund QEP Global Active Value	Annual.

# Annexure I – Distribution Frequency of A Distribution and A1 Distribution Share Classes of the Sub-Funds and C Distribution Share Class of Schroder International Selection Fund US Dollar Bond and Schroder International Selection Fund QEP Global Active Value (continued)

## Absolute Return Funds

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund Asian Bond Absolute Return	Monthly.
Schroder International Selection Fund Emerging Markets Debt Absolute Return	Quarterly.

## Mainstream Bond Funds

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund EURO Short Term Bond	Annual.
Schroder International Selection Fund EURO Government Bond	Annual.
Schroder International Selection Fund Global Inflation Linked Bond	Not applicable.
Schroder International Selection Fund US Dollar Bond	Quarterly.
Schroder International Selection Fund Global Bond	USD A Distribution Share Classes: Annual. EUR Hedged A Distribution Share Classes: Quarterly.

Name of Sub-Fund	Distribution Frequency of the C Distribution Share Class of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund US Dollar Bond	Annual.

## Specialist Bond Funds

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund EURO Corporate Bond	Not applicable.
Schroder International Selection Fund Global Corporate Bond	USD A Distribution Share Class: Monthly. EUR Hedged A Distribution Share Class: Quarterly. SGD Hedged A Distribution Share Class: Half yearly. RMB Hedged A Distribution Share Class: Monthly.
Schroder International Selection Fund Global High Yield	Quarterly.
Schroder International Selection Fund Strategic Bond	Monthly.
Schroder International Selection Fund Asian Local Currency Bond	Monthly.
Schroder International Selection Fund Global High Income Bond	Monthly.

# Annexure I – Distribution Frequency of A Distribution and A1 Distribution Share Classes of the Sub-Funds and C Distribution Share Class of Schroder International Selection Fund US Dollar Bond and Schroder International Selection Fund QEP Global Active Value (continued)

## **Specialist Bond Funds (Medium-Higher Risk)**

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund Asian Convertible Bond	Not applicable.
Schroder International Selection Fund Global Convertible Bond	Not applicable.

## **Currency Funds**

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund Global Managed Currency	Annual.

## **Multi-Asset Funds**

Name of Sub-Fund	Distribution Frequency of the A Distribution and A1 Distribution Share Classes of the Sub-Fund offered in this Singapore Prospectus, as at the date of registration of this Singapore Prospectus
Schroder International Selection Fund Global Multi-Asset Income	USD A Distribution Share Class, SGD Hedged A Distribution Share Class, AUD Hedged A Distribution Share Class, RMB Hedged A Distribution Share Class and GBP Hedged A Distribution Share Class: Monthly.  USD A1 Distribution Share Class: Monthly.  EUR Hedged A Distribution Share Class: Quarterly.
Schroder International Selection Fund Wealth Preservation EUR	Annual.

# Annexure II – Further Risk Factors

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## 1) Further Risk Factors applicable to all Sub-Funds

### Market Risk in the relevant markets in which the Sub-Fund invests

The value of investments by the Sub-Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

### Liquidity Risk

The liquidity of the Sub-Fund may be limited if a significant portion of the assets of the Sub-Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

### Operational risk

The Sub-Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## 2) Further Risk Factor applicable to all Sub-Funds with Distribution Share Classes

### Distribution policy risk

In respect of a Distribution Share Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.

In respect of a Distribution Share Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.

Where dividends are paid out of capital of a Distribution Share Class, this will reduce the net asset value of the Distribution Share Class.

In respect of the Schroder International Selection Fund Asian Dividend Maximiser, investors should note that this Sub-Fund aims to deliver a target income of 7% per year but this is not guaranteed and could change depending on market conditions.

In respect of the Schroder International Selection Fund European Dividend Maximiser, investors should note that this Sub-Fund aims to deliver a target income of 8% per year but this is not guaranteed and could change depending on market conditions.

## 3) Further Risk Factors applicable to Schroder International Selection Fund Asian Smaller Companies, Schroder International Selection Fund Japanese Opportunities, Schroder International Selection Fund Japanese Smaller Companies, Schroder International Selection Fund US Smaller Companies, Schroder International Selection Fund Global Smaller Companies, Schroder International Selection Fund European Equity Alpha, Schroder International Selection Fund European Smaller Companies, Schroder International Selection Fund QEP Global Emerging Markets, Schroder International Selection Fund Global Energy and Schroder International Selection Fund Emerging Europe

### Small Cap Liquidity Risk

Investments in small companies can be difficult to sell quickly which may affect the value of the Sub-Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

## 4) Further risk factors applicable to Schroder International Selection Fund BRIC (Brazil, Russia, India, China), Schroder International Selection Fund Emerging Asia, Schroder International Selection Fund Emerging Markets, Schroder International Selection Fund Frontier Markets Equity, Schroder International Selection Fund Asian Opportunities, Schroder International Selection Fund Asian Smaller Companies, Schroder International Selection Fund Asian Bond Absolute Return, Schroder International Selection Fund Asian Local Currency Bond and Schroder International Selection Fund Indian Opportunities

### Structured products risk

In order to access restricted markets, the Sub-Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.



## Annexure II – Further Risk Factors (continued)

**5) Further risk factors applicable to Schroder International Selection Fund Emerging Europe, Schroder International Selection Fund Emerging Markets, Schroder International Selection Fund Frontier Markets Equity, Schroder International Selection Fund Global Emerging Market Opportunities, Schroder International Selection Fund Indian Opportunities, Schroder International Selection Fund Middle East, Schroder International Selection Fund Emerging Markets Debt Absolute Return, Schroder International Selection Fund Latin American, Schroder International Selection Fund Asian Bond Absolute Return, Schroder International Selection Fund Asian Equity Yield, Schroder International Selection Fund Asian Local Currency Bond, Schroder International Selection Fund Asian Opportunities, Schroder International Selection Fund Asian Smaller Companies, Schroder International Selection Fund Asian Total Return, Schroder International Selection Fund BRIC (Brazil, Russia, India, China), Schroder International Selection Fund China Opportunities, Schroder International Selection Fund Emerging Asia, Schroder International Selection Fund Greater China, Schroder International Selection Fund Hong Kong Equity, Schroder International Selection Fund Korean Equity, Schroder International Selection Fund Asian Convertible Bond, Schroder International Selection Fund QEP Global Emerging Markets, Schroder International Selection Fund Asian Dividend Maximiser, Schroder International Selection Fund Global High Income Bond and Schroder International Selection Fund Global Multi-Asset Income**

### **Emerging and frontier markets risk**

Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

**6) Further risk factors applicable to Schroder International Selection Fund Global Dividend Maximiser, Schroder International Selection Fund Asian Dividend Maximiser, Schroder International Selection Fund European Dividend Maximiser, Schroder International Selection Fund Asian Total Return, Schroder International Selection Fund Asian Bond Absolute Return, Schroder International Selection Fund EURO Short Term Bond, Schroder International Selection Fund EURO Government Bond, Schroder International Selection Fund Global Inflation Linked Bond, Schroder International Selection Fund US Dollar Bond, Schroder International Selection Fund EURO Corporate Bond, Schroder International Selection Fund Global Corporate Bond, Schroder International Selection Fund Global High Yield, Schroder International Selection Fund Strategic Bond, Schroder International Selection Fund Global Managed Currency, Schroder International Selection Fund Asian Local Currency Bond, Schroder International Selection Fund Global Bond, Schroder International Selection Fund Global High Income Bond, Schroder International Selection Fund Global Multi-Asset Income, Schroder International Selection Fund European Equity Alpha, Schroder International Selection Fund Global Energy, Schroder International Selection Fund Wealth Preservation EUR, Schroder International Selection Fund Global Convertible Bond, Schroder International Selection Fund QEP Global Emerging Markets, Schroder International Selection Fund QEP Global Quality, Schroder International Selection Fund Global Equity Yield, Schroder International Selection Fund Asian Convertible Bond and Schroder International Selection Fund Indian Opportunities**

### **Derivatives risk (in respect of the Sub-Funds listed above other than Schroder International Selection Fund Global Dividend Maximiser)**

The Sub-Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Sub-Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Sub-Fund could suffer greater losses than if the Sub-Fund had not used such instruments.

In respect of the Schroder International Selection Fund European Dividend Maximiser, investors should note that this Sub-Fund makes use of financial derivative instruments in a way that is fundamental to its investment objective. This strategy will increase the income paid to investors and reduce the volatility of returns, but there is the potential the performance or capital value may be eroded.

# Annexure II – Further Risk Factors (continued)

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**Derivatives risk (in respect of Schroder International Selection Fund Global Dividend Maximiser and Schroder International Selection Fund Asian Dividend Maximiser)**

The derivative strategy is applied repeatedly over three-monthly periods. This strategy will increase the income paid to investors and reduce the volatility of returns, but there is the potential the performance or capital value may be eroded.

**7) Further risk factors applicable to Schroder International Selection Fund Asian Bond Absolute Return, Schroder International Selection Fund Wealth Preservation EUR, Schroder International Selection Fund Emerging Markets Debt Absolute Return, Schroder International Selection Fund EURO Government Bond, Schroder International Selection Fund Global Inflation Linked Bond, Schroder International Selection Fund US Dollar Bond, Schroder International Selection Fund EURO Corporate Bond, Schroder International Selection Fund Global Corporate Bond, Schroder International Selection Fund Global High Yield, Schroder International Selection Fund Asian Convertible Bond, Schroder International Selection Fund Global Convertible Bond, Schroder International Selection Fund Global Managed Currency, Schroder International Selection Fund Asian Local Currency Bond, Schroder International Selection Fund Global Bond, Schroder International Selection Fund Global High Income Bond, Schroder International Selection Fund Global Multi-Asset Income, Schroder International Selection Fund Strategic Bond and Schroder International Selection Fund EURO Short Term Bond**

**Debt securities risk**

A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

**8) Further risk factors applicable to Schroder International Selection Fund Strategic Bond, Schroder International Selection Fund Global Bond and Schroder International Selection Fund US Dollar Bond**

**Asset-backed / mortgage-backed securities risk**

Mortgage or asset-backed securities may not receive in full the amounts owed to them by underlying borrowers.

**9) Further risk factors applicable to Schroder International Selection Fund Strategic Bond, Schroder International Selection Fund Global High Yield, Schroder International Selection Fund Global Multi-Asset Income, Schroder International Selection Fund Asian Bond Absolute Return, Schroder International Selection Fund Emerging Markets Debt Absolute Return, Schroder International Selection Fund Global High Income Bond, Schroder International Selection Fund Asian Local Currency Bond, Schroder International Selection Fund Global Corporate Bond, Schroder International Selection Fund US Dollar Bond and Schroder International Selection Fund Asian Convertible Bond**

**Non-investment grade risk**

Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

**10) Further risk factors applicable to Schroder International Selection Fund Global Bond, Schroder International Selection Fund Asian Bond Absolute Return, Schroder International Selection Fund Asian Dividend Maximiser, Schroder International Selection Fund Asian Local Currency Bond, Schroder International Selection Fund Asian Total Return, Schroder International Selection Fund EURO Government Bond, Schroder International Selection Fund EURO Short Term Bond, Schroder International Selection Fund Global Corporate Bond, Schroder International Selection Fund Global Energy, Schroder International Selection Fund Global High Yield, Schroder International Selection Fund Global Inflation Linked Bond, Schroder International Selection Fund Japanese Opportunities, Schroder International Selection Fund Strategic Bond, Schroder International Selection Fund Wealth Preservation EUR, Schroder International Selection Fund EURO Equity, Schroder International Selection Fund UK Equity, Schroder International Selection Fund Asian Equity**

# Annexure II – Further Risk Factors (continued)

**Yield, Schroder International Selection Fund Asian Opportunities, Schroder International Selection Fund Asian Smaller Companies, Schroder International Selection Fund Emerging Asia, Schroder International Selection Fund EURO Corporate Bond, Schroder International Selection Fund Emerging Markets Debt Absolute Return, Schroder International Selection Fund European Smaller Companies, Schroder International Selection Fund European Special Situations, Schroder International Selection Fund Global Climate Change Equity, Schroder International Selection Fund Global Dividend Maximiser, Schroder International Selection Fund Global Emerging Market Opportunities, Schroder International Selection Fund Global Convertible Bond, Schroder International Selection Fund Frontier Markets Equity, Schroder International Selection Fund Global High Income Bond, Schroder International Selection Fund Global Managed Currency, Schroder International Selection Fund Japanese Equity Alpha, Schroder International Selection Fund Japanese Smaller Companies, Schroder International Selection Fund QEP Global Active Value, Schroder International Selection Fund QEP Global Emerging Markets, Schroder International Selection Fund QEP Global Quality, Schroder International Selection Fund US Dollar Bond, Schroder International Selection Fund US Large Cap, Schroder International Selection Fund US Small & Mid-Cap Equity, Schroder International Selection Fund Global Equity Yield, Schroder International Selection Fund Greater China, Schroder International Selection Fund China Opportunities, Schroder International Selection Fund Global Property Securities, Schroder International Selection Fund Asian Convertible Bond, Schroder International Selection Fund BRIC (Brazil, Russia, India, China), Schroder International Selection Fund Emerging Markets, Schroder International Selection Fund European Equity Yield, Schroder International Selection Fund Global Equity Alpha, Schroder International Selection Fund Global Multi-Asset Income, Schroder International Selection Fund Japanese Equity, Schroder International Selection Fund Latin American and Schroder International Selection Fund Middle East**

## **Counterparty risk**

If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

In respect of the Schroder International Selection Fund Asian Dividend Maximiser, there is effectively no counterparty risk associated with its options trading. Counterparties pay upfront, in full and in cash two business days after the auction. Should a counterparty not pay by this deadline, the option can be sold to another counterparty.

## **11) Further risk factors applicable to Schroder International Selection Fund BRIC (Brazil, Russia, India, China), Schroder International Selection Fund China Opportunities, Schroder International Selection Fund Greater China and Schroder International Selection Fund Hong Kong Equity**

### **Risks specific to China**

Changes in China's political, social or economic policies may significantly affect the value of the Sub-Fund's investments. China's tax law is also applied under policies that may change without notice and with retrospective effect.

## **12) Further risk factors applicable to Schroder International Selection Fund Global Managed Currency, Schroder International Selection Fund Wealth Preservation EUR and Schroder International Selection Fund Emerging Markets Debt Absolute Return**

### **Money market and deposits risk**

Investments in money market instruments and deposits with financial institutions may be subject to price fluctuation or default by the issuer. Some of the amounts deposited may not be returned to the Sub-Fund.

## Annexure II – Further Risk Factors (continued)

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### **13) Further risk factors applicable to Schroder International Selection Fund Asian Bond Absolute Return, Schroder International Selection Fund Global Convertible Bond and Schroder International Selection Fund Strategic Bond**

#### **Non-investment grade liquidity risk**

Investments in non-investment grade securities can be difficult to sell quickly, which may affect the value of the Sub-Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### **14) Further risk factors applicable to Schroder International Selection Fund Global Convertible Bond and Schroder International Selection Fund Asian Convertible Bond**

#### **Convertible bond liquidity risk**

Investments in convertible bond securities can be difficult to sell quickly, which may affect the value of the Sub-Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### **15) Further risk factors applicable to Schroder International Selection Fund Frontier Markets Equity**

#### **Emerging market liquidity risk**

Investments in emerging market securities can be difficult to sell quickly, which may affect the value of the Sub-Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### **16) Further risk factors applicable to Schroder International Selection Fund Strategic Bond**

#### **Leverage risk**

The Sub-Fund makes significant use of financial derivative instruments, which may amplify gains and losses on its investments.

# Annexure III – High Volatility Sub-Funds

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Schroder International Selection Fund Asian Equity Yield
Schroder International Selection Fund Emerging Asia
Schroder International Selection Fund Japanese Equity
Schroder International Selection Fund Japanese Equity Alpha
Schroder International Selection Fund Japanese Smaller Companies
Schroder International Selection Fund Greater China
Schroder International Selection Fund Hong Kong Equity
Schroder International Selection Fund Indian Opportunities
Schroder International Selection Fund Japanese Opportunities
Schroder International Selection Fund Korean Equity
Schroder International Selection Fund Asian Dividend Maximiser
Schroder International Selection Fund Asian Opportunities
Schroder International Selection Fund Asian Smaller Companies
Schroder International Selection Fund Asian Total Return
Schroder International Selection Fund China Opportunities
Schroder International Selection Fund Asia Pacific Property Securities
Schroder International Selection Fund Emerging Europe
Schroder International Selection Fund European Large Cap
Schroder International Selection Fund European Equity Alpha
Schroder International Selection Fund European Smaller Companies
Schroder International Selection Fund EURO Equity
Schroder International Selection Fund Swiss Equity
Schroder International Selection Fund UK Equity
Schroder International Selection Fund European Equity Yield
Schroder International Selection Fund European Special Situations
Schroder International Selection Fund BRIC (Brazil, Russia, India, China)
Schroder International Selection Fund Emerging Markets
Schroder International Selection Fund European Dividend Maximiser
Schroder International Selection Fund QEP Global Core
Schroder International Selection Fund QEP Global Active Value
Schroder International Selection Fund Global Dividend Maximiser
Schroder International Selection Fund Global Energy
Schroder International Selection Fund Global Equity Yield
Schroder International Selection Fund Global Property Securities
Schroder International Selection Fund QEP Global Quality
Schroder International Selection Fund Global Smaller Companies

## Annexure III – High Volatility Sub-Funds (continued)

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Schroder International Selection Fund Global Climate Change Equity
Schroder International Selection Fund Global Emerging Market Opportunities
Schroder International Selection Fund Latin American
Schroder International Selection Fund Middle East
Schroder International Selection Fund Global Equity Alpha
Schroder International Selection Fund Global Equity
Schroder International Selection Fund US Smaller Companies
Schroder International Selection Fund US Small & Mid-Cap Equity
Schroder International Selection Fund Frontier Markets Equity
Schroder International Selection Fund US Large Cap
Schroder International Selection Fund Global High Income Bond
Schroder International Selection Fund QEP Global Emerging Markets
Schroder International Selection Fund Wealth Preservation EUR

# Annexure IV – Schroder International Selection Fund Indian Opportunities

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## INDIA: FOREIGN INSTITUTIONAL INVESTORS (FII) REGIME

### FOREIGN INSTITUTIONAL INVESTORS

#### Background

In September 1992, the Indian government issued guidelines which permitted foreign institutional investors (“**FIs**”) to make portfolio investments in securities of Indian companies. In 1995, the Securities and Exchange Board of India (“**SEBI**”) issued the SEBI (FII) Regulations, 1995 (“**FII Regulations**”), being the primary regulation regarding registration and investment norms for FIIs and sub-accounts. Foreign investors that wish to invest and trade in listed securities of Indian companies are required to be registered with SEBI as FIIs or sub-accounts. However, please also refer to the section “Foreign Portfolio Investors Regulations” below as the FII regime is now in a transitory phase with the notification of the SEBI (Foreign Portfolio Investors) Regulations, 2014 on January 7, 2014 which has repealed the FII Regulations.

The Reserve Bank of India (“**RBI**”) has given general permission under the Foreign Exchange Management Act, 1999 (“**FEMA**”) and Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000 (“**FEMA Regulations**”) to SEBI-registered FIIs and sub-accounts for investment in listed securities of Indian companies. Investments by registered FIIs or sub-accounts made through a stock exchange are known as “portfolio investments” and fall under the portfolio investment scheme under Schedule 2 to the FEMA Regulations.

Under the FEMA Regulations, SEBI registered FIIs have also been permitted to purchase shares / convertible debentures of an Indian company through offer/private placement, subject to total FII investment being within the individual FII/sub account investment limit, as set out under “Investment Caps” below and provided that: (i) in the case of public offer, the price of shares to be issued is not less than the price at which shares are issued to residents; and (ii) in the case of issue by private placement, the issue price should be determined as per the pricing guidelines stipulated under the foreign direct investment framework.

#### FII/ Sub-Account registration

FII Regulations set out the type of investors eligible to be registered as FIIs with the SEBI including investment managers proposing to invest on behalf of “Broad Based Funds” and its proprietary funds. Registration may be granted subject to fulfillment of certain eligibility criteria specified in the FII Regulations. The registration is permanent unless cancelled or suspended by SEBI. An FII is subject to FEMA. SEBI and RBI have the right to request information in relation to an FII’s activities.

“**Broad Based Fund**” means a fund outside India, which has at least twenty investors with no single individual investor holding more than 49% of the fund. The twenty investor requirement is not required if the fund has institutional investor(s) but if an institutional investor holds more than 49% of the fund, then such investor must itself be a Broad Based Fund. An FII may invest on behalf of a sub-account registered with SEBI and is responsible for all acts of its sub-account.

#### Restriction on Investment through Protected Cell Companies / Multi-Class Vehicles

In 2010, SEBI had prohibited the use of protected cell companies and segregated portfolio companies or any similar structure. In respect of multiclass vehicles the Broad Based Fund criteria is applied at a class or entity level depending on portfolio segregation. In December 2013 SEBI clarified that a structure would not be opaque if the applicant is regulated in its home jurisdiction, undertakes to disclose its beneficial ownership when requested and its fund/sub fund is Broad Based.

#### Investment Conditions and Restrictions

FIIs must comply with the investment restrictions in the foreign direct investment (“**FDI**”) policy of the Government of India (“**FDI Policy**”, currently consolidated in Circular 1 of 2013, as amended), FII Regulations, the FEMA Regulations and any relevant SEBI or RBI circulars and notifications.

# Annexure IV – Schroder International Selection Fund Indian Opportunities (continued)

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A FII may, subject to the ownership restrictions discussed under “Investment Caps” below, freely buy and sell securities issued by any Indian company, realise capital gains on such investments, subscribe to or renounce rights offerings for shares, appoint a domestic custodian for custody of investments and repatriate the capital, capital gains, dividends, income received by way of interest and any compensation received towards sale or renunciation of rights offerings for shares. A FII/ sub-account may lend or borrow or short sell securities in accordance with the framework specified by SEBI.

FII's are permitted to invest in the following types of instruments:

- (i) securities in the primary and secondary markets including shares, debentures and warrants of companies, unlisted, listed or to be listed on a recognized stock exchange in India;
- (ii) Indian Depository Receipts;
- (iii) units of schemes floated by domestic mutual funds including Unit Trust of India, whether listed on a recognized stock exchange in India or not;
- (iv) units of schemes floated by a collective investment scheme;
- (v) dated government securities;
- (vi) derivatives traded on a recognized stock exchange in India;
- (vii) commercial paper; and
- (viii) security receipts (sub-accounts cannot invest in security receipts).

An FII (but not a sub-account) may issue or otherwise deal in offshore derivative instruments (“ODI”) subject to meeting requisite conditions under the FII Regulations.

## Investment Caps

The aggregate holding of all FII's and sub-accounts cannot exceed 24% of the total paid-up capital of a company, which may be increased to the relevant sector FDI cap with a board resolution, a special resolution of the shareholders and prior intimation to the RBI along with a certificate from the company secretary certifying compliance with FEMA regulations and the FDI Policy.

The holding of a single FII, investing on its own account or each sub-account, must not exceed 10% of the company's total issued share capital. No FII/ sub-account can hold individually or in aggregate, if the FII's/ sub-accounts have the same beneficial owners or are under common control, more than 10% of the paid up capital (or total issued capital). However, if the sub-account is a foreign corporate or individual sub-account, an FII is not permitted to invest in more than 5% of the total issued capital. Therefore, a Broad Based Fund or proprietary fund sub-account may hold up to 10% of the total issued capital. Investments in equity and equity related instruments, i.e. fully convertible debentures, the convertible portion of partially convertible debentures and tradable warrants, made by an FII, whether for its own account or its sub-accounts, may not be less than 70% of the aggregate of all investments of the FII in India.

The RBI monitors the ceilings on FII investments in Indian companies on a daily basis. For effective monitoring, the RBI has fixed cut-off points that are two percentage points lower than the actual ceilings. The cut-off limit for companies in which FII's can invest up to 24% is 22%. When the aggregate net purchases of equity shares by FII's reaches the cut-off point, the RBI cautions all the designated bank branches not to purchase any more equity shares of the respective company on behalf of any FII's without prior approval of the RBI. Clearance is thereafter given on a first come first serve basis.



# Annexure IV – Schroder International Selection Fund Indian Opportunities (continued)

## Foreign Direct Investments

Under the FDI investment made by FII/sub-accounts under the FDI route would be counted towards the 10% limit under the FII Regulations. The FDI Policy provides that:

- (i) FII/sub-accounts are eligible to purchase shares and convertible debentures issued by Indian companies under the Portfolio Investment Scheme (PIS);
- (ii) FII cannot invest in certain activities, such as real estate business, and others as specified in the FDI policy;
- (iii) FII are allowed to trade in all exchange traded derivative contracts approved by RBI/SEBI on recognised stock exchanges in India subject to the position limits and margin requirements and stipulations regarding collateral securities as prescribed by RBI/SEBI;
- (iv) FII are allowed to offer foreign sovereign securities with AAA rating, government securities and corporate bonds as collateral to the recognised stock exchanges in India in addition to the cash for their transactions in derivatives segment of the market;
- (v) FII and sub-accounts are permitted to short sell, lend and borrow equity shares subject to conditions prescribed by RBI, SEBI or any other regulatory authority.

FII may purchase, on a repatriation basis, dated government securities, treasury bills, non-convertible debentures and bonds issued by an Indian company and units of domestic mutual funds. FII are also permitted to subscribe to debt instruments and traded derivatives in accordance with the limits prescribed by the RBI and SEBI respectively. FII's/sub-account's pre-initial public offering equity share holdings are subject to a lock-in post the initial public offering as applicable to foreign direct investors under the FDI Policy.

## FOREIGN PORTFOLIO INVESTORS REGULATIONS

### Background

The SEBI (Foreign Portfolio Investors) Regulations, 2014 (“**FPI Regulations**”) were notified by SEBI on January 7, 2014 pursuant to which existing FII, sub accounts and Qualified Foreign Investors (“**QFIs**”) have been merged into a new class of foreign investors termed as Foreign Portfolio Investors (“**FPIs**”). An FPI has been defined as a person who satisfies the eligibility criteria and has been registered under the FPI Regulations. Any FII or QFI with a valid registration certificate is deemed to be a FPI till the expiry of the block of three years for which fees have been paid under the FPI Regulations.

### FPI Registration

All FPIs are required to obtain a registration under an appropriate category and is subject to satisfying certain eligibility criteria. FII/sub-accounts may, subject to payment of conversion fee, continue to buy, sell or otherwise deal in securities subject to the FPI Regulations, till the expiry of their FII/sub-account registration, or until registered as an FPI. FPIs are categorised into three classes. Category II includes appropriately regulated entities, including Broad Based Funds, and also Broad Based Funds that are not appropriately regulated but whose manager itself is an FPI of this category.

A “**Broad Based Fund**” means a fund outside India, which has at least twenty investors with no investor holding more than 49% of the fund. If an institutional investor holds more than 49% of the fund, then such institutional investor must itself be a broad based fund. For ascertaining the number of investors, the direct as well as underlying investors of entities which have been set up for the sole purpose of pooling funds and making investments will also be considered.

# Annexure IV – Schroder International Selection Fund Indian Opportunities (continued)

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## Investment Conditions and Restrictions

In addition to the instruments in which an FII is allowed to invest and as mentioned above, FPIs are permitted to invest in the following types of additional instruments:

- (i) Rupee denominated credit enhanced bonds;
- (ii) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector ('infrastructure' is defined in terms of the external commercial borrowings guidelines);
- (iii) Non-convertible debentures or bonds issued by non-banking financial companies categorized as 'infrastructure finance companies' by the RBI;
- (iv) Rupee denominated bonds or units issued by infrastructure debt funds; and
- (v) Such other instruments specified by the SEBI from time to time.

In the secondary market, FPIs are only permitted to trade in listed securities of Indian companies.

Only certain categories of FPIs are permitted to deal in ODIs and are subject to certain conditions.

## Investment Cap

A single FPI or a foreign portfolio investor group is permitted to hold equity shares constituting less than 10% of the total issued capital of the Indian company.

## FPI Investments under the Foreign Investment and Exchange Control Regulations

Appropriate notifications under the foreign investment and exchange control regulations, including by the RBI, are awaited. It is likely that the FPI regime will be completely operational and the full benefit of the FPI Regulations will only be available once these attendant amendments are made.

## RISK FACTORS

### FII and FPI Investment Restrictions

Indian investment restrictions may hinder the Sub-Fund's investment program. Generally, under SEBI regulations and foreign investment and exchange control regulations applicable to FIIs (and to the extent as made applicable to FPIs), certain ceilings or limitations may apply in respect of qualifying investments for such entities. There is a risk that the Sub-Fund is unable to secure, or only able to secure at significant cost, a sufficient quota in respect of relevant securities under prevailing regulations.

### Exchange Controls

Exchange control in India may restrict the Sub-Fund's ability to repatriate investments. The ability of the Sub-Fund to invest in Indian assets and securities, exchange Indian Rupees into USD or other convertible foreign currency and repatriate investment income, capital and proceeds of sales realized from its investments in Indian securities is subject to the FEMA and accompanying rules, regulations and notifications. Under certain circumstances such as a change in law or regulation or loss of FII (or FPI) authorization, governmental regulation or approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors may be required. In addition, there can be no assurance that the Indian government in the future, whether for purposes of managing its balance of payments or for other reasons, will not impose restrictions on foreign capital remittances abroad or otherwise modify the exchange control regime applicable to FIIs (or FPIs) in such a way that may adversely affect

# Annexure IV – Schroder International Selection Fund Indian Opportunities (continued)

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the ability of the Sub-Fund to repatriate its income and capital. Further, appropriate modifications/amendments to exchange control laws in relation to FPIs are yet to be made and although they are expected to be along the same lines as applicable to the FIs, such modifications/amendments may have additional conditions or restrictions.

## **Updates to the SEBI and the RBI**

FIs/sub-accounts/FPIs are obliged, under the terms of their undertakings and declarations at the time of registration, to immediately notify SEBI and the RBI of any change in information previously submitted. Failure to adhere to the provisions of the SEBI Act, 1992 ("SEBI Act") and accompanying rules/regulations may attract punishment prescribed therein which includes, inter alia, penalty and suspension or cancellation of the certificate of registration. Additionally SEBI has the power to call for information or documents in respect of an entity's activities or status as an FI/FPI.

## **Regulatory Risk and/or Risk of not obtaining FI/FPI Status**

Investment by the Sub-Fund in Indian securities is dependent on the Sub-Fund obtaining and continuing registration as an FI/ sub-account/ FPI, as the case may be. Therefore, the registration of the Sub-Fund with SEBI as an FI/ sub-account/FPI is a condition precedent to any investments by the Sub-Fund in India. SEBI imposes various conditions that the FI/sub-account/FPI licence holder must fulfill to maintain their registration. In addition, the FI/sub-account/FPI license granted by SEBI might be temporarily suspended or even withdrawn at any time by SEBI particularly in case of non-compliance with SEBI's requirements, or in case of non-compliance with any Indian regulations.

Under certain circumstances, such as a change in law or regulation or loss of FI/sub-account/FPI authorization, governmental regulation or approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors may be required.

Pursuant to the FI Regulations and the FEMA Regulations as well as the Master Circular on Foreign Investment issued on July 1, 2013 (as amended), a registered FI may buy and sell equity shares, debentures and warrants of Indian companies through stock exchanges subject to certain individual and collective statutory limits and sector caps, which are monitored by the RBI. In addition, any change to the FEMA Regulations and the FI Regulations may limit or adversely impact the ability of the Sub-Fund to invest in India. The above consideration would also apply to FPIs once appropriate modifications/amendments are made in FEMA Regulations recognizing FPIs as a class of investors.

## **Loss of FI/FPI Registration**

The investment by the Sub-Fund is dependent on continued registration. In the event the registration of the Sub-Fund as the FI/sub-account/FPI is terminated or is not renewed, the Sub-Fund could potentially be forced to exit investments, which could adversely affect returns to investors.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund

## A. Past Performance of the Sub-Funds (as at 31 December 2013)

Investors should note that the performance returns of the Sub-Funds as shown in the tables in this section A of Annexure V may be affected by the dilution adjustments (if any) made in respect of the Sub-Funds. Investors should also note that (1) there is a possibility that the returns of the relevant Sub-Fund may be influenced by the level of trading activity, in addition to the Sub-Fund's investments and (2) dilution adjustments can increase the variability of the returns of the relevant Sub-Fund.

### 1. (a) Schroder International Selection Fund EURO Equity (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	18.00	27.36	65.69	73.75	29.37	8.39	10.62	5.68	1.86
Class A Shares Dis (Inception Date: 20/11/98)	17.97	27.38	65.78	73.75	124.81	8.39	10.63	5.68	5.50
Class A1 Shares Acc (Inception Date: 31/08/01)	18.71	27.01	63.87	68.40	42.58	8.29	10.38	5.35	2.92
Class B Shares Acc (Inception Date: 17/01/00)	23.45	31.62	69.28	72.21	25.19	9.58	11.10	5.58	1.62
Class B1 Shares Acc (Inception Date: 31/08/01)	22.72	29.48	64.71	62.74	35.49	8.98	10.49	4.99	2.49
Class C Shares Acc (Inception Date: 17/01/00)	24.08	33.68	77.19	93.98	49.10	10.15	12.11	6.84	2.90
Class C Shares Dis (Inception Date: 21/09/98)	24.04	33.63	77.15	94.20	200.19	10.14	12.11	6.86	7.46
MSCI EMU Net (TR)	23.36	25.27	63.31	67.24	60.48	7.79	10.30	5.27	3.14

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. The performance figures for B1 Shares do not reflect the impact of the Contingent Deferred Sales Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

### 1. (b) Schroder International Selection Fund EURO Equity (USD Hedged denominated Share Class)

ShareClass/Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 18/12/13)	Share Classes have been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
Class C Shares Acc (Inception Date: 18/12/13)									
MSCI EMU Net (TR) USD Hedged									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 2. Schroder International Selection Fund European Large Cap (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	15.88	26.21	87.13	74.98	9.93	8.06	13.34	5.75	0.68
Class A Shares Dis (Inception Date: 04/12/95)	15.88	26.22	87.16	75.00	205.43	8.06	13.35	5.75	6.37
Class A1 Shares Acc (Inception Date: 11/01/02)	16.28	24.96	82.84	65.60	26.24	7.70	12.82	5.17	1.96
Class C Shares Acc (Inception Date: 17/01/00)	21.54	31.48	97.63	91.38	23.96	9.54	14.59	6.70	1.55
Class C Shares Dis (Inception Date: 04/12/95)	21.54	31.47	97.64	91.79	254.83	9.54	14.59	6.72	7.25
MSCI Europe Net (TR)	19.82	29.18	88.87	84.90	269.30	8.90	13.55	6.33	7.49

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 3. (a) Schroder International Selection Fund Japanese Equity (JPY denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	43.40	48.11	74.48	24.82	-12.89	13.98	11.77	2.24	-0.98
Class A Shares Dis (Inception Date: 02/08/93)	43.40	48.11	74.47	25.02	18.32	13.97	11.77	2.26	0.83
Class A1 Shares Acc (Inception Date: 31/08/01)	43.89	46.64	70.45	16.86	5.62	13.60	11.25	1.57	0.44
Class B1 Shares Acc (Inception Date: 31/08/01)	48.81	49.46	71.22	13.95	1.44	14.32	11.35	1.31	0.12
Class C Shares Acc (Inception Date: 17/01/00)	50.40	54.28	84.23	36.59	-1.75	15.54	12.99	3.16	-0.13
Class C Shares Dis (Inception Date: 31/10/95)	50.41	54.31	84.24	36.64	36.57	15.54	12.99	3.17	1.73
Japan TSE 1 <sup>st</sup> Section Index (TR)	54.41	54.89	68.30	47.99	2.11	15.69	10.97	3.99	0.10

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. The performance figures for B1 Shares do not reflect the impact of the Contingent Deferred Sales Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 3. (b) Schroder International Selection Fund Japanese Equity (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A1 Shares Acc (Inception Date: 28/06/02)	18.63	13.69	47.49	19.19	24.23	4.37	8.08	1.77	1.90
Class B1 Shares Acc (Inception Date: 16/07/04)	22.63	15.86	48.02	NA	6.67	5.03	8.15	NA	0.68
Japan TSE 1 <sup>st</sup> Section Index (TR)	27.03	19.53	45.36	51.39	0.92	6.12	7.76	4.23	0.05

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A1 Shares take into account the relevant Initial Charge. The performance figures for B1 Shares do not reflect the impact of the Contingent Deferred Sales Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 3. (c) Schroder International Selection Fund Japanese Equity (USD Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 27/03/13)	Share Classes have been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
Class C Shares Acc (Inception Date: 27/03/13)									
Class I Shares Acc (Inception Date: 27/03/13)									
Japan TSE 1st Section Index (TR) (USD Hedged)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 4. (a) Schroder International Selection Fund Asian Opportunities (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-4.25	6.59	100.80	134.82	89.90	2.15	14.95	8.90	4.70
Class A Shares Dis (Inception Date: 29/10/93)	-4.26	6.60	100.75	135.23	149.45	2.15	14.95	8.92	4.63
Class A1 Shares Acc (Inception Date: 11/01/02)	-3.76	6.27	98.35	128.46	183.96	2.04	14.67	8.61	9.10
Class C Shares Acc (Inception Date: 17/01/00)	0.67	11.91	114.35	163.49	121.87	3.82	16.46	10.16	5.87
Class C Shares Dis (Inception Date: 31/10/95)	0.67	11.82	114.21	163.13	190.90	3.79	16.45	10.15	6.05
Class I Shares Acc (Inception Date: 08/01/02)	2.69	18.77	132.27	199.46	277.70	5.90	18.35	11.58	11.73
MSCI AC Asia ex Japan Net TR*	3.07	4.29	114.66	174.95	NA**	1.41	16.50	10.63	NA**

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from MSCI AC FE Free ex Japan Gross (TR) to MSCI AC Asia ex Japan Gross (TR) on 1 September 2005 as the latter benchmark explicitly includes an allocation to the Indian market. The benchmark was subsequently changed from MSCI AC Asia ex Japan Gross (TR) to MSCI AC Asia ex Japan Net TR on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

\*\* The since inception (29/10/93) figures are not available as the benchmark started after 29 October 1993.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 4. (b) Schroder International Selection Fund Asian Opportunities (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 22/03/06)	-8.24	3.40	101.55	NA	38.54	1.12	15.04	NA	4.28
Class A1 Shares Acc (Inception Date: 22/03/06)	-7.61	3.19	99.54	NA	35.93	1.05	14.81	NA	4.02
Class C Shares Acc (Inception Date: 22/03/06)	-3.39	8.51	115.94	NA	52.25	2.76	16.63	NA	5.55
MSCI AC Asia ex Japan Net TR*	-1.38	1.53	117.44	NA	NA**	0.51	16.80	NA	NA**

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from MSCI AC FE Free ex Japan Gross (TR) to MSCI AC Asia ex Japan Gross (TR) on 1 September 2005 as the latter benchmark explicitly includes an allocation to the Indian market. The benchmark was subsequently changed from MSCI AC Asia ex Japan Gross (TR) to MSCI AC Asia ex Japan Net TR on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

\*\* The since inception (29/10/93) figures are not available as the benchmark started after 29 October 1993.

## 4. (c) Schroder International Selection Fund Asian Opportunities (SGD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 23/02/07)	-1.04	4.91	75.67	NA	-0.57	1.61	11.92	NA	-0.08
MSCI AC Asia ex Japan Net TR*	6.54	2.79	88.91	NA	NA**	0.92	13.56	NA	NA**

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from MSCI AC FE Free ex Japan Gross (TR) to MSCI AC Asia ex Japan Gross (TR) on 1 September 2005 as the latter benchmark explicitly includes an allocation to the Indian market. The benchmark was subsequently changed from MSCI AC Asia ex Japan Gross (TR) to MSCI AC Asia ex Japan Net TR on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

\*\* The since inception (29/10/93) figures are not available as the benchmark started after 29 October 1993.



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 5. Schroder International Selection Fund Swiss Equity (CHF denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	17.93	21.30	53.53	54.26	19.42	6.64	8.95	4.43	1.28
Class A Shares Dis (Inception Date: 18/12/95)	17.95	21.29	53.56	54.25	239.61	6.64	8.95	4.43	7.01
Class A1 Shares Acc (Inception Date: 31/08/01)	18.35	20.04	49.98	45.98	27.42	6.27	8.44	3.85	1.98
Class C Shares Acc (Inception Date: 17/01/00)	23.72	26.33	62.12	68.68	34.73	8.10	10.14	5.36	2.16
Class C Shares Dis (Inception Date: 18/12/95)	23.69	26.34	62.15	68.74	289.35	8.10	10.14	5.37	7.82
Swiss Performance Index	24.60	35.36	71.60	97.85	274.07	10.61	11.40	7.06	7.58

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 6. Schroder International Selection Fund UK Equity (GBP denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	21.59	30.89	108.78	127.66	82.39	9.38	15.85	8.57	4.40
Class A Shares Dis (Inception Date: 13/04/93)	21.62	30.40	108.64	126.23	361.34	9.24	15.84	8.50	7.65
Class A1 Shares Acc (Inception Date: 24/10/01)	22.08	29.87	103.68	115.00	90.64	9.09	15.28	7.95	5.43
Class C Shares Acc (Inception Date: 17/01/00)	27.32	36.09	119.56	147.00	104.43	10.81	17.02	9.46	5.25
Class C Shares Dis (Inception Date: 31/10/95)	27.61	36.45	120.16	147.81	325.38	10.90	17.09	9.49	8.29
FTSE All Share (TR)	20.81	30.98	95.16	131.56	419.45	9.40	14.30	8.75	8.27

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 7. Schroder International Selection Fund Global Equity (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 03/06/05)	20.01	20.83	92.19	NA	55.56	6.51	13.95	NA	5.28
Class A Shares Dis (Inception Date: 03/06/05)	19.94	20.85	92.17	NA	55.67	6.51	13.95	NA	5.29
Class C Shares Acc (Inception Date: 03/06/05)	25.90	25.98	103.20	NA	68.73	7.99	15.23	NA	6.28
Class C Shares Dis (Inception Date: 03/06/05)	25.84	25.85	102.90	NA	68.55	7.96	15.19	NA	6.27
Class I Shares Acc (Inception Date: 03/06/05)	28.24	33.50	119.79	NA	88.80	10.10	17.05	NA	7.68
MSCI World - Net Return - USD	26.68	38.60	101.35	NA	61.21	11.48	15.02	NA	3.44

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 8. Schroder International Selection Fund US Large Cap (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 21/03/01)	25.47	41.95	109.72	72.89	37.31	12.37	15.96	5.62	2.51
Class A Shares Dis (Inception Date: 21/03/01)	25.42	41.88	109.67	72.81	37.25	12.35	15.95	5.62	2.51
Class C Shares Acc (Inception Date: 21/03/01)	31.55	47.79	121.47	89.04	53.37	13.89	17.23	6.57	3.40
Class C Shares Dis (Inception Date: 21/03/01)	31.54	47.83	121.52	89.11	53.60	13.90	17.23	6.57	3.41
Class I Shares Acc (Inception Date: 30/01/02)	34.19	56.94	139.97	114.94	92.63	16.19	19.12	7.95	5.65
Standard & Poors 500 Net TR Lagged	33.24	53.15	123.09	91.49	91.90	15.25	17.40	6.71	5.23

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Specialist Equity Funds

### 9. (a) Schroder International Selection Fund Asian Dividend Maximiser (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 18/09/13)	Share Classes have been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
Class A Shares Dis (Inception Date: 18/09/13)									
Class C Shares Acc (Inception Date: 18/09/13)									
MSCI AC Pacific ex Japan Net (NDR)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

### 9. (b) Schroder International Selection Fund Asian Dividend Maximiser (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 18/09/13)	Share Classes have been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
Class A Shares Dis (Inception Date: 18/09/13)									
MSCI AC Pacific ex Japan Net (NDR)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 9. (c) Schroder International Selection Fund Asian Dividend Maximiser (EUR Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 18/09/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
MSCI AC Pacific ex Japan Net (NDR)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 9. (d) Schroder International Selection Fund Asian Dividend Maximiser (AUD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 18/09/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
MSCI AC Pacific ex Japan Net (NDR)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 9. (e) Schroder International Selection Fund Asian Dividend Maximiser (SGD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 18/09/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
MSCI AC Pacific ex Japan Net (NDR)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 10. Schroder International Selection Fund Asian Equity Yield (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 11/06/04)	-7.62	9.86	108.38	NA	124.41	3.18	15.81	NA	8.82
Class A Shares Dis (Inception Date: 11/06/04)	-7.62	9.83	108.45	NA	124.23	3.17	15.82	NA	8.81
Class A1 Shares Acc (Inception Date: 11/06/04)	-7.08	9.65	106.17	NA	118.04	3.12	15.56	NA	8.49
Class C Shares Acc (Inception Date: 11/06/04)	-3.09	14.47	120.30	NA	143.16	4.60	17.10	NA	9.74
Class C Shares Dis (Inception Date: 10/09/04)	-3.09	14.52	120.07	NA	135.45	4.62	17.08	NA	9.63
MSCI AC Pacific ex Japan Net TR*	3.93	9.58	120.99	NA	296.26	3.09	17.18	NA	13.26

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from MSCI AC Pacific ex Japan Gross TR to MSCI AC Pacific ex Japan Net TR on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

## 11. Schroder International Selection Fund Asian Smaller Companies (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 16/09/05)	12.87	4.96	136.57	NA	95.17	1.62	18.78	NA	8.39
Class A1 Shares Acc (Inception Date: 16/09/05)	13.55	4.69	134.06	NA	90.40	1.54	18.53	NA	8.07
Class C Shares Acc (Inception Date: 16/09/05)	18.37	9.33	149.77	NA	108.15	3.01	20.08	NA	9.24
MSCI AC Asia ex Japan Small Cap Index*	6.89	10.85	124.92	NA	118.58	3.49	17.59	NA	9.88

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\*The Sub-Fund's benchmark was changed from MSCI AC Far East ex Japan TR to MSCI AC Asia ex Japan Small Cap Index on 1 October 2012 to align the Sub-Fund's benchmark with the investment universe and objective of the Sub-Fund. The full track record of the previous benchmark has been kept and chainlinked to the new one.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 12. (a) Schroder International Selection Fund BRIC (Brazil, Russia, India, China) (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/10/05)	-6.40	-17.36	61.66	NA	75.65	-6.15	10.08	NA	7.14
MSCI BRIC Net TR*	-3.53	-14.75	80.38	NA	103.64	-5.18	12.52	NA	9.09

\* The benchmark of the Schroder International Selection Fund BRIC (Brazil, Russia, India, China) was changed to MSCI BRIC Net TR on 15 November 2006. When the Sub-Fund was incepted, the MSCI BRIC Net TR did not exist.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 12. (b) Schroder International Selection Fund BRIC (Brazil, Russia, India, China) (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/10/05)	-10.25	-19.84	62.78	NA	27.45	-7.10	10.23	NA	3.01
MSCI BRIC Net TR*	-7.70	-17.00	82.71	NA	77.15	-6.02	12.80	NA	7.25

\* The benchmark of the Schroder International Selection Fund BRIC (Brazil, Russia, India, China) was changed to MSCI BRIC Net TR on 15 November 2006. When the Sub-Fund was incepted, the MSCI BRIC Net TR did not exist.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 13. (a) Schroder International Selection Fund Emerging Asia (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 9/01/04)	-4.45	-5.34	89.24	NA	136.15	-1.81	13.60	NA	8.99
Class A1 Shares Acc (Inception Date: 9/01/04)	-3.86	-5.51	87.23	NA	129.51	-1.87	13.36	NA	8.68
Class C Shares Acc (Inception Date: 9/01/04)	0.26	-1.32	100.07	NA	158.58	-0.44	14.87	NA	9.98
MSCI Emerging Asia*	-0.22	-4.65	89.29	NA	85.63	-1.57	13.60	NA	3.45

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* Due to investment restrictions imposed on the Sub-Fund by the Taiwanese authorities in relation to investments in China, the Sub-Fund has a cap of 10% investment in China-related stocks. The benchmark has thus been changed from MSCI EM Asia Gross (TR) to MSCI AC Asia ex Japan (with China capped at 10%) with effect from 1 November 2007 to reflect these restrictions. The benchmark was subsequently changed from MSCI AC Asia ex Japan to MSCI Emerging Asia with effect from 1 September 2008 as the latter index better reflects the investment objective of the Sub-Fund.

## 13. (b) Schroder International Selection Fund Emerging Asia (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/03/06)	-8.39	-8.16	90.60	NA	38.71	-2.79	13.76	NA	4.29
Class A1 Shares Acc (Inception Date: 17/03/06)	-7.77	-8.35	88.61	NA	36.02	-2.86	13.52	NA	4.02
Class C Shares Acc (Inception Date: 17/03/06)	-3.84	-4.31	101.13	NA	49.31	-1.46	14.99	NA	5.28
MSCI Emerging Asia*	-4.53	-7.17	91.74	NA	74.72	-2.45	13.90	NA	3.11

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* Due to investment restrictions imposed on the Sub-Fund by the Taiwanese authorities in relation to investments in China, the Sub-Fund has a cap of 10% investment in China-related stocks. The benchmark has thus been changed from MSCI EM Asia Gross (TR) to MSCI AC Asia ex Japan (with China capped at 10%) with effect from 1 November 2007 to reflect these restrictions. The benchmark was subsequently changed from MSCI AC Asia ex Japan to MSCI Emerging Asia with effect from 1 September 2008 as the latter index better reflects the investment objective of the Sub-Fund.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 14. Schroder International Selection Fund Emerging Europe (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 28/01/00)	-4.01	-1.85	133.14	151.26	127.24	-0.62	18.44	9.64	6.07
Class A Shares Dis (Inception Date: 28/01/00)	-3.94	-1.78	133.07	150.95	128.33	-0.60	18.43	9.63	6.10
Class A1 Shares Acc (Inception Date: 14/07/03)	-3.35	-2.04	130.50	144.69	193.63	-0.68	18.17	9.35	10.83
Class C Shares Acc (Inception Date: 28/01/00)	0.73	2.25	146.12	174.63	155.21	0.75	19.73	10.62	6.95
Class C Shares Dis (Inception Date: 28/01/00)	0.77	2.30	145.90	180.22	158.91	0.76	19.70	10.84	7.07
MSCI EM Europe 10/40 Net (TR)*	-8.49	-10.38	108.24	139.94	96.73	-3.58	15.79	9.14	4.98

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from MSCI EM Europe 10/40 Gross (TR) to MSCI EM Europe 10/40 Net (TR) with effect from 1 July 2007. The Gross index assumes no tax is paid at all, whereas the Net index assumes reinvestment of dividends after the deduction of withholding tax. As this Sub-Fund may pay withholding tax in certain countries, the Net index is a more accurate comparison.



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 15. (a) Schroder International Selection Fund Emerging Markets (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-7.02	-8.44	77.54	140.29	84.15	-2.90	12.16	9.15	4.47
Class A Shares Dis (Inception Date: 09/03/94)	-6.99	-8.45	77.77	140.19	152.32	-2.90	12.19	9.15	4.78
Class A1 Shares Acc (Inception Date: 11/01/02)	-6.41	-8.61	75.92	133.90	216.03	-2.95	11.95	8.86	10.08
Class B1 Shares Acc (Inception Date: 13/08/02)	-3.28	-6.74	77.09	126.92	250.31	-2.30	12.10	8.53	11.63
Class C Shares Acc (Inception Date: 17/01/00)	-2.47	-4.58	87.64	162.70	105.25	-1.55	13.41	10.13	5.28
Class C Shares Dis (Inception Date: 03/11/95)	-2.45	-4.57	87.56	162.34	181.84	-1.55	13.40	10.12	5.87
MSCI EM Net TR*	-2.60	-6.07	99.33	188.32	190.31	-2.06	14.78	11.16	5.52

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. The performance figures for B1 Shares do not reflect the impact of the Contingent Deferred Sales Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from MSCI EMF Gross (TR) to MSCI EM Net TR with effect from 1 July 2007. The Gross index assumes no tax is paid at all, whereas the Net index assumes reinvestment of dividends after the deduction of withholding tax. As this Sub-Fund may pay withholding tax in certain countries, the Net index is a more accurate comparison.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 15. (b) Schroder International Selection Fund Emerging Markets (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/03/06)	-10.80	-11.05	78.91	NA	23.86	-3.82	12.33	NA	2.78
Class A1 Shares Acc (Inception Date: 17/03/06)	-10.26	-11.41	77.01	NA	21.43	-3.95	12.09	NA	2.52
Class C Shares Acc (Inception Date: 17/03/06)	-6.44	-7.42	89.29	NA	33.84	-2.54	13.60	NA	3.81
Class I Shares Acc (Inception Date: 17/03/06)	-4.39	-1.05	107.30	NA	51.30	-0.35	15.69	NA	5.45
MSCI EM Net TR*	-6.81	-8.55	101.90	NA	139.12	-2.93	15.08	NA	4.50

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from MSCI EMF Gross (TR) to MSCI EM Net TR with effect from 1 July 2007. The Gross index assumes no tax is paid at all, whereas the Net index assumes reinvestment of dividends after the deduction of withholding tax. As this Sub-Fund may pay withholding tax in certain countries, the Net index is a more accurate comparison.

## 16. (a) Schroder International Selection Fund European Dividend Maximiser (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 5/10/07)	15.01	30.45	68.45	NA	-3.91	9.26	10.99	NA	-0.64
Class A Shares Dis (Inception Date: 5/10/07)	14.99	30.41	68.32	NA	-4.03	9.24	10.97	NA	-0.66
MSCI Europe Net Return	19.82	29.18	88.87	NA	0.72	8.90	13.55	NA	0.12

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 16. (b) Schroder International Selection Fund European Dividend Maximiser (USD Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 16/04/14)	Share Class has not been incepted as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
MSCI Europe Net Return (USD Hedged)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 17. (a) Schroder International Selection Fund European Equity Yield (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 12/09/05)	19.52	34.05	78.29	NA	18.73	10.25	12.25	NA	2.09
Class A Shares Dis (Inception Date: 12/09/05)	19.44	34.19	78.20	NA	18.65	10.29	12.24	NA	2.08
Class A1 Shares Acc (Inception Date: 12/09/05)	20.16	33.75	76.25	NA	15.84	10.17	12.00	NA	1.79
Class C Shares Acc (Inception Date: 12/09/05)	25.25	39.74	88.07	NA	28.19	11.79	13.46	NA	3.03
Class C Shares Dis (Inception Date: 12/09/05)	25.32	39.70	88.16	NA	28.26	11.78	13.47	NA	3.04
MSCI Europe Net (TR)	19.82	29.18	88.87	NA	38.37	8.90	13.55	NA	3.99

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

The investment objective and policy of the Schroder International Selection Fund European Equity Yield (previously named as Schroder International Selection Fund European Equity Sigma) was on 12 September 2005 changed from providing capital growth primarily through investment in equity securities of European companies to its present investment objective and policy of providing a total return primarily through investment in equity and equity related securities of European companies which offer attractive yields and sustainable dividend payments.

In view of the said changes in investment objective and policy, the historical data and ratios on the Schroder International Selection Fund European Equity Yield's performance are not presented here as such figures are not reflective of the Schroder International Selection Fund European Equity Yield's current investment objective and policy.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 17. (b) Schroder International Selection Fund European Equity Yield (SGD Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 11/12/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
MSCI Europe Net (TR)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

The investment objective and policy of the Schroder International Selection Fund European Equity Yield (previously named as Schroder International Selection Fund European Equity Sigma) was on 12 September 2005 changed from providing capital growth primarily through investment in equity securities of European companies to its present investment objective and policy of providing a total return primarily through investment in equity and equity related securities of European companies which offer attractive yields and sustainable dividend payments.

In view of the said changes in investment objective and policy, the historical data and ratios on the Schroder International Selection Fund European Equity Yield's performance are not presented here as such figures are not reflective of the Schroder International Selection Fund European Equity Yield's current investment objective and policy.

## 17. (c) Schroder International Selection Fund European Equity Yield (USD Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 27/11/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
MSCI Europe Net (TR)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

The investment objective and policy of the Schroder International Selection Fund European Equity Yield (previously named as Schroder International Selection Fund European Equity Sigma) was on 12 September 2005 changed from providing capital growth primarily through investment in equity securities of European companies to its present investment objective and policy of providing a total return primarily through investment in equity and equity related securities of European companies which offer attractive yields and sustainable dividend payments.

In view of the said changes in investment objective and policy, the historical data and ratios on the Schroder International Selection Fund European Equity Yield's performance are not presented here as such figures are not reflective of the Schroder International Selection Fund European Equity Yield's current investment objective and policy.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 18. Schroder International Selection Fund European Smaller Companies (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	31.14	31.54	147.08	141.72	50.82	9.56	19.82	9.22	2.99
Class A Shares Dis (Inception Date: 07/10/94)	31.14	31.44	146.97	141.52	471.59	9.53	19.81	9.21	9.48
Class A1 Shares Acc (Inception Date: 31/08/01)	31.93	31.15	144.36	134.54	86.67	9.45	19.55	8.89	5.19
Class C Shares Acc (Inception Date: 17/01/00)	37.56	37.00	160.91	164.38	69.58	11.05	21.13	10.20	3.85
Class C Shares Dis (Inception Date: 31/10/95)	37.62	36.95	160.64	164.27	482.17	11.04	21.11	10.20	10.17
HSBC European Smaller (TR)*	32.19	33.68	167.18	177.59	480.98	10.15	21.71	10.74	9.57

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The index has been changed from Salomon SB EMI Europe GDP Wtd Grs (Total Return) to HSBC European Smaller (TR) as at 31 March 2003 as the latter index better reflects the investment objective of the Sub-Fund.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 19. Schroder International Selection Fund Frontier Markets Equity (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 15/12/10)	32.86	28.75	NA	NA	28.99	8.78	NA	NA	8.71
Class C Shares Acc (Inception Date: 15/12/10)	38.78	33.34	NA	NA	33.62	10.06	NA	NA	9.98
Class I Shares Acc (Inception Date: 15/12/10)	47.90	48.65	NA	NA	49.05	14.11	NA	NA	14.00
MSCI Frontier Markets Net TR	25.89	11.37	NA	NA	13.00	3.65	NA	NA	4.09

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A and C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 20. Schroder International Selection Fund European Special Situations (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/03/06)	10.83	23.24	89.00	NA	26.53	7.21	13.57	NA	3.08
Class A1 Shares Acc (Inception Date: 31/03/06)	10.24	21.93	85.44	NA	23.22	6.83	13.14	NA	2.73
Class C Shares Acc (Inception Date: 31/03/06)	13.85	26.14	96.10	NA	33.79	8.04	14.41	NA	3.82
Class C Shares Dis (Inception Date: 31/03/06)	14.41	26.76	97.07	NA	34.08	8.22	14.52	NA	3.85
MSCI Europe Net TR	19.82	29.18	88.87	NA	21.09	8.90	13.55	NA	2.50

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 21. (a) Schroder International Selection Fund Global Climate Change Equity (SGD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 10/08/07)	28.78	19.88	58.49	NA	-6.08	6.22	9.64	NA	-0.98
MSCI World*	30.94	36.60	77.20	NA	-1.63	10.95	12.12	NA	-0.25

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The Sub-Fund is benchmark-unconstrained. The MSCI World is used for reference purposes only.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 21. (b) Schroder International Selection Fund Global Climate Change Equity (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 29/06/07)	24.43	21.56	80.63	NA	9.78	6.72	12.55	NA	1.44
Class A1 Shares Acc (Inception Date: 29/06/07)	25.14	21.36	78.86	NA	7.97	6.66	12.32	NA	1.18
Class C Shares Acc (Inception Date: 29/06/07)	30.49	26.65	90.68	NA	17.07	8.19	13.77	NA	2.45
MSCI World*	26.68	38.60	101.35	NA	19.23	11.48	15.02	NA	2.74

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The Sub-Fund is benchmark-unconstrained. The MSCI World is used for reference purposes only.

## 21. (c) Schroder International Selection Fund Global Climate Change Equity (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 29/06/07)	19.28	18.04	81.99	NA	7.50	5.68	12.72	NA	1.12
Class A1 Shares Acc (Inception Date: 29/06/07)	20.00	17.95	79.80	NA	5.95	5.65	12.44	NA	0.89
Class C Shares Acc (Inception Date: 29/06/07)	25.13	23.04	92.50	NA	14.45	7.15	13.99	NA	2.09
MSCI World*	21.20	34.93	103.95	NA	17.16	10.49	15.31	NA	2.46

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The Sub-Fund is benchmark-unconstrained. The MSCI World is used for reference purposes only.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 22. (a) Schroder International Selection Fund Global Emerging Market Opportunities (SGD denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 28/02/07)	1.24	-15.98	49.41	NA	8.83	-5.63	8.36	NA	1.24

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

## 22. (b) Schroder International Selection Fund Global Emerging Market Opportunities (USD denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 19/01/07)	-2.13	-14.69	70.30	NA	30.67	-5.15	11.23	NA	3.92
Class A1 Shares Acc (Inception Date: 19/01/07)	-1.47	-14.88	68.43	NA	28.50	-5.22	10.98	NA	3.67
Class C Shares Acc (Inception Date: 19/01/07)	2.63	-11.21	79.80	NA	39.86	-3.88	12.44	NA	4.94

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

## 22. (c) Schroder International Selection Fund Global Emerging Market Opportunities (EUR denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 19/01/07)	-6.18	-17.25	71.31	NA	22.51	-6.11	11.36	NA	2.96

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 23. (a) Schroder International Selection Fund Global Energy (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 30/06/06)	4.69	-23.94	55.31	NA	6.86	-8.71	9.20	NA	0.89
Class A1 Shares Acc (Inception Date: 30/06/06)	5.32	-24.11	53.65	NA	4.70	-8.78	8.97	NA	0.61
Class B Shares Acc (Inception Date: 30/06/06)	9.54	-21.34	58.68	NA	7.55	-7.68	9.67	NA	0.97
Class C Shares Acc (Inception Date: 30/06/06)	9.82	-20.74	64.02	NA	14.85	-7.45	10.40	NA	1.86
Class C Shares Dis (Inception Date: 31/07/06)	9.81	-20.72	64.09	NA	12.63	-7.44	10.41	NA	1.61
Class I Shares Acc (Inception Date: 30/06/06)	12.31	-15.22	79.89	NA	29.90	-5.35	12.45	NA	3.54
MSCI World Energy Sector Net TR USD	18.12	20.52	70.20	NA	NA*	6.41	11.22	NA	NA*

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The MSCI World Energy Sector Net TR USD was chain linked with the MSCI AC World Energy on 31/12/2008. Hence, the since inception (30/06/06) figures are not available.

## 23. (b) Schroder International Selection Fund Global Energy (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A1 Shares Acc (Inception Date: 12/01/07)	1.01	-26.38	54.42	NA	-1.48	-9.70	9.07	NA	-0.21
MSCI World Energy Sector Net TR USD	13.01	17.34	72.41	NA	NA*	5.47	11.50	NA	NA*

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A1 Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The MSCI World Energy Sector Net TR USD was chain linked with the MSCI AC World Energy on 31/12/2008. Hence, the since inception (12/01/07) figures are not available.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 24. (a) Schroder International Selection Fund Global Dividend Maximiser (SGD denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 12/10/07)	13.08	25.07	44.30	NA	-17.09	7.73	7.61	NA	-2.97
Class A Shares Dis (Inception Date: 12/10/07)	13.14	25.27	44.44	NA	-17.07	7.79	7.63	NA	-2.96

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

## 24. (b) Schroder International Selection Fund Global Dividend Maximiser (USD denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 13/07/07)	9.30	27.12	64.42	NA	-7.41	8.32	10.45	NA	-1.18
Class A Shares Dis (Inception Date: 13/07/07)	9.17	26.93	64.41	NA	-7.51	8.27	10.45	NA	-1.20
Class A1 Shares Acc (Inception Date: 13/07/07)	9.85	26.57	62.89	NA	-9.02	8.16	10.24	NA	-1.45
Class C Shares Acc (Inception Date: 13/07/07)	14.75	32.51	73.59	NA	-1.16	9.83	11.66	NA	-0.18

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

## 24. (c) Schroder International Selection Fund Global Dividend Maximiser (EUR Hedged denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 21/9/11)	8.89	NA	NA	NA	30.83	NA	NA	NA	12.51

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 24. (d) Schroder International Selection Fund Global Dividend Maximiser (AUD Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 16/04/14)	Share Class has not been incepted as at 31 December 2013 and therefore a performance track record of at least one year is not available.								

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

## 25. (a) Schroder International Selection Fund Global Equity Yield (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 29/07/05)	12.00	28.12	77.53	NA	38.55	8.60	12.16	NA	3.94
Class A1 Shares Acc (Inception Date: 29/07/05)	12.68	27.83	75.66	NA	35.56	8.52	11.92	NA	3.67
Class C Shares Acc (Inception Date: 29/07/05)	17.48	33.47	87.48	NA	50.11	10.09	13.39	NA	4.94
Class C Shares Dis (Inception Date: 29/07/05)	17.48	33.53	87.55	NA	49.99	10.11	13.39	NA	4.93
MSCI AC World	26.68	38.60	110.22	NA	76.02	11.48	16.01	NA	6.94

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 25. (b) Schroder International Selection Fund Global Equity Yield (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/03/06)	7.41	24.29	78.93	NA	7.18	7.51	12.33	NA	0.89
Class A1 Shares Acc (Inception Date: 17/03/06)	8.06	23.99	76.85	NA	5.26	7.42	12.07	NA	0.66
Class C Shares Acc (Inception Date: 17/03/06)	12.66	29.42	88.82	NA	15.64	8.97	13.55	NA	1.88
MSCI AC World	21.20	34.93	112.94	NA	54.90	10.49	16.31	NA	5.33

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 26. (a) Schroder International Selection Fund Global Property Securities (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/10/05)	-4.83	9.98	75.84	NA	26.26	3.22	11.94	NA	2.89
Class A1 Shares Acc (Inception Date: 31/10/05)	-4.26	9.70	73.96	NA	23.53	3.13	11.70	NA	2.62
Class B Shares Acc (Inception Date: 31/10/05)	-0.41	13.70	79.66	NA	26.73	4.37	12.42	NA	2.94
Class C Shares Acc (Inception Date: 31/10/05)	-0.18	14.57	85.73	NA	36.45	4.63	13.17	NA	3.88
Class C Shares Dis (Inception Date: 31/10/05)	-0.18	14.57	85.72	NA	36.27	4.64	13.17	NA	3.86
FTSE EPRA/NAREIT Global Real Estate Index	4.39	26.48	110.55	NA	57.27	8.14	16.05	NA	5.70

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 26. (b) Schroder International Selection Fund Global Property Securities (EUR Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/10/05)	-5.33	7.60	76.94	NA	16.80	2.47	12.08	NA	1.92
Class A1 Shares Acc (Inception Date: 31/10/05)	-4.77	7.32	75.03	NA	14.32	2.38	11.84	NA	1.65
Class C Shares Acc (Inception Date: 31/10/05)	-0.71	12.10	86.85	NA	25.86	3.88	13.31	NA	2.85
FTSE EPRA/NAREIT Global Real Estate Index	4.27	27.45	121.65	NA	56.56	8.41	17.25	NA	5.64

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 27. Schroder International Selection Fund Global Smaller Companies (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 24/02/06)	26.11	26.48	117.17	NA	56.06	8.14	16.77	NA	5.83
Class A Shares Dis (Inception Date: 24/02/06)	26.10	26.60	117.34	NA	56.37	8.17	16.79	NA	5.86
Class A1 Shares Acc (Inception Date: 24/02/06)	26.86	26.30	115.08	NA	52.77	8.09	16.54	NA	5.54
Class C Shares Acc (Inception Date: 24/02/06)	32.28	31.54	128.95	NA	66.70	9.56	18.01	NA	6.72
Class I Shares Acc (Inception Date: 24/02/06)	35.27	41.10	151.89	NA	91.26	12.15	20.28	NA	8.61
S&P Developed Small Cap TR*	32.58	43.11	148.28	NA	69.04	12.68	19.93	NA	6.91

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The index has been changed from S&P / Citi EMI World to S&P Developed Small Cap TR as at 1 October 2008 due to a rebranding of the S&P / Citigroup Global Equity Indices to S&P Global Equity Indices to reflect the integration and enhancement of the series within the S&P index family and the replacement of EMI by the new S&P SmallCap index, representing the bottom 15% of the cumulative available capital, in response to investor desire for a small cap index that better represents the market and avoids including large stocks within the index.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 28. Schroder International Selection Fund Greater China (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 12/05/97)*	0.86	-5.16	82.14	178.03	278.63	-1.75	12.73	10.76	11.98
Class A1 Shares Acc (Inception Date: 26/02/03)	1.48	-5.41	80.16	170.43	337.94	-1.83	12.49	10.45	14.58
Class B1 Shares Acc (Inception Date: 30/04/04)	4.98	-3.49	81.24	NA	169.06	-1.18	12.62	NA	10.77
Class C Shares Acc (Inception Date: 12/05/97)*	5.79	-1.19	92.27	204.15	319.79	-0.40	13.96	11.76	12.96
MSCI Golden Dragon Index Net TR**	6.89	6.23	100.50	142.43	NA***	2.03	14.92	9.25	NA***

\* The assets of the Schroder International Selection Fund Greater China were transferred from Schroder China Dragon Unit Trust. Prior to August 2002, the Schroder International Selection Fund Greater China uses the track record of the Schroder China Dragon Unit Trust back to the original launch date in 1997.

\*\* The benchmark was changed from MSCI Golden Dragon Index to MSCI Golden Dragon Index Net TR on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

\*\*\* The since inception (12/05/97) figures are not available as the benchmark started after 12 May 1997.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. The performance figures for B1 Shares do not reflect the impact of the Contingent Deferred Sales Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 29. (a) Schroder International Selection Fund Hong Kong Equity (HKD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 26/01/88) <sup>1</sup>	2.11	3.06	115.06	261.75	468.23	1.01	16.54	13.71	16.46
Class A1 Shares Acc (Inception Date: 09/08/02)	2.71	2.81	112.74	251.45	449.27	0.93	16.29	13.38	16.11
Class C Shares Acc (Inception Date: 29/01/88) <sup>1</sup>	7.09	7.36	127.11	295.67	527.63	2.39	17.82	14.73	17.48
90% FTSE AW HK - Hong Kong Net, 10% HSBC*	9.40	17.20	120.75	NA**	NA**	5.43	17.15	NA**	NA**

<sup>1</sup> The assets of the Schroder International Selection Fund Hong Kong Equity were transferred from Schroder Hong Kong Equity. Prior to 9 August 2002, the Schroder International Selection Fund Hong Kong Equity uses the track record of the Schroder Hong Kong Equity back to the original launch date in 1988.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from 90 % FTSE AW HK – Hong Kong, 10% HSBC to 90% FTSE AW HK - Hong Kong Net, 10% HSBC on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

\*\* The figures for the past 10 years and since inception (26/01/88) are not available as the benchmark started less than 10 years ago.

## 29. (b) Schroder International Selection Fund Hong Kong Equity (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 30/3/11) <sup>1</sup>	2.05	NA	NA	NA	4.83	NA	NA	NA	1.72
90% FTSE AW HK - Hong Kong Net, 10% HSBC*	9.36	NA	NA	NA	NA**	NA	NA	NA	NA**

<sup>1</sup> The assets of the Schroder International Selection Fund Hong Kong Equity were transferred from Schroder Hong Kong Equity. Prior to 9 August 2002, the Schroder International Selection Fund Hong Kong Equity uses the track record of the Schroder Hong Kong Equity back to the original launch date in 1988.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from 90 % FTSE AW HK – Hong Kong, 10% HSBC to 90% FTSE AW HK - Hong Kong Net, 10% HSBC on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

\*\* The since inception (26/01/88) figures are not available as the benchmark started less than 10 years ago.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 30. Schroder International Selection Fund Indian Opportunities (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 10/09/13)	Share Classes have been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
Class C Shares Acc (Inception Date: 10/09/13)									
Class I Shares Acc (Inception Date: 10/09/13)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

## 31. (a) Schroder International Selection Fund Japanese Opportunities (JPY denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 01/12/06)	51.25	56.40	90.98	NA	-11.17	16.06	13.81	NA	-1.66
Class A Shares Dis (Inception Date: 01/12/06)	51.25	56.41	90.94	NA	-11.12	16.06	13.80	NA	-1.65
Class C Shares Acc (Inception Date: 09/06/08)	58.62	62.86	101.61	NA	8.51	17.64	15.05	NA	1.48
Class C Shares Dis (Inception Date: 01/12/06)	58.63	62.90	101.57	NA	-4.82	17.64	15.04	NA	-0.70
Class I Shares Acc (Inception Date: 09/06/08)	62.24	73.94	119.67	NA	18.87	20.24	17.03	NA	3.16
Tokyo Stock Exchange 1st Section Index (TOPIX) (TR)*	54.41	53.17	67.31	NA	9.72	15.26	10.84	NA	0.47

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from the FTSE Japan to Tokyo Stock Exchange 1st Section Index (TOPIX) (TR) on 29/3/2012 to reflect the change in the Sub-Fund's investment strategy from large cap only to all cap. The full track record of the previous benchmark has been kept and chain linked to the new one.



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 31. (b) Schroder International Selection Fund Japanese Opportunities (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 12/1/07)	24.61	21.09	65.06	NA	-3.15	6.58	10.54	NA	-0.46
Tokyo Stock Exchange 1st Section Index (TOPIX) (TR)*	27.03	18.20	44.50	NA	7.15	5.73	7.64	NA	0.35

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from the FTSE Japan to Tokyo Stock Exchange 1st Section Index (TOPIX) (TR) on 29/3/2012 to reflect the change in the Sub-Fund's investment strategy from large cap only to all cap. The full track record of the previous benchmark has been kept and chain linked to the new one.

## 31. (c) Schroder International Selection Fund Japanese Opportunities (USD Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 26/6/13)	Share Classes have been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
Class C Shares Acc (Inception Date: 26/6/13)									
Class I Shares Acc (Inception Date: 26/6/13)									
Tokyo Stock Exchange 1st Section Index (TOPIX) (TR)*									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from the FTSE Japan to Tokyo Stock Exchange 1st Section Index (TOPIX) (TR) on 29/3/2012 to reflect the change in the Sub-Fund's investment strategy from large cap only to all cap. The full track record of the previous benchmark has been kept and chain linked to the new one.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 32. Schroder International Selection Fund Japanese Smaller Companies (JPY denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	45.07	50.51	85.97	48.89	15.52	14.59	13.20	4.06	1.04
Class A Shares Dis (Inception Date: 13/10/93)	45.08	50.51	85.97	48.86	-18.80	14.59	13.20	4.05	-1.02
Class A1 Shares Acc (Inception Date: 11/01/02)	45.95	50.12	83.96	44.42	41.05	14.49	12.96	3.74	2.91
Class C Shares Acc (Inception Date: 17/01/00)	52.16	56.77	96.35	62.86	29.86	16.15	14.44	4.99	1.89
Russell Nomura Small Cap Index	52.92	68.24	90.64	77.70	20.67	18.92	13.77	5.91	0.93

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 33. Schroder International Selection Fund Korean Equity (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 10/09/04)	3.01	-2.99	95.61	NA	145.42	-1.00	14.35	NA	10.12
Class A Shares Dis (Inception Date: 10/09/04)	3.03	-3.04	95.54	NA	145.13	-1.02	14.34	NA	10.11
Class A1 Shares Acc (Inception Date: 10/09/04)	3.63	-3.20	93.65	NA	138.55	-1.08	14.12	NA	9.79
Class C Shares Acc (Inception Date: 10/09/04)	8.04	0.99	106.40	NA	165.96	0.33	15.59	NA	11.08
Class C Shares Dis (Inception Date: 10/09/04)	8.06	1.00	106.46	NA	167.02	0.33	15.59	NA	11.12
Korea Stock Price Index	3.94	8.91	121.51	NA	376.44	2.88	17.23	NA	6.02

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

The Schroder International Selection Fund Korean Equity was launched in September 2004 to accommodate a transfer of shareholders from the Korea-Europe Investment Trust Fund to the Schroder International Selection Fund. Prior to 10 September 2004 the Schroder International Selection Fund Korea Equity used the track record of the Korea-Europe Investment Trust Fund (launched on 30/04/87) as a proxy performance track record.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 34. (a) Schroder International Selection Fund Latin American (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-21.48	-30.05	59.88	224.14	212.81	-11.22	9.83	12.47	8.51
Class A Shares Dis (Inception Date: 15/07/98)	-21.49	-30.05	59.92	224.37	307.75	-11.22	9.84	12.48	9.51
Class A1 Shares Acc (Inception Date: 31/05/02)	-21.00	-30.22	58.15	215.07	307.70	-11.29	9.59	12.15	12.89
Class C Shares Acc (Inception Date: 15/07/98)	-17.67	-27.13	68.80	254.73	249.34	-10.01	11.03	13.49	9.37
Class C Shares Dis (Inception Date: 16/07/98)	-17.66	-27.13	68.91	254.99	358.28	-10.00	11.05	13.49	10.34
MSCI EM Latin America 10/40 Net (TR)*	-13.29	-22.25	84.27	322.40	554.81	-8.04	13.00	15.48	12.91

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from MSCI EM Latin America Gross (TR) to MSCI EM Latin America Net (TR) with effect from 1 July 2007. The Gross index assumes no tax is paid at all, whereas the Net index assumes reinvestment of dividends after the deduction of withholding tax. As this Sub-Fund may pay withholding tax in certain countries, the Net index is a more accurate comparison. With effect from 1 January 2008, the benchmark has been changed from MSCI EM Latin America Net (TR) to MSCI EM Latin America 10/40 Net (TR), to take into account the Sub-Fund's investment restrictions as imposed by UCITS regulations.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 34. (b) Schroder International Selection Fund Latin American (SGD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 07/07/06)	-18.79	-31.13	40.07	NA	5.19	-11.68	6.97	NA	0.68
MSCI EM Latin America 10/40 Net (TR)*	-10.37	-23.37	62.17	NA	387.82	-8.48	10.15	NA	10.78

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from MSCI EM Latin America Gross (TR) to MSCI EM Latin America Net (TR) with effect from 1 July 2007. The Gross index assumes no tax is paid at all, whereas the Net index assumes reinvestment of dividends after the deduction of withholding tax. As this Sub-Fund may pay withholding tax in certain countries, the Net index is a more accurate comparison. With effect from 1 January 2008, the benchmark has been changed from MSCI EM Latin America Net (TR) to the MSCI EM Latin America 10/40 Net (TR), to take into account the Sub-Fund's investment restrictions as imposed by UCITS regulations.

## 34. (c) Schroder International Selection Fund Latin American (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 22/03/06)	-24.72	-32.15	60.93	NA	11.84	-12.12	9.98	NA	1.45
MSCI EM Latin America 10/40 Net (TR)*	-17.04	-24.30	86.65	NA	421.60	-8.85	13.29	NA	11.26

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from MSCI EM Latin America Gross (TR) to MSCI EM Latin America Net (TR) with effect from 1 July 2007. The Gross index assumes no tax is paid at all, whereas the Net index assumes reinvestment of dividends after the deduction of withholding tax. As this Sub-Fund may pay withholding tax in certain countries, the Net index is a more accurate comparison. With effect from 1 January 2008, the benchmark has been changed from MSCI EM Latin America Net (TR) to the MSCI EM Latin America 10/40 Net (TR), to take into account the Sub-Fund's investment restrictions as imposed by UCITS regulations.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 35. (a) Schroder International Selection Fund Middle East (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 03/09/07)	11.62	16.48	86.40	NA	6.74	5.21	13.26	NA	1.04
Class A1 Shares Acc (Inception Date: 03/09/07)	12.31	16.12	84.34	NA	5.09	5.10	13.00	NA	0.79
Class C Shares Acc (Inception Date: 03/09/07)	17.05	21.28	96.98	NA	13.87	6.64	14.51	NA	2.07
80% MSCI Arab Markets and Turkey, 20% S&P Saudi Arabia Large/Mid Cap*	3.53	1.76	60.69	NA	0.30	0.58	9.95	NA	0.05

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from MSCI Arabian Markets and Turkey with Saudi Arabia capped at 20% to 80% MSCI Arab Markets and Turkey, 20% S&P Saudi Arabia Large/Mid Cap with effect from 30 September 2010 as MSCI has stopped producing the index for Saudi Arabia. The benchmark was changed from 80% MSCI Arab Markets and Turkey, 20% S&P Saudi Arabia Large/Mid Cap to MSCI Arabian Markets and Turkey with Saudi Arabia capped at 20% with effect from 1 September 2012 as MSCI is once again providing an index for Saudi Arabia.

## 35. (b) Schroder International Selection Fund Middle East (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 03/09/07)	6.96	12.96	87.31	NA	5.13	4.14	13.37	NA	0.79
Class A1 Shares Acc (Inception Date: 03/09/07)	7.62	12.70	85.49	NA	3.07	4.06	13.15	NA	0.48
Class C Shares Acc (Inception Date: 03/09/07)	12.27	17.65	98.11	NA	11.83	5.56	14.64	NA	1.78
80% MSCI Arab Markets and Turkey, 20% S&P Saudi Arabia Large/Mid Cap	-0.94	-0.93	62.77	NA	-0.83	-0.31	10.23	NA	-0.13

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 35. (c) Schroder International Selection Fund Middle East (SGD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/01/08)	15.46	14.70	63.06	NA	-17.00	4.67	10.27	NA	-3.10
80% MSCI Arab Markets and Turkey, 20% S&P Saudi Arabia Large/Mid Cap	7.01	0.30	41.42	NA	-16.87	0.10	7.17	NA	-2.88

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 36. (a) Schroder International Selection Fund US Small & Mid-Cap Equity (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 10/12/04)	27.42	33.83	111.12	NA	105.04	10.19	16.11	NA	8.24
Class A Shares Dis (Inception Date: 10/12/04)	27.42	33.86	111.14	NA	102.85	10.20	16.11	NA	8.12
Class A1 Shares Acc (Inception Date: 10/12/04)	28.19	33.49	108.83	NA	100.02	10.10	15.86	NA	7.95
Class C Shares Acc (Inception Date: 10/12/04)	33.65	39.40	122.94	NA	122.61	11.70	17.38	NA	9.23
Class C Shares Dis (Inception Date: 10/12/04)	33.65	39.40	122.92	NA	123.02	11.70	17.38	NA	9.25
Class X Shares Acc (Inception Date: 25/03/11)	35.07	NA	NA	NA	37.73	NA	NA	NA	12.24
Russell 2500 (TR)	38.94	55.84	174.79	NA	123.01	15.92	22.39	NA	9.25

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 36. (b) Schroder International Selection Fund US Small & Mid-Cap Equity (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 28/03/06)	22.20	29.83	112.76	NA	43.23	9.08	16.29	NA	4.73
Class A1 Shares Acc (Inception Date: 28/03/06)	22.93	29.49	110.23	NA	40.68	8.99	16.01	NA	4.49
Class C Shares Acc (Inception Date: 28/03/06)	28.16	35.25	124.44	NA	54.51	10.58	17.54	NA	5.76
Russell 2500 (TR)	32.94	51.73	178.34	NA	114.12	14.89	22.71	NA	8.76

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 36. (c) Schroder International Selection Fund US Small & Mid Cap Equity (EUR Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 14/12/07)	26.91	31.38	103.99	NA	32.19	9.51	15.32	NA	4.72
Class A1 Shares Acc (Inception Date: 14/12/07)	27.66	31.03	101.75	NA	30.23	9.42	15.06	NA	4.46
Class C Shares Acc (Inception Date: 14/12/07)	33.10	36.86	115.44	NA	40.64	11.02	16.58	NA	5.80
Russell 2500 (TR)	38.78	57.48	180.10	NA	121.04	16.33	22.86	NA	9.15

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 37. Schroder International Selection Fund US Smaller Companies (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	27.57	33.21	115.38	140.68	274.71	10.02	16.57	9.17	9.92
Class A Shares Dis (Inception Date: 20/07/89)	27.57	33.24	115.43	140.79	1979.36	10.03	16.58	9.18	13.21
Class A1 Shares Acc (Inception Date: 31/08/01)	28.32	32.91	113.10	133.66	170.38	9.94	16.33	8.85	8.39
Class C Shares Acc (Inception Date: 17/01/00)	33.80	38.79	127.48	163.43	321.54	11.53	17.86	10.16	10.85
Class C Shares Dis (Inception Date: 31/10/95)	33.81	38.81	127.58	163.42	617.99	11.54	17.87	10.16	11.45
Russell 2000 (TR)	41.33	53.17	157.64	134.09	852.51	15.26	20.82	8.87	9.65

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. The performance figures for B1 Shares do not reflect the impact of the Contingent Deferred Sales Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 38. (a) Schroder International Selection Fund Asian Total Return (USD demoninated Share Class)<sup>1</sup>

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 16/11/07)	-0.89	14.79	152.39	NA	76.62	4.70	20.33	NA	9.73
Class A1 Shares Acc (Inception Date: 16/11/07)	-0.30	14.50	149.68	NA	74.94	4.61	20.07	NA	9.56
Class C Shares Acc (Inception Date: 16/11/07)	3.96	19.64	168.05	NA	89.89	6.15	21.79	NA	11.03
MSCI AC Asia Pacific ex Japan Net Index*	3.41	6.74	118.43	NA	4.61	2.20	16.90	NA	0.74

<sup>1</sup> A Shares Acc and A1 Shares Acc of Schroder International Selection Fund Asian Total Return are currently closed to subscriptions as well as switching into.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from BBA LIBOR USD 3 Month Act 360 to the reference benchmark of MSCI AC Asia Pacific ex Japan Net Index with effect from 1<sup>st</sup> July 2009 in conjunction with the removal of the sub-fund's performance fee. The new reference benchmark reflects the relevant investment universe of Asian Pacific ex Japan companies, and the investment approach as well as objectives of the sub-fund to provide capital growth and offer a degree of capital preservation remains unchanged since the sub-fund's inception.



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 38. (b) Schroder International Selection Fund Asian Total Return (SGD denominated Share Class)<sup>1</sup>

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 22/11/10)	2.53	13.04	NA	NA	13.04	4.17	NA	NA	4.02
MSCI AC Asia Pacific ex Japan Net Index*	6.88	5.21	NA	NA	-9.03	1.70	NA	NA	-1.53

<sup>1</sup> A Shares Dis of Schroder International Selection Fund Asian Total Return are currently closed to subscriptions as well as switching into.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\*The benchmark has been changed from BBA LIBOR USD 3 Month Act 360 to the reference benchmark of MSCI AC Asia Pacific ex Japan Net Index with effect from 1st July 2009 in conjunction with the removal of the Sub Fund's performance fee. The new reference benchmark reflects the relevant investment universe of Asian Pacific ex Japan companies, and the investment approach as well as objectives of the Sub Fund to provide capital growth and offer a degree of capital preservation remains unchanged since the Sub-Fund's inception.

## 39. Schroder International Selection Fund Asia Pacific Property Securities (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 27/10/06)	-8.56	8.74	96.62	NA	37.59	2.83	14.47	NA	4.54
Class C Shares Acc (Inception Date: 27/10/06)	-4.09	13.28	107.60	NA	47.51	4.24	15.72	NA	5.56
GPR General Asia Net	2.80	22.61	112.97	NA	34.81	7.02	16.31	NA	4.25

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 40. (a) Schroder International Selection Fund China Opportunities (SGD Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date:16/11/07)	1.97	-7.29	53.97	NA	-26.31	-2.49	9.01	NA	-4.86
MSCI China TR Net (SGD Hedged)*	4.66	6.70	84.21	NA	119.98	2.18	12.99	NA	10.53

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from MSCI TR China Gross (SGD Hedged) to MSCI China TR Net (SGD Hedged) on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

## 40. (b) Schroder International Selection Fund China Opportunities (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date:17/02/06)	2.04	-5.63	59.46	NA	138.17	-1.91	9.78	NA	11.65
MSCI China TR Net*	3.64	3.80	76.25	NA	128.48	1.25	12.00	NA	11.06

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark was changed from MSCI TR China Gross to MSCI China TR Net on 2 April 2013 as the latter benchmark provides a fairer comparison between the Sub-Fund (which is reported net of expenses) and the benchmark (which is reported net of tax).

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Alpha Equity Funds

### 41. Schroder International Selection Fund European Equity Alpha (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/01/03)	19.86	23.94	85.42	85.22	143.47	7.41	13.14	6.35	8.49
Class A Shares Dis (Inception Date: 28/04/04)	19.87	23.95	85.49	NA	68.22	7.41	13.14	NA	5.52
Class A1 Shares Acc (Inception Date: 31/01/03)	20.54	23.64	83.38	80.15	135.77	7.32	12.89	6.06	8.17
Class C Shares Acc (Inception Date: 31/01/03)	24.93	28.33	94.59	100.88	165.37	8.66	14.23	7.22	9.35
Class C Shares Dis (Inception Date: 15/10/04)	25.55	28.98	95.67	NA	79.06	8.85	14.36	NA	6.53
MSCI Europe Net TR	19.82	29.18	88.87	84.90	128.85	8.90	13.55	6.33	7.87

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

### 42. (a) Schroder International Selection Fund Global Equity Alpha (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 29/07/05)	17.82	15.33	89.10	NA	50.92	4.87	13.58	NA	5.00
Class A Shares Dis (Inception Date: 26/09/08)	17.83	15.34	86.80	NA	38.51	4.87	13.30	NA	6.38
Class C Shares Acc (Inception Date: 29/07/05)	23.57	20.15	99.70	NA	64.04	6.30	14.83	NA	6.05
Class C Shares Dis (Inception Date: 24/04/06)	23.58	20.14	99.74	NA	38.31	6.30	14.83	NA	4.31
MSCI World - Net Return - USD	26.68	38.60	101.35	NA	66.49	11.48	15.02	NA	6.23

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A Shares and C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 42. (b) Schroder International Selection Fund Global Equity Alpha (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 28/03/06)	13.01	11.90	90.42	NA	14.74	3.81	13.74	NA	1.79
Class C Shares Acc (Inception Date: 28/03/06)	18.51	16.57	101.06	NA	23.11	5.24	14.98	NA	2.71
MSCI World - Net Return - USD	21.20	34.93	103.95	NA	46.52	10.49	15.31	NA	4.64

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares and C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 43. (a) Schroder International Selection Fund Japanese Equity Alpha (JPY denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 27/02/04)	35.05	28.65	70.59	NA	14.98	8.75	11.27	NA	1.43
Class A1 Shares Acc (Inception Date: 27/02/04)	35.87	28.31	68.74	NA	12.38	8.65	11.02	NA	1.19
Class C Shares Acc (Inception Date: 27/02/04)	41.63	34.01	79.99	NA	25.82	10.24	12.47	NA	2.36
TOPIX TR	54.41	54.89	68.30	NA	42.65	15.69	10.97	NA	3.67

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 43. (b) Schroder International Selection Fund Japanese Equity Alpha (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 12/03/04)	11.28	-0.26	47.57	NA	9.63	-0.09	8.09	NA	0.94
TOPIX TR	27.03	19.53	45.36	NA	48.20	6.12	7.76	NA	4.08

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## Quantitative Equity Funds

### 44. (a) Schroder International Selection Fund QEP Global Active Value (USD denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 29/10/04)	17.58	18.14	92.28	NA	68.18	5.71	13.96	NA	5.83
Class A Shares Dis (Inception Date: 29/10/04)	17.58	18.14	92.25	NA	68.19	5.71	13.96	NA	5.83
Class A1 Shares Acc (Inception Date: 29/10/04)	17.99	16.95	87.81	NA	61.05	5.35	13.43	NA	5.33
Class C Shares Acc (Inception Date: 29/10/04)	23.01	22.15	100.48	NA	79.63	6.89	14.92	NA	6.59
Class C Shares Dis (Inception Date: 29/10/04)	23.02	22.15	100.51	NA	79.68	6.89	14.92	NA	6.59

The Sub-Fund aims to achieve an absolute return and is therefore not managed to a specific benchmark.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 44. (b) Schroder International Selection Fund QEP Global Active Value (EUR denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 28/03/06)	12.76	14.62	93.65	NA	13.05	4.65	14.12	NA	1.59
Class A1 Shares Acc (Inception Date: 28/03/06)	13.15	13.47	89.23	NA	9.65	4.30	13.60	NA	1.19
Class C Shares Acc (Inception Date: 28/03/06)	17.98	18.49	101.98	NA	20.65	5.81	15.09	NA	2.45

The Sub-Fund aims to achieve an absolute return and is therefore not managed to a specific benchmark.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

## 44. (c) Schroder International Selection Fund QEP Global Active Value (EUR Hedged denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 29/06/07)	17.90	17.74	67.11	NA	-10.32	5.59	10.81	NA	-1.66
Class C Shares Acc (Inception Date: 29/06/07)	23.35	21.79	74.40	NA	-5.77	6.79	11.76	NA	-0.91

The Sub-Fund aims to achieve an absolute return and is therefore not managed to a specific benchmark.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 45. Schroder International Selection Fund QEP Global Core (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class C Shares Acc (Inception Date: 17/01/00)	25.09	33.69	101.80	91.46	40.42	10.15	15.07	6.70	2.46
Class C Shares Dis (Inception Date: 31/10/95)	25.16	33.68	101.80	91.68	190.97	10.15	15.07	6.72	6.05
Class I Shares Acc (Inception Date: 12/12/01)	26.92	39.66	112.73	112.03	129.82	11.77	16.29	7.80	7.14
MSCI World Market Cap Weighted	25.09	33.69	101.80	91.46	NA*	10.15	15.07	6.70	NA*

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The MSCI World - Net Return – USD TR was chain linked with the MSCI World Market Cap Weighted on 27/04/01. Hence the since inception (31/10/95) figures are not available.

## 46. (a) Schroder International Selection Fund QEP Global Quality (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/10/07)	16.79	26.33	99.01	NA	18.30	8.09	14.75	NA	2.74
Class B Shares Acc (Inception Date: 17/10/07)	22.18	30.55	103.29	NA	19.92	9.28	15.24	NA	2.97
Class C Shares Acc (Inception Date: 17/10/07)	22.18	30.56	107.52	NA	23.98	9.29	15.71	NA	3.52
Class C Shares Dis (Inception Date: 17/10/07)	22.18	30.57	107.50	NA	23.97	9.29	15.71	NA	3.52
Class I Shares Acc (Inception Date: 17/10/07)	24.95	39.70	127.69	NA	38.05	11.78	17.88	NA	5.33
MSCI World - Net Return - USD	26.68	38.60	101.35	NA	15.06	11.48	15.02	NA	2.28

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 46. (b) Schroder International Selection Fund QEP Global Quality (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/10/07)	11.98	22.51	100.39	NA	21.61	6.99	14.91	NA	3.20
Class B Shares Acc (Inception Date: 17/10/07)	17.18	26.65	104.65	NA	23.32	8.19	15.39	NA	3.43
Class C Shares Acc (Inception Date: 17/10/07)	17.17	26.66	108.95	NA	27.53	8.19	15.87	NA	3.99
Class I Shares Acc (Inception Date: 17/10/07)	19.83	35.51	129.31	NA	41.05	10.65	18.04	NA	5.69
MSCI World - Net Return - USD	21.20	34.93	103.95	NA	18.52	10.49	15.31	NA	2.77

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 47. (a) Schroder International Selection Fund QEP Global Emerging Markets (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 29/3/12)	-5.21	NA	NA	NA	-0.27	NA	NA	NA	-0.15
Class C Shares Acc (Inception Date: 29/3/12)	-0.62	NA	NA	NA	5.06	NA	NA	NA	2.85
Class I Shares Acc (Inception Date: 29/3/12)	1.65	NA	NA	NA	8.43	NA	NA	NA	4.71
MSCI Emerging Markets Net TR	-2.60	NA	NA	NA	1.81	NA	NA	NA	1.03

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

47. (b) Schroder International Selection Fund QEP Global Emerging Markets (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 29/3/12)	-9.03	NA	NA	NA	-3.78	NA	NA	NA	-2.17
Class C Shares Acc (Inception Date: 29/3/12)	-4.66	NA	NA	NA	1.29	NA	NA	NA	0.73
Class I Shares Acc (Inception Date: 29/3/12)	-2.52	NA	NA	NA	4.53	NA	NA	NA	2.55
MSCI Emerging Markets Net TR	-6.81	NA	NA	NA	-1.90	NA	NA	NA	-1.08

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Absolute Return Funds

48. (a) Schroder International Selection Fund Asian Bond Absolute Return (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-9.29	-1.72	7.70	28.47	109.53	-0.58	1.49	2.53	5.44
Class A Shares Dis (Inception Date: 16/10/98)	-9.16	-1.64	7.85	28.44	154.20	-0.55	1.52	2.53	6.32
Class A1 Shares Acc (Inception Date: 31/05/02)	-8.66	-1.53	7.28	26.47	54.03	-0.51	1.41	2.37	3.80
Class A1 Shares Dis (Inception Date: 03/01/03)	-8.71	-1.63	7.26	26.40	45.24	-0.54	1.41	2.37	3.45
Class B1 Shares Acc (Inception Date: 13/08/02)	-5.27	1.16	9.16	25.50	49.14	0.39	1.77	2.30	3.57
Class C Shares Acc (Inception Date: 17/01/00)	-4.85	2.43	13.71	40.42	134.96	0.80	2.60	3.45	6.31
USD LIBOR 3 Months*	0.27	8.73	11.85	51.24	104.44	2.83	2.26	4.22	4.81

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. The performance figures for B1 Shares do not reflect the impact of the Contingent Deferred Sales Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The Sub-Fund is an absolute return fund and is not constrained by benchmark index weightings. The USD LIBOR 3 Months is used for reference purposes only. With effect from 1 December 2011, the benchmark was changed from Citi Treasury/Agency TR to USD LIBOR 3 Months to bring it in line with the absolute return strategy of the Sub-Fund. The full track record of the previous benchmark has been kept and chainlinked to the new one.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 48. (b) Schroder International Selection Fund Asian Bond Absolute Return (EUR Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 09/11/07)	-9.61	-2.21	6.57	NA	0.84	-0.74	1.28	NA	0.14
Class A1 Shares Acc (Inception Date: 09/11/07)	-8.93	-1.99	6.23	NA	0.13	-0.67	1.22	NA	0.02
Class A1 Shares Dis (Inception Date: 09/11/07)	-8.94	-1.96	6.29	NA	0.33	-0.66	1.23	NA	0.05
Class C Shares Acc (Inception Date: 09/11/07)	-5.19	1.87	12.53	NA	7.29	0.62	2.39	NA	1.15
EUR LIBOR 3 Months*	0.15	9.55	13.66	NA	99.71	3.08	2.59	NA	4.65

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The Sub-Fund is an absolute return fund and is not constrained by benchmark index weightings. The EUR LIBOR 3 Months is used for reference purposes only. With effect from 1 December 2011, the benchmark was changed from Citi Treasury/Agency TR to EUR LIBOR 3 Months to bring it in line with the absolute return strategy of the Sub-Fund. The full track record of the previous benchmark has been kept and chainlinked to the new one.

## 48. (c) Schroder International Selection Fund Asian Bond Absolute Return (SGD Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 09/05/08)	-9.49	-2.41	6.76	NA	-3.99	-0.81	1.32	NA	-0.72
SGD LIBOR 3 Months*	1.25	11.46	16.60	NA	73.21	3.68	3.12	NA	3.68

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The Sub-Fund is an absolute return fund and is not constrained by benchmark index weightings. The SGD LIBOR 3 Months is used for reference purposes only. With effect from 1 December 2011, the benchmark was changed from Citi Treasury/Agency TR to SGD LIBOR 3 Months to bring it in line with the absolute return strategy of the Sub-Fund. The full track record of the previous benchmark has been kept and chainlinked to the new one.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 49. (a) Schroder International Selection Fund Emerging Markets Debt Absolute Return (USD denominated Share Classes)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-6.03	-4.03	13.74	44.13	134.42	-1.36	2.61	3.72	6.29
Class A Shares Dis (Inception Date: 29/08/97)	-6.00	-3.99	13.77	44.10	188.95	-1.35	2.61	3.72	6.70
Class A1 Shares Acc (Inception Date: 31/08/01)	-5.31	-3.87	13.33	42.06	87.64	-1.31	2.53	3.57	5.23
Class A1 Shares Dis (Inception Date: 03/01/03)	-5.26	-3.89	13.34	42.08	55.58	-1.31	2.54	3.57	4.10
Class C Shares Acc (Inception Date: 17/01/00)	-1.29	0.27	20.77	59.17	165.63	0.09	3.85	4.75	7.25
Class C Shares Dis (Inception Date: 17/11/97)	-1.27	0.31	20.82	59.28	252.69	0.10	3.85	4.76	8.13

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund aims to achieve an absolute return and is therefore not managed to a specific benchmark.

## 49. (b) Schroder International Selection Fund Emerging Markets Debt Absolute Return (EUR Hedged denominated Share Classes)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 30/09/03)	-6.34	-4.55	12.12	34.18	35.39	-1.54	2.31	2.98	3.00
Class A1 Shares Acc (Inception Date: 05/03/04)	-5.65	-4.42	11.74	NA	32.98	-1.49	2.24	NA	2.94
Class C Share Acc (Inception Date: 30/09/03)	-1.69	-0.29	18.98	48.13	49.85	-0.10	3.54	4.00	4.02

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund aims to achieve an absolute return and is therefore not managed to a specific benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

49. (c) Schroder International Selection Fund Emerging Markets Debt Absolute Return (SGD Hedged denominated Share Class)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 11/07/08)	-6.15	-4.55	12.47	NA	5.65	-1.54	2.38	NA	1.01

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund aims to achieve an absolute return and is therefore not managed to a specific benchmark.

## Mainstream Bond Funds

50. Schroder International Selection Fund EURO Short Term Bond (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-3.66	0.42	5.81	20.54	41.65	0.14	1.14	1.88	2.52
Class A Shares Dis (Inception Date: 17/03/98)	-3.58	0.22	5.96	20.50	47.80	0.07	1.16	1.88	2.50
Class A1 Shares Acc (Inception Date: 24/10/01)	-3.17	-0.15	4.34	15.83	24.40	-0.05	0.85	1.48	1.81
Class C Shares Acc (Inception Date: 17/01/00)	0.68	3.19	9.73	26.53	51.15	1.05	1.87	2.38	3.00
Class C Shares Dis (Inception Date: 25/03/98)	0.86	3.47	9.84	26.65	57.79	1.14	1.89	2.39	2.93
Citi EMU Gov Bond 1-3y EUR TR	1.77	8.18	13.63	35.33	71.55	2.65	2.59	3.07	3.47

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 51. Schroder International Selection Fund EURO Government Bond (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-2.72	11.22	17.49	35.82	65.56	3.61	3.27	3.11	3.68
Class A Shares Dis (Inception Date: 13/09/94)	-2.88	11.12	17.49	35.62	147.79	3.57	3.27	3.09	4.81
Class A1 Shares Acc (Inception Date: 31/05/02)	-2.39	10.58	15.46	29.79	41.50	3.40	2.92	2.64	3.04
Class C Shares Acc (Inception Date: 17/01/00)	1.63	14.55	22.04	43.26	77.01	4.63	4.06	3.66	4.17
Class C Shares Dis (Inception Date: 16/02/96)	1.62	14.60	21.84	42.81	117.89	4.64	4.03	3.62	4.45
Bank of America Merrill Lynch EMU Direct Government Index*	2.27	17.47	23.83	51.20	216.46	5.51	4.36	4.22	6.15

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* With effect from 1 January 2009, the benchmark was changed from Citi European WGBI (Total Return) to Bank of America Merrill Lynch EMU Direct Government Index to reflect the change in the investment objective of the Sub-Fund. The full track record of the previous benchmark has been kept and chain linked to the current benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 52. (a) Schroder International Selection Fund Global Inflation Linked Bond (EUR denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 28/11/03)	-10.47	5.28	15.96	31.02	30.83	1.73	3.00	2.74	2.70
Class A1 Shares Acc (Inception Date: 28/11/03)	-10.03	4.65	13.97	25.54	25.30	1.53	2.65	2.30	2.26
Class C Shares Acc (Inception Date: 28/11/03)	-6.40	8.53	20.20	37.83	37.63	2.76	3.75	3.26	3.21
Merrill Lynch Global Governments Inflation-Linked*	-4.98	13.73	29.76	55.40	57.97	4.38	5.35	4.50	4.63

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* With effect from 1 January 2007, the benchmark was changed from Barclays Capital Global Inflation-Linked Bond Index to Merrill Lynch Global Governments Inflation-Linked as the new benchmark provides improved analytics for the risk systems and provides improved performance attribution.

## 52. (b) Schroder International Selection Fund Global Inflation Linked Bond (USD Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/03/04)	-10.17	5.13	15.88	NA	33.49	1.68	2.99	NA	3.00
Class B Shares Acc (Inception Date: 30/04/04)	-5.90	9.05	18.96	NA	35.50	2.93	3.53	NA	3.19
Class C Shares Acc (Inception Date: 31/03/04)	-6.10	8.31	20.10	NA	40.25	2.70	3.73	NA	3.53
Merrill Lynch Global Governments Inflation-Linked*	-4.72	13.46	29.70	NA	76.91	4.30	5.34	NA	5.81

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* With effect from 1 January 2007, the benchmark was changed from Barclays Capital Global Inflation-Linked Bond Index to Merrill Lynch Global Governments Inflation-Linked as the new benchmark provides improved analytics for the risk systems and provides improved performance attribution.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

53. (a) Schroder International Selection Fund US Dollar Bond (USD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-7.29	5.11	20.12	48.07	99.77	1.67	3.73	4.00	5.08
Class A Shares Dis (Inception Date: 21/01/98)	-7.32	5.15	20.15	48.12	108.22	1.69	3.74	4.00	4.71
Class A1 Shares Acc (Inception Date: 11/01/02)	-6.84	4.44	18.02	41.60	58.57	1.46	3.37	3.54	3.92
Class C Shares Acc (Inception Date: 17/01/00)	-3.12	8.27	24.41	55.85	113.40	2.68	4.46	4.53	5.58
Class C Shares Dis (Inception Date: 15/12/97)	-3.09	8.26	24.41	55.68	125.47	2.68	4.46	4.52	5.19
Barclays Capital US Aggregate Bond Index*	-2.02	10.11	24.27	55.99	129.50	3.26	4.44	4.54	5.31

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from Lehman Brothers US Aggregate Bond Index to Barclays Capital US Aggregate Bond Index with effect from 6 November 2008. As part of a re-branding exercise carried out by Barclays Capital to re-brand its unified family of indices under the "Barclays Capital Indices" name, the names of existing Lehman Brothers indices were changed from "Lehman Brothers" to "Barclays Capital".



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 53. (b) Schroder International Selection Fund US Dollar Bond (EUR Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 13/04/07)	-7.48	5.24	20.43	NA	31.57	1.71	3.79	NA	4.17
Class C Shares Acc (Inception Date: 13/04/07)	-3.30	8.43	24.81	NA	37.08	2.73	4.53	NA	4.80
Barclays Capital US Aggregate Bond Index*	-2.14	10.93	26.28	NA	127.01	3.51	4.77	NA	5.24

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from Lehman Brothers US Aggregate Bond Index to Barclays Capital US Aggregate Bond Index with effect from 6 November 2008. As part of a re-branding exercise carried out by Barclays Capital to re-brand its unified family of indices under the "Barclays Capital Indices" name, the names of existing Lehman Brothers indices were changed from "Lehman Brothers" to "Barclays Capital".

## 54. (a) Schroder International Selection Fund Global Bond (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 17/01/00)	-7.40	3.70	21.22	48.80	82.93	1.22	3.92	4.05	4.42
Class A Shares Dis (Inception Date: 03/06/93)	-7.41	3.70	21.20	48.94	130.29	1.22	3.92	4.06	4.13
Class C Shares Acc (Inception Date: 17/01/00)	-3.16	6.89	25.56	61.28	101.07	2.24	4.66	4.89	5.13
Class C Shares Dis (Inception Date: 06/11/95)	-3.18	6.77	25.70	56.64	108.27	2.20	4.68	4.59	4.12
Class I Shares Acc (Inception Date: 21/01/02)	-1.61	12.12	33.43	71.26	122.39	3.88	5.93	5.52	6.92
Barclays Capital Global Aggregate Bond Index*	-2.60	7.34	21.14	54.68	197.43	2.39	3.91	4.45	5.44

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* In August 2001, the benchmark was changed from Salomon Smith Barney WGBI Gross to the Barclays Capital Global Aggregate Bond Index in order to better reflect the investment universe of the Sub-Fund. The full track record of the previous benchmark has been kept and chainlinked to the new one.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 54. (b) Schroder International Selection Fund Global Bond (EUR Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 2/11/11)	-5.27	NA	NA	NA	2.37	NA	NA	NA	1.09
Class A Shares Dis (Inception Date: 2/11/11)	-5.20	NA	NA	NA	2.44	NA	NA	NA	1.12
Class C Shares Acc (Inception Date: 2/11/11)	-1.00	NA	NA	NA	5.24	NA	NA	NA	2.39
Class I Shares Acc (Inception Date: 2/11/11)	0.64	NA	NA	NA	9.90	NA	NA	NA	4.46
Barclays Capital Global Aggregate Bond (EUR Hedged)*	-0.33	NA	NA	NA	141.76	NA	NA	NA	4.38

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* In August 2001, the benchmark was changed from Salomon Smith Barney WGBI Gross to the Barclays Capital Global Aggregate Bond (EUR Hedged) in order to better reflect the investment universe of the Sub-Fund. The full track record of the previous benchmark has been kept and chainlinked to the new one.

## 54. (c) Schroder International Selection Fund Global Bond (USD Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 28/2/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
Class I Shares Acc (Inception Date: 31/3/06)	0.88	15.69	32.53	NA	50.82	4.97	5.79	NA	5.44
Barclays Capital Global Aggregate Bond (USD Hedged)*	-0.14	11.27	22.33	NA	154.48	3.62	4.11	NA	4.64

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* In August 2001, the benchmark was changed from Salomon Smith Barney WGBI Gross to the Barclays Capital Global Aggregate Bond (USD Hedged) in order to better reflect the investment universe of the Sub-Fund. The full track record of the previous benchmark has been kept and chainlinked to the new one.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Specialist Bond Funds

### 55. Schroder International Selection Fund EURO Corporate Bond (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 30/06/00)	-1.18	9.62	32.05	42.88	75.37	3.11	5.71	3.63	4.24
Class A1 Shares Acc (Inception Date: 17/02/03)	-0.62	9.33	30.53	38.13	42.96	3.02	5.47	3.28	3.34
Class C Shares Acc (Inception Date: 30/06/00)	3.37	13.26	37.54	52.37	90.51	4.24	6.58	4.30	4.89
Merrill Lynch Euro Corporate Bond Index*	2.39	18.04	42.16	54.79	99.41	5.68	7.28	4.46	5.24

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* With effect from 1 January 2007, the benchmark was changed from Lehman EURO Aggregate Credit Index to Merrill Lynch Euro Corporate Bond Index as the new benchmark better reflects the investment objective of the Sub-Fund. In addition, it provides ease of access to source data for analysis and index group analytical support.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 56. (a) Schroder International Selection Fund Global Corporate Bond (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 01/07/02)	-4.63	7.80	34.07	47.11	80.26	2.53	6.04	3.93	5.25
Class A Shares Dis (Inception Date: 01/07/02)	-4.77	7.69	34.06	46.97	80.00	2.50	6.03	3.92	5.24
Class A1 Shares Acc (Inception Date: 01/07/02)	-4.06	7.47	32.33	41.91	74.10	2.43	5.76	3.56	4.94
Class C Shares Acc (Inception Date: 01/07/02)	-0.29	11.37	39.36	56.89	94.07	3.65	6.86	4.60	5.93
Class C Shares Dis (Inception Date: 01/07/02)	-0.24	11.59	39.60	57.01	94.42	3.72	6.90	4.61	5.95
Barclays Capital Global Aggregate - Credit Component	-0.44	15.45	40.71	59.72	96.90	4.90	7.07	4.79	6.06

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

On 01/07/2002 Schroder International Selection Fund Hedged Global Bond changed its name to Schroder International Selection Fund Global Corporate Bond and changed its investment objective. In view of the said changes in investment objective, the historical data and ratios on the Schroder International Selection Fund Hedged Global Bond's performance are not presented here as such figures are not reflective of the Schroder International Selection Fund Global Corporate Bond's current investment objective and policy.

## 56. (b) Schroder International Selection Fund Global Corporate Bond (EUR Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 30/09/04)	-4.91	7.84	33.69	NA	36.01	2.55	5.98	NA	3.38
Class A Shares Dis (Inception Date: 30/09/04)	-4.92	7.86	33.34	NA	35.72	2.55	5.92	NA	3.35
Class A1 Shares Acc (Inception Date: 22/03/06)	-4.34	7.51	32.10	NA	30.69	2.44	5.72	NA	3.50
Barclays Capital Global Aggregate - Credit Component	-0.64	15.46	40.58	NA	75.32	4.90	7.05	NA	5.00

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & A1 Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest. In July 2002, the benchmark changed from Salomon Smith Barney Currency Hedged WGBI to the Lehman Brothers Global Aggregate - Credit Component (now known as Barclays Capital Global Aggregate - Credit Component).

On 01/07/2002 Schroder International Selection Fund Hedged Global Bond changed its name to Schroder International Selection Fund Global Corporate Bond and changed its investment objective. The performance track record begins at this date.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 56. (c) Schroder International Selection Fund Global Corporate Bond (SGD Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 17/4/09)	-4.77	7.55	NA	NA	33.52	2.45	NA	NA	6.33
Barclays Capital Global Aggregate - Credit Component	0.56	14.96	NA	NA	64.33	4.75	NA	NA	4.47

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest. In July 2002, the benchmark changed from Salomon Smith Barney Currency Hedged WGBI to the Lehman Brothers Global Aggregate - Credit Component (now known as Barclays Capital Global Aggregate - Credit Component).

## 56. (d) Schroder International Selection Fund Global Corporate Bond (RMB Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 7/11/12)	-3.08	NA	NA	NA	-2.20	NA	NA	NA	-1.92
Barclays Capital Global Aggregate - Credit Component (CNH Hedged)	1.59	NA	NA	NA	2.43	NA	NA	NA	2.11

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest. In July 2002, the benchmark changed from Salomon Smith Barney Currency Hedged WGBI to the Lehman Brothers Global Aggregate - Credit Component (now known as Barclays Capital Global Aggregate - Credit Component (CNH Hedged)).

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

57. (a) Schroder International Selection Fund Global High Yield (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 16/04/04)	1.41	16.06	84.89	NA	77.86	5.08	13.07	NA	6.11
Class A Shares Dis (Inception Date: 30/11/04)	1.41	16.09	85.04	NA	64.11	5.09	13.09	NA	5.60
Class A1 Shares Acc (Inception Date: 16/04/04)	2.04	15.72	82.74	NA	72.83	4.98	12.81	NA	5.79
Class C Shares Acc (Inception Date: 16/04/04)	6.23	20.31	93.61	NA	91.08	6.35	14.12	NA	6.89
Barclays Capital Global High Yield Corp. USD Hedged 2% Cap*	8.15	32.33	147.32	NA	131.96	9.78	19.84	NA	9.05

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from Lehman Brothers Global High Yield Corp. USD Hedged 2% Cap to Barclays Capital Global High Yield Corp. USD Hedged 2% Cap with effect from 6 November 2008. As part of a re-branding exercise carried out by Barclays Capital to re-brand its unified family of indices under the "Barclays Capital Indices" name, the names of existing Lehman Brothers indices were changed from "Lehman Brothers" to "Barclays Capital". The benchmark was changed from Lehman Brothers Global High Yield Corporate Index to Lehman Brothers Global High Yield Corp. USD Hedged 2% Cap on 1 August 2005 as the new benchmark reduces the pressure on the Investment Manager of having to take an unusually large exposure in a single issuer, allows for the possibility of strategic overweights in issuers above the benchmark weight without forcing an imprudently large position in the largest issuers in the benchmark, and reduces tracking error in a situation where investors would most likely not want the Investment Manager to take greater exposure to merely track the index. The full track record of the previous benchmark has been kept and chain linked to the new benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

57. (b) Schroder International Selection Fund Global High Yield (EUR Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 16/04/04)	1.17	15.47	83.54	NA	68.46	4.91	12.91	NA	5.51
Class A1 Shares Acc (Inception Date: 30/11/04)	1.77	15.16	81.40	NA	50.54	4.81	12.64	NA	4.60
Class C Shares Acc (Inception Date: 16/04/04)	5.94	19.72	92.23	NA	79.92	6.18	13.95	NA	6.23
Barclays Capital Global High Yield Corp. EUR Hedged 2% Cap*	7.85	31.14	143.41	NA	113.93	9.45	19.46	NA	8.14

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* The benchmark has been changed from Lehman Brothers Global High Yield Corp. USD Hedged 2% Cap to Barclays Capital Global High Yield Corp. USD Hedged 2% Cap with effect from 6 November 2008. As part of a re-branding exercise carried out by Barclays Capital to re-brand its unified family of indices under the "Barclays Capital Indices" name, the names of existing Lehman Brothers indices were changed from "Lehman Brothers" to "Barclays Capital". The benchmark was changed from Lehman Brothers Global High Yield Corporate Index to Lehman Brothers Global High Yield Corp. USD Hedged 2% Cap on 1 August 2005 as the new benchmark reduces the pressure on the Investment Manager of having to take an unusually large exposure in a single issuer, allows for the possibility of strategic overweights in issuers above the benchmark weight without forcing an imprudently large position in the largest issuers in the benchmark, and reduces tracking error in a situation where investors would most likely not want the Investment Manager to take greater exposure to merely track the index. The full track record of the previous benchmark has been kept and chain linked to the new benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 58. (a) Schroder International Selection Fund Strategic Bond (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 30/09/04)	-3.97	0.14	20.40	NA	34.26	0.05	3.78	NA	3.23
Class A Shares Dis (Inception Date: 15/04/05)	-3.97	0.15	20.40	NA	30.93	0.05	3.78	NA	3.14
Class A1 Shares Acc (Inception Date: 30/09/04)	-3.40	-0.15	18.96	NA	30.19	-0.05	3.53	NA	2.89
Class C Shares Acc (Inception Date: 30/09/04)	0.58	3.81	26.04	NA	43.45	1.25	4.73	NA	3.97
Class C Shares Dis (Inception Date: 14/01/05)	0.57	3.81	26.06	NA	40.64	1.25	4.74	NA	3.88
USD Libor 3 Months*	0.27	1.05	2.11	NA	21.47	0.35	0.42	NA	2.12

\* The Sub-Fund is an absolute return fund and is not constrained by benchmark index weightings. The USD Libor 3 Months is used for reference purposes only.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

## 58. (b) Schroder International Selection Fund Strategic Bond (EUR Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 30/09/04)	-4.15	0.06	20.08	NA	27.81	0.02	3.73	NA	2.69
Class A1 Shares Acc (Inception Date: 30/09/04)	-3.59	-0.25	18.64	NA	24.00	-0.08	3.47	NA	2.35
Class C Shares Acc (Inception Date: 30/09/04)	0.38	3.72	25.74	NA	36.71	1.22	4.68	NA	3.44
EURO Libor 3 Months*	0.15	2.02	4.05	NA	20.16	0.67	0.80	NA	2.00

\* The Sub-Fund is an absolute return fund and is not constrained by benchmark index weightings. The EURO Libor 3 Months is used for reference purposes only.

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 59. (a) Schroder International Selection Fund Asian Local Currency Bond (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 09/05/08)	-13.03	-1.10	5.13	NA	9.23	-0.37	1.00	NA	1.58
Class A Shares Dis (Inception Date: 09/05/08)	-13.04	-1.09	5.15	NA	9.24	-0.37	1.01	NA	1.58
Class A1 Shares Acc (Inception Date: 23/05/08)	-12.55	-1.58	3.61	NA	7.26	-0.53	0.71	NA	1.26
HSBC Asian Local Bond – Overall*	-5.72	8.97	31.28	NA	33.87	2.90	5.59	NA	5.30

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A & A1 Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* In December 2009, the HSBC Asian Local Bond Index (ex-China, ex-India) replaced the iBoxx Asia Custom Index in order to align the Sub-Fund with other local currency bond mandates and as the China and India markets were generally inaccessible by the Sub-Fund. The full track record of the previous index has been kept and chainlinked to the new one. In September 2011, the HSBC Asian Local Bond – Overall replaced the HSBC Asian Local Bond Index (ex-China, ex-India) as the HSBC Asian Local Bond – Overall is more representative of the Sub-Fund's investment policy and is more commonly used as a benchmark for the Asian local currency bond market. The full track record of the previous index has been kept and chainlinked to the new one.

## 59. (b) Schroder International Selection Fund Asian Local Currency Bond (SGD Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 09/05/08)	-13.24	-2.28	3.34	NA	5.79	-0.77	0.66	NA	1.00
HSBC Asian Local Bond - Overall (SGD Hedged)*	-4.80	11.87	28.40	NA	36.21	3.81	5.12	NA	5.62

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

\* In December 2009, the HSBC Asian Local Bond Index (ex-China, ex-India) replaced the iBoxx Asia Custom Index in order to align the Sub-Fund with other local currency bond mandates and as the China and India markets were generally inaccessible by the Sub-Fund. The full track record of the previous index has been kept and chainlinked to the new one. In September 2011, the HSBC Asian Local Bond – Overall (SGD Hedged) replaced the HSBC Asian Local Bond Index (ex-China, ex-India) as the HSBC Asian Local Bond – Overall (SGD Hedged) is more representative of the Sub-Fund's investment policy and is more commonly used as a benchmark for the Asian local currency bond market. The full track record of the previous index has been kept and chainlinked to the new one.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 60. Schroder International Selection Fund Global High Income Bond (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 25/01/11)	-4.39	NA	NA	NA	4.82	NA	NA	NA	1.62
Class A Shares Dis (Inception Date: 25/01/11)	-4.37	NA	NA	NA	4.73	NA	NA	NA	1.59
Class I Shares Acc (Inception Date: 25/01/11)	1.92	NA	NA	NA	14.39	NA	NA	NA	4.69
Global High Income Bond Composite Benchmark	0.41	NA	NA	NA	19.03	NA	NA	NA	6.12

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

### Specialist Bond Funds (Medium-Higher Risk)

#### 61. (a) Schroder International Selection Fund Asian Convertible Bond (USD denominated Share Classes)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception date : 14/03/08)	-1.30	-1.91	47.70	NA	7.58	-0.64	8.11	NA	1.27
Class A1 Shares Acc (Inception date : 14/03/08)	-0.61	-1.92	46.69	NA	6.62	-0.65	7.96	NA	1.11
Class C Shares Acc (Inception date : 14/03/08)	3.47	1.96	55.32	NA	13.81	0.65	9.20	NA	2.25

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 61. (b) Schroder International Selection Fund Asian Convertible Bond (EUR Hedged denominated Share Classes)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception date : 28/03/08)	-1.59	-2.51	47.36	NA	7.27	-0.84	8.06	NA	1.22
Class A1 Shares Acc (Inception date : 28/03/08)	-0.90	-2.50	46.38	NA	6.31	-0.84	7.91	NA	1.07
Class C Shares Acc (Inception date : 28/03/08)	3.17	1.36	55.11	NA	13.52	0.45	9.17	NA	2.22

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

## 62. (a) Schroder International Selection Fund Global Convertible Bond (USD denominated Share Classes)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception date : 14/03/08)	10.04	12.00	50.51	NA	19.84	3.84	8.52	NA	3.17
Class A1 Shares Acc (Inception date : 14/03/08)	10.81	11.99	49.27	NA	18.63	3.84	8.34	NA	2.99
Class C Shares Acc (Inception date : 14/03/08)	15.36	16.42	58.08	NA	26.63	5.19	9.59	NA	4.15

Source: Schrodgers/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 62. (b) Schroder International Selection Fund Global Convertible Bond (EUR Hedged denominated Share Classes)

Share Class	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception date : 28/03/08)	9.72	11.25	48.08	NA	17.51	3.61	8.16	NA	2.84
Class A1 Shares Acc (Inception date : 28/03/08)	10.49	11.25	47.04	NA	16.34	3.62	8.01	NA	2.66
Class C Shares Acc (Inception date : 28/03/08)	15.04	15.68	55.81	NA	24.28	4.97	9.27	NA	3.84

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

### Currency Funds

## 63. Schroder International Selection Fund Global Managed Currency (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 02/06/09)	-8.27	-8.86	NA	NA	-5.94	-3.04	NA	NA	-1.33
Class A Shares Dis (Inception Date: 02/06/09)	-8.26	-8.84	NA	NA	-5.97	-3.04	NA	NA	-1.33
Class A1 Shares Acc (Inception Date: 02/06/09)	-7.77	-9.26	NA	NA	-7.11	-3.18	NA	NA	-1.60
Class C Shares Acc (Inception Date: 02/06/09)	-3.86	-5.34	NA	NA	-1.48	-1.81	NA	NA	-0.33

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

The Sub-Fund is unconstrained and therefore is not managed against a benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Multi-Asset Funds

64. (a) Schroder International Selection Fund Global Multi-Asset Income (USD denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 18/04/12)	0.47	NA	NA	NA	7.92	NA	NA	NA	4.58
Class A Shares Dis (Inception Date: 18/04/12)	0.45	NA	NA	NA	7.89	NA	NA	NA	4.56
Class A1 Shares Acc (Inception Date: 18/04/2012)	1.02	NA	NA	NA	8.15	NA	NA	NA	4.71
Class A1 Shares Dis (Inception Date: 18/04/2012)	1.01	NA	NA	NA	8.17	NA	NA	NA	4.72
Class C Shares Acc (Inception Date: 18/04/12)	5.33	NA	NA	NA	13.63	NA	NA	NA	7.79
Class C Shares Dis (Inception Date: 18/04/12)	5.33	NA	NA	NA	13.62	NA	NA	NA	7.78
Class I Shares Acc (Inception Date: 18/04/12)	7.35	NA	NA	NA	5.64	NA	NA	NA	3.75

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed with reference to a benchmark.

64. (b) Schroder International Selection Fund Global Multi-Asset Income (SGD denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 18/09/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed with reference to a benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 64. (c) Schroder International Selection Fund Global Multi-Asset Income (SGD Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 28/2/13)	Share Classes have been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								
Class A Shares Acc (Inception Date: 18/9/13)									

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed with reference to a benchmark.

## 64. (d) Schroder International Selection Fund Global Multi-Asset Income (AUD Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 17/4/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed with reference to a benchmark.

## 64. (e) Schroder International Selection Fund Global Multi-Asset Income (RMB Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 26/6/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed with reference to a benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## 64. (f) Schroder International Selection Fund Global Multi-Asset Income (EUR Hedged denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 18/4/12)	0.09	NA	NA	NA	7.13	NA	NA	NA	4.13
Class A Shares Dis (Inception Date: 18/4/12)	0.10	NA	NA	NA	7.07	NA	NA	NA	4.09

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed with reference to a benchmark.

## 64. (g) Schroder International Selection Fund Global Multi-Asset Income (GBP Hedged denominated Share Class)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Dis (Inception Date: 17/4/13)	Share Class has been incepted for less than one year as at 31 December 2013 and therefore a performance track record of at least one year is not available.								

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares.

The Sub-Fund is unconstrained and therefore is not managed with reference to a benchmark.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

65. Schroder International Selection Fund Wealth Preservation EUR (EUR denominated Share Classes)

Share Class / Benchmark	Total Return					Average Annual Compounded Return			
	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)	3 years (%)	5 years (%)	10 years (%)	Since Inception (%)
Class A Shares Acc (Inception Date: 31/03/00)	-5.40	-3.79	10.00	29.97	71.38	-1.28	1.92	2.65	3.99
Class A Shares Dis (Inception Date: 12/06/01)	-5.44	-3.81	9.98	30.33	54.99	-1.29	1.92	2.68	3.55
Class A1 Shares Acc (Inception Date: 12/02/03)	-4.80	-3.66	9.57	28.48	28.76	-1.23	1.84	2.54	2.35
Class C Shares Acc (Inception Date: 31/03/00)	-0.65	0.55	16.86	43.49	93.61	0.18	3.16	3.67	4.92
Citi EUR 3m Eurodeposit TR	0.08	1.85	3.88	21.89	39.51	0.61	0.76	2.00	2.45

Source: Schroders/Calculation of returns: Single Pricing. The performance figures for A, A1 & C Shares take into account the relevant Initial Charge. Performance calculations are based on the assumption that dividends are re-invested (taking into account all charges payable upon such reinvestment) and are calculated by reference to the currency of denomination of the relevant Shares. The performance of the benchmark since inception is calculated with reference to the inception date of the Share Class which was launched the earliest.

Prior to 1 July 2013, the Sub-Fund aimed to achieve an absolute return and was therefore not managed to a specific benchmark. With effect from 1 July 2013 and with the re-classification of the Sub-Fund from an Absolute Return Fund to a Multi-Asset Fund, the benchmark of the Sub-Fund is Citi EUR 3m Eurodeposit TR.



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## B. Total Expense Ratios and Turnover Ratios

The total expenses ratios and turnover ratios of each of the Sub-Funds for the period 1 January 2012 to 31 December 2012 are:

### Mainstream Equity Funds

No.	Sub-Fund	Total Expense Ratio (%)							
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class B Dis Shares	Class B1 Acc Shares	Class C Acc Shares	Class C Dis Shares
1.	Schroder International Selection Fund EURO Equity – EUR Class	1.95	1.95	2.40	2.55	N/A	3.12	1.05	1.05
	Schroder International Selection Fund EURO Equity – USD Hedged Class	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A
2.	Schroder International Selection Fund European Large Cap – EUR Class	1.76	1.76	2.43	N/A	N/A	N/A	1.08	1.08

No.	Sub-Fund	Total Expense Ratio (%)								
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class B Dis Shares	Class B1 Acc Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
3.	Schroder International Selection Fund Japanese Equity – JPY Class	1.74	1.74	2.41	N/A	N/A	3.14	1.06	1.06	N/A
	Schroder International Selection Fund Japanese Equity – USD Class	N/A	N/A	2.41	N/A	N/A	3.14	N/A	N/A	N/A
	Schroder International Selection Fund Japanese Equity – USD Hedged Class	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	Not available as this Share Class has not been incepted as at 31 December 2012
4.	Schroder International Selection Fund Asian Opportunities – USD Class	1.99	1.99	2.43	N/A	N/A	N/A	1.08	1.08	0.10
	Schroder International Selection Fund Asian Opportunities – EUR Class	1.99	N/A	2.44	N/A	N/A	N/A	1.09	N/A	N/A
	Schroder International Selection Fund Asian Opportunities – SGD Class	1.99	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

No.	Sub-Fund	Total Expense Ratio (%)								
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class B Dis Shares	Class B1 Acc Shares	Class C Acc Shares	Class C Dis Shares	
5.	Schroder International Selection Fund Swiss Equity – CHF Class	1.73	1.73	2.40	N/A	N/A	N/A	1.05	1.05	
6.	Schroder International Selection Fund UK Equity – GBP Class	1.72	1.72	2.39	N/A	N/A	N/A	1.04	1.04	

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

No.	Sub-Fund	Total Expense Ratio (%)				
		Class A Acc Shares	Class A Dis Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
7.	Schroder International Selection Fund Global Equity – USD Class	1.81	1.81	1.13	1.13	0.15
8.	Schroder International Selection Fund US Large Cap – USD Class	1.73	1.73	1.05	1.05	0.07

## Specialist Equity Funds

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
9.	Schroder International Selection Fund Asian Dividend Maximiser – USD Class	Not available as this Share Class has not been incepted as at 31 December 2012	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A
	Schroder International Selection Fund Asian Dividend Maximiser – EUR Class	Not available as this Share Class has not been incepted as at 31 December 2012	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Asian Dividend Maximiser – EUR Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Asian Dividend Maximiser – AUD Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Asian Dividend Maximiser – SGD Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
10.	Schroder International Selection Fund Asian Equity Yield – USD Class	1.99	1.99	2.41	N/A	1.31	1.31	N/A
11.	Schroder International Selection Fund Asian Smaller Companies – USD Class	2.10	N/A	2.52	N/A	1.42	N/A	N/A
12.	Schroder International Selection Fund BRIC (Brazil, Russia, India, China) – USD Class	1.99	N/A	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund BRIC (Brazil, Russia, India, China) – EUR Class	1.99	N/A	N/A	N/A	N/A	N/A	N/A
13.	Schroder International Selection Fund Emerging Asia – USD Class	2.00	N/A	2.42	N/A	1.32	N/A	N/A
	Schroder International Selection Fund Emerging Asia – EUR Class	2.00	N/A	2.42	N/A	1.32	N/A	N/A
14.	Schroder International Selection Fund Emerging Europe – EUR Class	2.02	2.02	2.44	N/A	1.34	1.33	N/A
15.	Schroder International Selection Fund Emerging Markets – USD Class	2.00	2.00	2.42	3.09	1.32	1.32	N/A
	Schroder International Selection Fund Emerging Markets – EUR Class	2.00	N/A	2.42	N/A	1.32	N/A	0.09
16.	Schroder International Selection Fund European Dividend Maximiser – EUR Class	2.08	2.08	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund European Dividend Maximiser – USD Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
17.	Schroder International Selection Fund European Equity Yield – EUR Class	2.04	2.04	2.46	N/A	1.36	1.36	N/A
	Schroder International Selection Fund European Equity Yield – SGD Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund European Equity Yield – USD Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
18.	Schroder International Selection Fund European Smaller Companies – EUR Class	2.01	2.01	2.43	N/A	1.33	1.33	N/A

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
19.	Schroder International Selection Fund Frontier Markets Equity – USD Class	2.23	N/A	N/A	N/A	1.63	N/A	0.40
20.	Schroder International Selection Fund European Special Situations – EUR Class	1.97	N/A	2.39	N/A	1.29	1.29	N/A
21.	Schroder International Selection Fund Global Climate Change Equity – SGD Class	2.00	N/A	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Climate Change Equity – USD Class	2.00	N/A	2.42	N/A	1.32	N/A	N/A
	Schroder International Selection Fund Global Climate Change Equity – EUR Class	2.00	N/A	2.42	N/A	1.32	N/A	N/A
22.	Schroder International Selection Fund Global Energy – USD Class	1.97	N/A	2.39	2.57	1.29	1.29	0.06
	Schroder International Selection Fund Global Energy – EUR Class	N/A	N/A	2.39	N/A	N/A	N/A	N/A
23.	Schroder International Selection Fund Global Dividend Maximiser – SGD Class	2.14	2.14	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Dividend Maximiser – USD Class	2.14	2.14	2.56	N/A	1.46	N/A	N/A
	Schroder International Selection Fund Global Dividend Maximiser – EUR Hedged Class	N/A	2.14	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Dividend Maximiser – AUD Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
24.	Schroder International Selection Fund Global Emerging Market Opportunities – SGD Class	2.01	N/A	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Emerging Market Opportunities – USD Class	2.04	N/A	2.43	N/A	1.33	N/A	N/A
	Schroder International Selection Fund Global Emerging Market Opportunities – EUR Class	2.01	N/A	N/A	N/A	N/A	N/A	N/A
25.	Schroder International Selection Fund Global Equity Yield – USD Class	2.05	N/A	2.47	N/A	1.37	1.37	N/A
	Schroder International Selection Fund Global Equity Yield – EUR Class	2.05	N/A	2.47	N/A	1.37	N/A	N/A
26.	Schroder International Selection Fund Global Property Securities – USD Class	1.98	N/A	2.40	2.58	1.30	1.30	N/A
	Schroder International Selection Fund Global Property Securities – EUR Hedged Class	1.98	N/A	2.40	N/A	1.30	N/A	N/A
27.	Schroder International Selection Fund Global Smaller Companies – USD Class	2.02	2.02	2.44	N/A	1.34	N/A	0.11
28.	Schroder International Selection Fund Greater China – USD Class	1.99	N/A	2.41	3.11	1.31	N/A	N/A

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
29.	Schroder International Selection Fund Hong Kong Equity – HKD Class	1.98	N/A	2.40	N/A	1.30	N/A	N/A
	Schroder International Selection Fund Hong Kong Equity – USD Class	1.98	N/A	N/A	N/A	N/A	N/A	N/A
30.	Schroder International Selection Fund Indian Opportunities – USD Class	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	Not available as this Share Class has not been incepted as at 31 December 2012
31.	Schroder International Selection Fund Japanese Opportunities – JPY Class	1.95	1.96	N/A	N/A	1.22	1.31	0.14
	Schroder International Selection Fund Japanese Opportunities – USD Class	1.95	N/A	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Japanese Opportunities – USD Hedged Class	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	Not available as this Share Class has not been incepted as at 31 December 2012
32.	Schroder International Selection Fund Japanese Smaller Companies – JPY Class	2.01	2.01	2.43	N/A	1.33	N/A	N/A
33.	Schroder International Selection Fund Korean Equity – USD Class	2.05	2.05	2.47	N/A	1.37	1.37	N/A
34.	Schroder International Selection Fund Latin American – USD Class	2.02	2.02	2.44	N/A	1.34	1.34	N/A
	Schroder International Selection Fund Latin American – SGD Class	2.02	N/A	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Latin American – EUR Class	2.02	N/A	N/A	N/A	N/A	N/A	N/A
35.	Schroder International Selection Fund Middle East – USD Class	2.15	N/A	2.57	N/A	1.47	N/A	N/A
	Schroder International Selection Fund Middle East – EUR Class	2.15	N/A	2.57	N/A	1.47	N/A	N/A
	Schroder International Selection Fund Middle East – SGD Class	2.15	N/A	N/A	N/A	N/A	N/A	N/A

No.	Sub-Fund	Total Expense Ratio (%)					
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class C Acc Shares	Class C Dis Shares	Class X Acc Shares
36.	Schroder International Selection Fund US Small & Mid-Cap Equity – USD Class	1.97	1.97	2.39	1.29	1.29	1.25
	Schroder International Selection Fund US Small & Mid-Cap Equity – EUR Class	1.97	N/A	2.39	1.29	N/A	N/A
	Schroder International Selection Fund US Small & Mid-Cap Equity – EUR Hedged Class	1.97	N/A	2.39	1.29	N/A	N/A

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class A1 Dis Shares	Class B1 Acc Shares	Class C Acc Shares	Class C Dis Shares
37.	Schroder International Selection Fund US Smaller Companies – USD Class	1.97	1.97	2.39	N/A	N/A	1.29	1.29
38.	Schroder International Selection Fund Asian Total Return – USD Class	1.99	N/A	2.41	N/A	N/A	1.31	N/A
	Schroder International Selection Fund Asian Total Return – SGD Class	N/A	1.99	N/A	N/A	N/A	N/A	N/A
39.	Schroder International Selection Fund Asia Pacific Property Securities – USD Class	1.99	N/A	N/A	N/A	N/A	1.31	N/A
40.	Schroder International Selection Fund China Opportunities – SGD Hedged Class	1.98	N/A	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund China Opportunities – USD Class	1.98	N/A	N/A	N/A	N/A	N/A	N/A

## Alpha Equity Funds

No.	Sub-Fund	Total Expense Ratio (%)				
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class C Acc Shares	Class C Dis Shares
41.	Schroder International Selection Fund European Equity Alpha – EUR Class	1.98	1.98	2.40	1.30	1.30
42.	Schroder International Selection Fund Global Equity Alpha – USD Class	1.98	1.98	N/A	1.30	1.30
	Schroder International Selection Fund Global Equity Alpha – EUR Class	1.98	N/A	N/A	1.30	N/A
43.	Schroder International Selection Fund Japanese Equity Alpha – JPY Class	1.99	N/A	2.41	1.31	N/A
	Schroder International Selection Fund Japanese Equity Alpha – USD Class	1.99	N/A	N/A	N/A	N/A

## Quantitative Equity Funds

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
44.	Schroder International Selection Fund QEP Global Active Value – USD Class	1.74	1.74	2.41	N/A	1.31	1.31	N/A
	Schroder International Selection Fund QEP Global Active Value – EUR Class	1.74	N/A	2.41	N/A	1.31	N/A	N/A
	Schroder International Selection Fund QEP Global Active Value – EUR Hedged Class	1.74	N/A	N/A	N/A	1.31	N/A	N/A
45.	Schroder International Selection Fund QEP Global Core – USD Class	N/A	N/A	N/A	N/A	0.50	0.50	0.08
46.	Schroder International Selection Fund QEP Global Quality – USD Class	1.74	N/A	N/A	2.34	1.31	1.31	0.08
	Schroder International Selection Fund QEP Global Quality – EUR Class	1.74	N/A	N/A	2.34	1.31	N/A	0.08
47.	Schroder International Selection Fund QEP Global Emerging Markets – USD Class	2.35	N/A	N/A	N/A	1.75	N/A	0.52
	Schroder International Selection Fund QEP Global Emerging Markets – EUR Class	2.35	N/A	N/A	N/A	2.35	N/A	0.52

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Absolute Return Funds

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class A1 Dis Shares	Class B1 Acc Shares	Class C Acc Shares	Class C Dis Shares
48.	Schroder International Selection Fund Asian Bond Absolute Return – USD Class	1.74	1.74	2.01	2.01	2.49	1.06	N/A
	Schroder International Selection Fund Asian Bond Absolute Return – EUR Hedged Class	1.74	N/A	2.01	2.01	N/A	1.06	N/A
	Schroder International Selection Fund Asian Bond Absolute Return – SGD Hedged Class	1.74	N/A	N/A	N/A	N/A	N/A	N/A
49.	Schroder International Selection Fund Emerging Markets Debt Absolute Return – USD Class	2.00	2.00	2.27	2.27	N/A	1.22	1.22
	Schroder International Selection Fund Emerging Markets Debt Absolute Return – EUR Hedged Class	2.00	N/A	2.27	N/A	N/A	1.22	N/A
	Schroder International Selection Fund Emerging Markets Debt Absolute Return – SGD Hedged Class	N/A	2.00	N/A	N/A	N/A	N/A	N/A

## Mainstream Bond Funds

No.	Sub-Fund	Total Expense Ratio (%)					
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class B Acc Shares	Class C Acc Shares	Class C Dis Shares
50.	Schroder International Selection Fund EURO Short Term Bond – EUR Class	0.64	0.64	1.14	N/A	0.32	0.32
51.	Schroder International Selection Fund EURO Government Bond – EUR Class	0.63	0.63	1.19	N/A	0.36	0.36
52.	Schroder International Selection Fund Global Inflation Linked Bond – EUR Class	0.95	N/A	1.50	N/A	0.65	N/A
	Schroder International Selection Fund Global Inflation Linked Bond – USD Hedged Class	0.95	N/A	N/A	1.45	0.65	N/A
53.	Schroder International Selection Fund US Dollar Bond – USD Class	0.94	0.94	1.49	N/A	0.64	0.64
	Schroder International Selection Fund US Dollar Bond – EUR Hedged Class	0.94	N/A	N/A	N/A	0.64	N/A

No.	Sub-Fund	Total Expense Ratio (%)				
		Class A Acc Shares	Class A Dis Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
54.	Schroder International Selection Fund Global Bond – USD Class	0.96	0.96	0.66	0.66	0.08
	Schroder International Selection Fund Global Bond – EUR Hedged Class	0.96	0.96	0.66	N/A	0.08
	Schroder International Selection Fund Global Bond – USD Hedged Class	Not available as this Share Class has not been incepted as at 31 December 2012		N/A	N/A	0.08

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Specialist Bond Funds

No.	Sub-Fund	Total Expense Ratio (%)				
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class C Acc Shares	Class C Dis Shares
55.	Schroder International Selection Fund EURO Corporate Bond – EUR Class	1.04	N/A	1.49	0.64	N/A
56.	Schroder International Selection Fund Global Corporate Bond – USD Class	1.04	1.04	1.49	0.64	0.64
	Schroder International Selection Fund Global Corporate Bond – EUR Hedged Class	1.04	1.04	1.49	N/A	N/A
	Schroder International Selection Fund Global Corporate Bond – SGD Hedged Class	N/A	1.04	N/A	N/A	N/A
	Schroder International Selection Fund Global Corporate Bond – RMB Hedged Class	N/A	1.04	N/A	N/A	N/A
57.	Schroder International Selection Fund Global High Yield – USD Class	1.28	1.28	1.73	0.78	N/A
	Schroder International Selection Fund Global High Yield – EUR Hedged Class	1.28	N/A	1.73	0.78	N/A
58.	Schroder International Selection Fund Strategic Bond – USD Class	1.31	1.31	1.76	0.81	0.81
	Schroder International Selection Fund Strategic Bond – EUR Hedged Class	1.31	N/A	1.76	0.81	N/A
59.	Schroder International Selection Fund Asian Local Currency Bond – USD Class	1.23	1.23	1.73	N/A	N/A
	Schroder International Selection Fund Asian Local Currency Bond – SGD Hedged Class	1.23	N/A	N/A	N/A	N/A

No.	Sub-Fund	Total Expense Ratio (%)		
		Class A Acc Shares	Class A Dis Shares	Class I Acc Shares
60.	Schroder International Selection Fund Global High Income Bond – USD Class	1.84	1.84	0.61

## Specialist Bond Funds (Medium-Higher Risk)

No.	Sub-Fund	Total Expense Ratio (%)		
		Class A Acc Shares	Class A1 Acc Shares	Class C Acc Shares
61.	Schroder International Selection Fund Asian Convertible Bond – USD Class	1.69	2.04	1.09
	Schroder International Selection Fund Asian Convertible Bond – EUR Hedged Class	1.69	2.04	1.09
62.	Schroder International Selection Fund Global Convertible Bond – USD Class	1.65	2.00	1.05
	Schroder International Selection Fund Global Convertible Bond – EUR Hedged Class	1.65	2.00	1.05

## Currency Funds

No.	Sub-Fund	Total Expense Ratio (%)			
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class C Acc Shares
63.	Schroder International Selection Fund Global Managed Currency – USD Class	1.29	1.29	1.79	0.74



# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Multi-Asset Funds

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class A1 Dis Shares	Class C Acc Shares	Class C Dis Shares	Class I Acc Shares
64.	Schroder International Selection Fund Global Multi-Asset Income – USD Class	1.69	1.69	2.19	2.19	1.09	1.09	0.21
	Schroder International Selection Fund Global Multi-Asset Income – SGD Class	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Multi-Asset Income – SGD Hedged Class	Not available as this Share Class has not been incepted as at 31 December 2012	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Multi-Asset Income – AUD Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Multi-Asset Income – RMB Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Multi-Asset Income – EUR Hedged Class	1.69	1.69	N/A	N/A	N/A	N/A	N/A
	Schroder International Selection Fund Global Multi-Asset Income – GBP Hedged Class	N/A	Not available as this Share Class has not been incepted as at 31 December 2012	N/A	N/A	N/A	N/A	N/A

No.	Sub-Fund	Total Expense Ratio (%)						
		Class A Acc Shares	Class A Dis Shares	Class A1 Acc Shares	Class A1 Dis Shares	Class B1 Acc Shares	Class C Acc Shares	Class C Dis Shares
65.	Schroder International Selection Fund Wealth Preservation EUR – EUR Class	2.05	2.05	2.32	N/A	N/A	1.27	N/A

The expense ratios are calculated in accordance with the Investment Management Association of Singapore's (IMAS) guidelines on expense ratio and are based on the latest Sub-Funds' audited accounts unless otherwise stated. The following expenses are excluded from calculating the Sub-Funds' expense ratios:-

- brokerage and other transactions costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
- foreign exchange gains and losses of the Sub-Fund, whether realised or unrealised;
- front-end loads, back-end loads and other costs arising on the purchase or sale of a foreign unit trust or mutual fund;
- tax deducted at source or arising on income received including withholding tax;
- interest expense; and
- dividends and other distributions paid to shareholders.

For Sub-Funds which may impose a performance fee, the expense ratio does not include such performance fee.

The expense ratio for any Share Class which has been incepted for less than one year is calculated on an annualised basis.

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Mainstream Equity Funds

No.	Sub-Fund	Turnover Ratio (%)
1.	Schroder International Selection Fund EURO Equity	63.84
2.	Schroder International Selection Fund European Large Cap	74.91
3.	Schroder International Selection Fund Japanese Equity	72.99
4.	Schroder International Selection Fund Asian Opportunities	43.19
5.	Schroder International Selection Fund Swiss Equity	21.36
6.	Schroder International Selection Fund UK Equity	31.16
7.	Schroder International Selection Fund Global Equity	48.27
8.	Schroder International Selection Fund US Large Cap	90.56

## Specialist Equity Funds

No.	Sub-Fund	Turnover Ratio (%)
9.	Schroder International Selection Fund Asian Dividend Maximiser	Not available as this Sub-Fund has not been incepted as at 31 December 2012
10.	Schroder International Selection Fund Asian Equity Yield	40.29
11.	Schroder International Selection Fund Asian Smaller Companies	113.90
12.	Schroder International Selection Fund BRIC (Brazil, Russia, India, China)	41.46
13.	Schroder International Selection Fund Emerging Asia	69.53
14.	Schroder International Selection Fund Emerging Europe	81.32
15.	Schroder International Selection Fund Emerging Markets	52.83
16.	Schroder International Selection Fund European Dividend Maximiser	46.24
17.	Schroder International Selection Fund European Equity Yield	54.20
18.	Schroder International Selection Fund European Smaller Companies	52.24
19.	Schroder International Selection Fund Frontier Markets Equity	66.45
20.	Schroder International Selection Fund European Special Situations	39.63
21.	Schroder International Selection Fund Global Climate Change Equity	65.94
22.	Schroder International Selection Fund Global Energy	63.19
23.	Schroder International Selection Fund Global Dividend Maximiser	41.88
24.	Schroder International Selection Fund Global Emerging Market Opportunities	73.09
25.	Schroder International Selection Fund Global Equity Yield	78.19
26.	Schroder International Selection Fund Global Property Securities	40.02
27.	Schroder International Selection Fund Global Smaller Companies	57.90
28.	Schroder International Selection Fund Greater China	51.78

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

No.	Sub-Fund	Turnover Ratio (%)
29.	Schroder International Selection Fund Hong Kong Equity	17.88
30.	Schroder International Selection Fund Indian Opportunities	Not available as this Sub-Fund has not been incepted as at 31 December 2012
31.	Schroder International Selection Fund Japanese Opportunities	106.42
32.	Schroder International Selection Fund Japanese Smaller Companies	55.49
33.	Schroder International Selection Fund Korean Equity	75.17
34.	Schroder International Selection Fund Latin American	64.66
35.	Schroder International Selection Fund Middle East	108.26
36.	Schroder International Selection Fund US Small & Mid-Cap Equity	55.43
37.	Schroder International Selection Fund US Smaller Companies	57.35
38.	Schroder International Selection Fund Asian Total Return	35.11
39.	Schroder International Selection Fund Asia Pacific Property Securities	21.09
40.	Schroder International Selection Fund China Opportunities	65.92

## Alpha Equity Funds

No.	Sub-Fund	Turnover Ratio (%)
41.	Schroder International Selection Fund European Equity Alpha	23.50
42.	Schroder International Selection Fund Global Equity Alpha	60.57
43.	Schroder International Selection Fund Japanese Equity Alpha	56.59

## Quantitative Equity Funds

No.	Sub-Fund	Turnover Ratio (%)
44.	Schroder International Selection Fund QEP Global Active Value	67.80
45.	Schroder International Selection Fund QEP Global Core	30.11
46.	Schroder International Selection Fund QEP Global Quality	59.76
47.	Schroder International Selection Fund QEP Global Emerging Markets	49.00

## Absolute Return Funds

No.	Sub-Fund	Turnover Ratio (%)
48.	Schroder International Selection Fund Asian Bond Absolute Return	54.83
49.	Schroder International Selection Fund Emerging Markets Debt Absolute Return	12.40

# Annexure V – Performance Of The Sub-funds of Schroder International Selection Fund (continued)

## Mainstream Bond Funds

No.	Sub-Fund	Turnover Ratio (%)
50.	Schroder International Selection Fund EURO Short Term Bond	101.59
51.	Schroder International Selection Fund EURO Government Bond	143.00
52.	Schroder International Selection Fund Global Inflation Linked Bond	55.37
53.	Schroder International Selection Fund US Dollar Bond	542.27
54.	Schroder International Selection Fund Global Bond	213.83

## Specialist Bond Funds

No.	Sub-Fund	Turnover Ratio (%)
55.	Schroder International Selection Fund EURO Corporate Bond	91.02
56.	Schroder International Selection Fund Global Corporate Bond	156.01
57.	Schroder International Selection Fund Global High Yield	79.53
58.	Schroder International Selection Fund Strategic Bond	446.37
59.	Schroder International Selection Fund Asian Local Currency Bond	43.17
60.	Schroder International Selection Fund Global High Income Bond	202.78

## Specialist Bond Funds (Medium-Higher Risk)

No.	Sub-Fund	Turnover Ratio (%)
61.	Schroder International Selection Fund Asian Convertible Bond	160.53
62.	Schroder International Selection Fund Global Convertible Bond	251.42

## Currency Funds

No.	Sub-Fund	Turnover Ratio (%)
63.	Schroder International Selection Fund Global Managed Currency	0.03

## Multi-Asset Funds

No.	Sub-Fund	Turnover Ratio (%)
64.	Schroder International Selection Fund Global Multi-Asset Income	105.19
65.	Schroder International Selection Fund Wealth Preservation EUR	12.40

The turnover ratios are calculated based on the lesser of purchases or sales expressed as a percentage over average net asset value, i.e., average daily net asset value, over the same period used for calculating the expense ratios.

# Annexure (continued)

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**SCHRODER INTERNATIONAL SELECTION FUND  
SINGAPORE PROSPECTUS  
BOARD OF DIRECTORS**

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**NAME:  
DIRECTOR OF SCHRODER  
INVESTMENT  
MANAGEMENT (SINGAPORE) LTD**

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**NAME:  
DIRECTOR OF SCHRODER  
INVESTMENT  
MANAGEMENT (SINGAPORE) LTD**

**SIGNED FOR AND ON BEHALF OF:**

**SIGNED FOR AND ON BEHALF OF:**

**MASSIMO TOSATO**

**CARLO TRABATTON**

**JACQUES ELVINGER**

**ACHIM KUESSNER**

**DANIEL DE FERNANDO GARCIA**

**KETIL PETERSEN**

**MIKE CHAMPION**

**GEORGES-ARNAUD SAIER**

**MARIE-JEANNE CHEVREMONT-LORENZINI**

**All enquiries in relation to the Sub-Funds should be directed to the  
Singapore Representative,  
Schroder Investment Management (Singapore) Limited  
65 Chulia Street, #46-00 OCBC Centre, Singapore 049513,  
or call our Customer Help Line at 1800 534 4288.**

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asian Bond Absolute Return (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 17/01/2000 #Class A Dis: 16/10/1998 Class A1 Acc: 31/05/2002 #Class A1 Dis: 03/01/2003  <b>EUR Hedged</b> Class A Acc: 09/11/2007 Class A1 Acc: 09/11/2007 #Class A1 Dis: 09/11/2007  <b>SGD Hedged</b> Class A Acc: 09/05/2008
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Singapore) Ltd	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.74% Class A Dis: 1.74% Class A1 Acc: 2.01% Class A1 Dis: 2.01%  <b>EUR Hedged</b> Class A Acc: 1.74% Class A1 Acc: 2.01% Class A1 Dis: 2.01%  <b>SGD Hedged</b> Class A Acc: 1.74%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in Asian bonds and currencies.

#### Further Information

Refer to Para 4 on page 33-99 of the prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide an absolute return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by governments, government agencies, supra-national and corporate issuers in Asia excluding Japan and financial derivative instruments (including total return swaps). Where the Fund uses total return swaps, the underlying consists of instruments in which the Fund may invest according to its investment objective. As part of its primary objective, the Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

As an "Absolute Return" fund, the Fund aims to provide a positive return over a period of not more than 12 months.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds and currencies. The bonds will be issued by governments, government agencies and companies in Asia, excluding Japan.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

The Fund seeks to capitalise on the broad range of fixed income opportunities in Asia, with the aim of generating absolute returns. Utilising Schroders' experience of Asian fixed income investment, an extensive research resource and an unconstrained investment approach, the Fund seeks to add value via a combination of interest rate strategies, currencies and corporate bonds.

The Fund may also invest in other financial instruments and hold cash on deposit. In aiming to deliver an absolute return, a substantial part of the Fund may be held in cash which may include short term developed market government bonds. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Asia excluding Japan.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*



**You are exposed to non-investment grade risk.**

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

**You are exposed to non-investment grade liquidity risk.**

- Investments in non-investment grade securities can be difficult to sell quickly, which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

**You are exposed to emerging and frontier markets risk.**

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

**You are exposed to counterparty risk.**

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

**You are exposed to structured products risk.**

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

**You are exposed to distribution policy risk (only applicable to Distribution Class).**

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

**You are exposed to derivatives risk.**

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

**You are exposed to operational risk.**

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

**FEES AND CHARGES**

**WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?**

**Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• Up to 3.00%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>• Up to 2.00%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.25% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.25% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117 -119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asian Convertible Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 14/03/2008 Class A1 Acc: 14/03/2008  <b>EUR Hedged</b> Class A Acc: 28/03/2008 Class A1 Acc: 28/03/2008
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Switzerland) AG	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.69% Class A1 Acc: 2.04%  <b>EUR Hedged</b> Class A Acc: 1.69% Class A1 Acc: 2.04%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in convertible securities in Asia excluding Japan.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in a portfolio of convertible securities and other similar transferable securities, such as convertible preference securities, exchangeable bonds or exchangeable medium term notes, issued by corporate issuers in Asia excluding Japan. The Fund may also, to a limited extent, seek exposure to fixed and floating rate securities, equity securities and equity linked notes.

Hedged Classes aim to provide you with the performance returns of the Fund’s investments in the Fund’s base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund’s base currency.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in convertible bonds issued by companies in Asia excluding Japan.

The Fund provides investors with diversified exposure to the exciting Asian growth story. Convertible bonds are simply corporate bonds that can be converted into shares at a given price. As such, investors can gain exposure to Asian (ex Japan) equity markets, but with the defensive benefits and less volatile characteristics of a bond investment. The Fund aims to maximise these opportunities by rigorously evaluating the range of economic, regional, equity and corporate bond market considerations.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Switzerland) AG.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Asia excluding Japan.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to non-investment grade risk.

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to convertible bond liquidity risk.

- Investments in convertible bond securities can be difficult to sell quickly, which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>Up to 3.00%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>Up to 2.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>1.25% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>1.25% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>15% of the outperformance of the benchmark of the Fund, subject to the High Water Mark</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**High Water Mark:** the net asset value per Share at the end of any previous performance period.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asian Dividend Maximiser (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 18/09/2013 #Class A Dis: 18/09/2013  <b>EUR</b> Class A Acc: 18/09/2013 #Class A Dis: 18/09/2013  <b>EUR Hedged</b> #Class A Dis: 18/09/2013  <b>AUD</b> #Class A Dis: 18/09/2013  <b>SGD</b> #Class A Dis: 18/09/2013  <b>AUD Hedged</b> #Class A Dis: Not incepted as at the date of this Product Highlights Sheet  <b>SGD Hedged</b> #Class A Dis: Not incepted as at the date of this Product Highlights Sheet
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Singapore) Ltd	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>For all Classes</b> Not available
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in equities in Asia-Pacific excluding Japan.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide income and capital growth.

The Fund will invest primarily in equities or equity related securities of Asia-Pacific (ex Japan) companies. The Fund will also selectively enter into option contracts to generate additional income, as more fully described below.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.



To enhance the yield of the Fund the Investment Manager will selectively sell short dated call options over individual securities held by the Fund, to generate extra income by agreeing strike prices above which potential upside is sold.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Asia-Pacific (ex Japan) companies that offer a high dividend income and are selected for their long-term income and growth potential.

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

The Fund generates its income from two sources: Dividends received from shares in companies and cash received from selling on a rolling basis some of the potential capital growth on the shares held within the Fund. The Fund aims to deliver a target income per year but this is not guaranteed and could change depending on market conditions.

The Fund may also invest in other financial instruments and hold cash on deposit.

**Financial derivative instruments will be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Asia excluding Japan.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.
- The derivative strategy is applied repeatedly over three-monthly periods. The strategy will increase the income paid to investors and reduce the volatility of returns, but there is the potential the performance or capital value may be eroded.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.
- There is effectively no counterparty risk associated with the Fund's options trading. Counterparties pay upfront, in full and in cash two business days after the auction. Should a counterparty not pay by this deadline, the option can be sold to another counterparty.

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.
- The Fund aims to deliver a target income of 7% per year but this is not guaranteed and could change depending on market conditions.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> • Up to 5.00%
Switching Charge	• Up to 1%
Redemption Charge	• None

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> • 1.50% per annum
Performance Fee	• Not Applicable
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	<b>Class A</b> • None

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asian Equity Yield (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 11/06/2004 #Class A Dis: 11/06/2004 Class A1 Acc: 11/06/2004
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Singapore) Ltd	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.99% Class A Dis: 1.99% Class A1 Acc: 2.41%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in equities in Asia excluding Japan.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return primarily through investment in equity and equity related securities of Asian companies which offer attractive yields and sustainable dividend payments.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Asian companies (excluding Japan). The Fund has no bias to any particular country or industry.

The Fund aims to generate stable long-term returns through a combination of capital growth and income streams at a low level of volatility. The Fund invests in the shares of companies in the Asia (ex Japan) region that are disciplined in how they use their available cash, preferring those that pay attractive levels of dividends now but, crucially, also retain enough cash to reinvest back into the company to generate future growth.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Asia ex Japan.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemptions requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Distribution Shares:** Shares which distribute their income.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asian Local Currency Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 9/5/2008 @Class A Dis: 9/5/2008 Class A1 Acc: 23/5/2008  <b>SGD Hedged</b> Class A Acc: 9/5/2008
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Singapore) Ltd.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.23% Class A Dis: 1.23% Class A1 Acc: 1.73%  <b>SGD Hedged</b> Class A Acc: 1.23%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in bonds issued by governments, government agencies and companies in Asia, excluding Japan

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide long term return of capital growth and income by seeking out opportunities in Asian local fixed income and currency markets. As part of its primary objective, the Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Classes accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund’s investments in the Fund’s base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund’s base currency.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds and currencies. The bonds will be issued by governments, government agencies and companies in Asia, excluding Japan.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

The Fund invests in local currency bonds in a diverse range of Asian countries, each with very different economies. The Investment Manager believes that Asian economies will continue to prosper over the longer term and therefore sees great potential in the region's bond and currency markets. The Fund will be positioned accordingly to take advantage of these improvements over the long term.

The Fund has no bias to any particular size of company or government or any particular industry.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Asia.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

**You are exposed to non-investment grade risk.**

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

**You are exposed to structured products risk.**

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

**You are exposed to distribution policy risk (only applicable to Distribution Class).**

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

**You are exposed to operational risk.**

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

**Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 3.00%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 2.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

**Payable by the Fund from invested proceeds**

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.00% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.00% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & & \times & & \text{S\$11.00} & & = & & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & & & \text{(Net Asset Value per Share)} & & & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asian Opportunities (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 17/01/2000 @Class A Dis: 29/10/1993 Class A1 Acc: 11/01/2002  <b>EUR</b> Class A Acc 22/03/2006 Class A1 Acc: 22/03/2006  <b>SGD</b> Class A Acc: 23/02/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Singapore) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.99% Class A Dis: 1.99% Class A1 Acc: 2.43%  <b>EUR</b> Class A Acc: 1.99% Class A1 Acc: 2.43%  <b>SGD</b> Class A Acc: 1.99%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of Asian excluding Japan companies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part 1 of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of Asian (ex Japan) companies.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies in Asia. The Fund has no bias to any particular industry or size of company. The Fund is managed with reference to the MSCI AC Asia ex Japan (TR).

The Investment Manager believes that Asia offers superior economic growth potential, with China and India providing key support. Companies in the region are also in generally good shape, with disciplined capital spending and healthy balance sheets. The Investment Manager's extensive resources and in-depth research means that they are strongly positioned to identify the most promising investment opportunities, which should enable them to reward investors with strong returns over the long term.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Asia excluding Japan.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to structured products risk.

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by



1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.

- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asian Smaller Companies (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 16/09/2005 Class A1 Acc: 16/09/2005
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Singapore) Ltd	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.10% Class A1 Acc: 2.52%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of smaller companies in Asia excluding Japan.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of Asian (ex Japan) smaller-sized companies. Smaller-sized companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the Asian (ex Japan) market.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of smaller-sized Asian companies, excluding Japan. The companies will be in the bottom 30% by size of the Asian (ex Japan) market at the time of purchase. The Fund has no bias to any particular country or industry.

The Fund invests in a range of smaller companies in Asia on the belief that they offer better growth prospects than their larger peers over the long term. Typically, smaller companies are in the early stages of their development, and less researched than larger ones. Therefore, by conducting in-depth research, the Investment Manager believes they can unearth some good investments overlooked by the market as a whole. The Investment Manager’s disciplined investment approach, supported by their well-resourced team, should enable them to gain access to these exciting opportunities.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in Asia excluding Japan.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost

### You are exposed to structured products risk.

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul>
Performance Fee	Not applicable
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & & & & \\ \text{(Number of Shares)} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asian Total Return (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 16/11/2007 Class A1 Acc: 16/11/2007 <b>SGD</b> @Class A Dis: 22/11/2010
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Singapore) Ltd	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.99% Class A1 Acc: 2.41% <b>SGD</b> Class A Dis: 1.99%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in Asia Pacific equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return of capital growth primarily through investment in equity and equity related securities of Asia Pacific companies. The Fund also aims to offer a high degree of capital preservation through the tactical use of financial derivative instruments.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Asia Pacific companies. The Fund has no bias to any particular country or industry.

The Fund aims to provide stable long-term returns by investing in the shares of Asia Pacific companies, while at the same time limiting volatility and aiming for some capital protection through the tactical use of financial derivative instruments. The Investment Manager's approach, while disciplined, is not tied to a benchmark. The Investment Manager focuses on companies with solid balance sheets and earnings growth, which they believe should result in the most promising returns over the long term.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently and in particular to provide a degree of capital preservation in falling markets.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Asia.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.



Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Distribution Shares:** Shares which distribute their income.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Asia Pacific Property Securities (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	USD Class A Acc: 27/10/2006
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Hong Kong) Limited	Dealing Frequency	Every Dealing Day
Investment Advisor	Schroder Investment Management (Singapore) Ltd.		
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	USD Class A Acc: 1.99%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in equities of Asia Pacific property companies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return primarily through investment in equity securities of Asia Pacific property companies including Japan and Australasia.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in a concentrated range of shares of Asia Pacific property companies including Japan and Australasia. This means typically holding fewer than 50 companies. The Fund has no bias to any particular country or size of company.

The Fund offers investors access to the strong growth potential in the region’s property sector through shares in real estate investment trusts (REITs), and listed property and property-related companies based in Asia. To gain access to the best opportunities, the Investment Manager undertakes comprehensive sector analysis as well as a thorough assessment of a company’s management team to determine the potential impact on net asset values. In short, the Fund invests in companies whose assets the Investment Manager would want to own if they were investing directly in the physical property themselves.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Hong Kong) Limited.
- The Investment Adviser is Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in Asia Pacific.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> • Up to 5%
Switching Charge	• Up to 1%
Redemption Charge	• None

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> • 1.5% per annum
Performance Fee	• Not Applicable
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	<b>Class A</b> • None

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund BRIC (Brazil, Russia, India, China) (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 31/10/2005 <b>EUR</b> Class A Acc: 31/10/2005
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Ltd	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.99% <b>EUR</b> Class A Acc: 1.99%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in emerging markets equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of Brazilian, Russian, Indian and Chinese companies.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in a concentrated range of shares of companies in the MSCI BRIC index. The Fund will typically hold fewer than 50 companies with no bias to any particular size of company or industry.

The key reason for investing in the BRIC markets (Brazil, Russia, India and China) is their excellent long-term growth potential. Their advantages include a large share of the world’s natural resources, while relatively low wage levels give these economies a significant competitive edge. Furthermore, the size of the middle class in these countries is growing rapidly, fuelling strong consumer spending growth. The Investment Manager’s highly detailed ‘on the ground’ research in these countries and the depth of their investment resources enables them to access the best investment opportunities.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in Brazil, Russia, India and China.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemptions requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to structured products risk.

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to risks specific to China.

- Changes in China's political, social or economic policies may significantly affect the value of the Fund's investments. China's tax law is also applied under policies that may change without notice and with retrospective effect.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.



## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund China Opportunities (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 17/02/2006 <b>SGD Hedged</b> Class A Acc: 16/11/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Hong Kong) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.98% <b>SGD Hedged</b> Class A Acc: 1.98%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in China equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of companies which are headquartered and/or listed in or have a substantial business exposure to the People’s Republic of China.

Hedged Classes aim to provide you with the performance returns of the Fund’s investments in the Fund’s base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund’s base currency.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Chinese companies. The Fund has no bias to any particular industry or size of company.

The Fund invests in companies based in, or which have substantial business exposure to, China. Backed by impressive economic growth, China offers many exciting investment opportunities for companies across a broad range of sectors. The Investment Manager believes that opportunities can only be exploited through thorough in-depth research.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective or manage the Fund more efficiently.**

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Hong Kong) Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in China.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to risks specific to China.

- Changes in China's political, social or economic policies may significantly affect the value of the Fund's investments. China's tax law is also applied under policies that may change without notice and with retrospective effect.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Emerging Asia (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 9/01/2004 Class A1 Acc: 9/01/2004  <b>EUR</b> Class A Acc: 17/03/2006 Class A1 Acc: 17/03/2006
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Hong Kong) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.00% Class A1 Acc: 2.42%  <b>EUR</b> Class A Acc: 2.00% Class A1 Acc: 2.42%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in emerging Asian markets equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of companies in the emerging economies of Asia.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies in emerging Asian markets. The Fund has no bias to any particular industry or size of company.

Emerging Asian markets offer some of the most exciting opportunities in terms of long-term growth potential. The region's key advantages include a growing population with strong income growth and continued urbanisation, which should continue to generate strong consumption growth. With the help of the Investment Manager's detailed 'on the ground' research and extensive investment resources, the Investment Manager believes that they are well placed to access the best investment opportunities and identify where growth is being undervalued in the market.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Hong Kong) Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Asia.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to structured products risk.

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> • Up to 5%  <b>Class A1</b> • Up to 4%
Switching Charge	• Up to 1%
Redemption Charge	• None

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> • 1.5% per annum  <b>Class A1</b> • 1.5% per annum
Performance Fee	• Not Applicable
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	<b>Class A</b> • None  <b>Class A1</b> • 0.5% per annum

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.



The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Emerging Europe (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 28/01/2000 @Class A Dis: 28/01/2000 Class A1 Acc: 14/07/2003
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 2.02% Class A Dis: 2.02% Class A1 Acc: 2.44%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in emerging European markets equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of Central and Eastern European companies including the markets of the former Soviet Union and the Mediterranean emerging markets. The portfolio may, to a limited extent, seek exposure to the markets of Northern Africa and the Middle East.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies in emerging European markets. The Fund has no bias to any particular industry or size of company.

The main attraction of emerging European markets is their strong long-term growth potential. Russia is the region’s largest market and its advantages include huge reserves of oil, natural gas and metals. Turkey is another of the region’s larger markets. It has an attractive domestic market due to a large and growing population and is highly competitive as a manufacturing hub for Western Europe. The depth of

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

the Investment Manager's investment resources and their commitment to high quality research enable them to make the most of this compelling investment potential.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Emerging Markets Debt Absolute Return (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 17/01/2000 #Class A Dis: 29/08/1997 Class A1 Acc: 31/08/2001 #Class A1 Dis: 03/01/2003  <b>EUR Hedged</b> Class A Acc: 30/09/2003 Class A1 Acc: 08/03/2004  <b>SGD Hedged</b> #Class A Dis: 11/07/2008
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.00% Class A Dis: 2.00% Class A1 Acc: 2.27% Class A1 Dis: 2.27%  <b>EUR Hedged</b> Class A Acc: 2.00% Class A1 Acc: 2.27%  <b>SGD Hedged</b> Class A Dis: 2.00%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in emerging markets bonds and currencies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide an absolute return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by governments, government agencies, supra-national and corporate issuers in emerging markets.

As an “Absolute Return” fund, the Fund aims to provide a positive return over a period of not more than 12 months.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as quarterly dividends. Dividends may be paid more or less frequently as deemed appropriate

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

The Fund will be invested in bonds and currencies in emerging markets as well as holding cash on deposit. The bonds will be issued by governments, government agencies and companies. In aiming to deliver an absolute return, a substantial part of the Fund may be held in cash which may include short term developed market government bonds.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

Based on the Investment Manager's in-depth country analysis, they actively allocate to selected countries within their broad investment universe and across a range of government bonds, corporate bonds and currencies that they believe will offer the best risk-adjusted returns. The Fund has no set target in respect of any emerging markets country or sector but has the flexibility to focus on investments which offer the most attractive opportunities.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to money market and deposits risk.

- Investments in money market instruments and deposits with financial institutions may be subject to price fluctuation or default by the issuer. Some of the amounts deposited may not be returned to the Fund.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to non-investment grade risk.

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 3.00%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 2.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>



## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & & \times & & \text{S\$11.00} & & = & & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & & & \text{(Net Asset Value per Share)} & & & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Emerging Markets (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 17/01/2000 @Class A Dis: 09/03/1994 Class A1 Acc: 11/01/2002  <b>EUR</b> Class A Acc: 17/03/2006 Class A1 Acc: 17/03/2006
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.00% Class A Dis: 2.00% Class A1 Acc: 2.42%  <b>EUR</b> Class A Acc: 2.00% Class A1 Acc: 2.42%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in emerging markets equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of emerging markets companies.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies in emerging markets with no bias to any particular industry or size of company.

The high quality 'on the ground' research the Investment Manager carries out in emerging market countries enables them to take maximum advantage of the compelling investment potential available in this asset class. Emerging market economies have excellent long-term growth prospects. They are generally growing at a faster rate than the developed world and this is a trend which is set to continue in the future. Following considerable improvements in recent years, emerging market countries are also generally in better financial shape than the developed world.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to structured products risk.

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5% of</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4% of</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by

1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.

- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund EURO Corporate Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 30/06/2000 Class A1 Acc: 17/02/2003
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 1.04% Class A1 Acc: 1.49%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in corporate and government bonds issued in Euros.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in Euro issued by governments, government agencies, supra-national and corporate issuers. A maximum of 20% of the net assets of the Fund will be held in securities issued by governments.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds issued in Euros by companies worldwide. A maximum of 20% of the Fund can be invested in bonds issued by governments and government agencies.

The central appeal of the corporate bond market is that bonds in this sector generally offer higher interest payments than those available on government bonds, creating the potential for higher returns over the longer term. Corporate bonds also tend to be less volatile than shares of companies. In addition, with many companies and industries to choose from, there is a lot of scope to add value through issuer and sector selection.

Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage and take short positions.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 3.00%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 2.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.



## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 0.75% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.75% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & & & & \\ \text{(Number of Shares)} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund EURO Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR (base currency)</b> Class A Acc: 17/01/2000 @Class A Dis: 20/11/1998 Class A1 Acc: 31/08/2001 Class B Acc: 17/01/2000 Class B1 Acc: 31/08/2001  <b>USD Hedged</b> Class A Acc: 18/12/2013
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 1.95% Class A Dis: 1.95% Class A1 Acc: 2.40% Class B Acc: 2.55% Class B1 Acc: 3.12%  <b>USD Hedged</b> Class A Acc: Not available
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in European equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of companies in countries participating in the European Monetary Union.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund’s investments in the Fund’s base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund’s base currency.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least 75% of the fund (excluding cash) will be invested in shares of companies that are incorporated in the European Economic Area. At least two-thirds of the Fund (excluding cash) will also be invested in shares of companies in countries whose currency is the Euro. The Fund has no bias to any particular industry or size of company.

The Fund invests in quality businesses with credible management teams, which the Investment Manager believes have been undervalued by the market. Investment decisions are based on in-depth research into a company's financial and business strength, as well as regular meetings with its management. To a lesser extent, the Investment Manager allows more macroeconomic or thematic views to influence portfolio positioning when they find pertinent opportunities.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> • Up to 5%  <b>Class A1</b> • Up to 4%	<b>Class B and B1</b> • None
Switching Charge	• Up to 1%	
Redemption Charge	• None	
Contingent Deferred Sales Charge ("CDSC")	<b>Class A, A1 and B</b> • None	<b>Class B1</b> • Up to 4.0% of the net asset value per Share 1st Year – 4.0% 2nd Year – 3.0% 3rd Year – 2.0% 4th Year – 1.0% After end of 4th Year - None

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A and A1</b> • 1.5% per annum	<b>Class B and B1</b> • 1.50% per annum
Performance Fee	• Not Applicable	
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction	
Administration Fee	• Up to 0.4% per annum	
Accounting and valuation fee	• 0.02% per annum subject to an annual minimum fee of US\$20,000	
Distribution Charge	<b>Class A</b> • None  <b>Class A1</b> • 0.5% per annum	<b>Class B</b> • 0.60% per annum  <b>Class B1</b> • 1.25% per annum (including a shareholder servicing fee of 0.25% per annum)

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.

- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed, and (in the case of Class B1 Shares) deducting any CDSC payable from the gross redemption proceeds. Examples are as follows:

#### Class A, A1, B Shares

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

#### Class B1 Shares

Assuming net asset value per Share at \$11.00 at point of realisation

CDSC		CDSC amount	Gross Sale Proceeds	Net Sale proceeds
Year 1	4.00%	$(0.04 \times 1,000 \times 10.00) = \$400.00$	$(1,000 \times \$11.00) = \$11,000.00$	$\$11,000 - \$400 = \$10,600$
Year 2	3.00%	$(0.03 \times 1,000 \times 10.00) = \$300.00$	$(1,000 \times \$11.00) = \$11,000.00$	$\$11,000 - \$300 = \$10,700$
Year 3	2.00%	$(0.02 \times 1,000 \times 10.00) = \$200.00$	$(1,000 \times \$11.00) = \$11,000.00$	$\$11,000 - \$200 = \$10,800$
Year 4	1.00%	$(0.01 \times 1,000 \times 10.00) = \$100.00$	$(1,000 \times \$11.00) = \$11,000.00$	$\$11,000 - \$100 = \$10,900$
Year 5	0%	$(0.00 \times 1,000 \times 10.00) = \$0$	$(1,000 \times \$11.00) = \$11,000.00$	$\$11,000 - \$0 = \$11,000$

Where:

CDSC amount = (CDSC X Number of Shares X lower of (a) Net Asset Value per Share or (b) original price paid for the Share)

Gross Sale Proceeds = (Number of Shares X Net Asset Value per Share)

Net Sale Proceeds = Gross Sale Proceeds – CDSC amount

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

Distributor

The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund EURO Government Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 17/01/2000 @Class A Dis: 13/09/1994 Class A1 Acc: 31/05/2002
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 0.63% Class A Dis: 0.63% Class A1 Acc: 1.19%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in bonds issued by governments of countries whose currency is the Euro.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by Eurozone governments. The Fund also has the flexibility to implement active currency positions either via currency forwards or via the above instruments.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds issued by governments of countries whose currency is the Euro.

Government bonds generally offer a more stable alternative to shares of companies, providing diversification and a relatively safer environment in more cautious times. The Investment Manager’s European Government Bond team decides the Fund’s strategy utilising the in-depth research and views of their specialist Economics team, which formulates views on global economic growth, inflation and

Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.



fiscal policy. The Economics team provides a valuable input to the Fund's investment decisions. The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage and take short positions.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to distribution policy risk (only applicable to Distribution Classes)

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Prior to 2 April 2013: Up to 5.00%</li> <li>With effect from 2 April 2013: Up to 3.00%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Prior to 2 April 2013: Up to 4.00%</li> <li>With effect from 2 April 2013: Up to 2.00%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>0.40% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.40% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund European Dividend Maximiser (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR (base currency)</b> Class A Acc: 5/10/2007 #Class A Dis: 5/10/2007  <b>USD Hedged</b> #Class A Dis: 16/04/2014
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 2.08% Class A Dis: 2.08%  <b>USD Hedged</b> Class A Dis: Not available
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek income and capital growth; and
- understand the risks of investing in European equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide income and capital growth primarily through investment in equity and equity related securities of European companies. The Fund will also selectively enter into option contracts to generate additional income, as more fully described below.

To enhance the yield of the Fund, the Investment Manager will selectively sell short dated call options over individual securities held by the Fund, in order to generate extra income by effectively agreeing target ‘strike’ prices at which those securities will be sold in the future.

The Investment Manager is also permitted to sell put options on securities to be bought in the future, at target prices that are pre-set below the current market level.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of European companies which offer a high dividend income and are selected for their long-term income and growth potential. At least 75% of the Fund will be invested in shares of companies that are incorporated in the European Economic Area. The Fund has no bias to any particular industry or size of company.

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

The Fund generates its income from two sources: dividends and cash received from selling some of the potential capital growth on the shares held in the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit.

**Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.
- This Fund makes use of financial derivative instruments in a way that is fundamental to its investment objective. This strategy will increase the income paid to investors and reduce the volatility of returns, but there is the potential the performance or capital value may be eroded.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.

- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.
- The Fund aims to deliver a target income of 8% per year but this is not guaranteed and could change depending on market conditions.

**You are exposed to operational risk.**

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

**Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	• Up to 5.00%
Switching Charge	• Up to 1%
Redemption Charge	• None

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

**Payable by the Fund from invested proceeds**

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	• 1.50% per annum
Performance Fee	• Not Applicable
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	• None

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund European Equity Alpha (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 31/01/2003 @Class A Dis: 28/04/2004 Class A1 Acc: 31/01/2003
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 1.98% Class A Dis: 1.98% Class A1 Acc: 2.40%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities in Europe.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of European companies. In order to achieve the objective the Investment Manager will invest in a select portfolio of securities, which it believes offer the best potential for future growth.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two thirds of the Fund (excluding cash) will be invested in a concentrated range of shares of European companies.

As an “Alpha” fund, the Fund invests in companies in which the Investment Manager has a high conviction that the current share price does not reflect the future prospects for that business. The Fund will typically hold fewer than 50 companies and has no bias to any particular industry or size of company.

The Fund is managed with a value-style basis, meaning a preference for investment in those companies

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.



the Investment Manager believes have been undervalued by the market and where movements in a company's price does not necessarily correspond with its long term prospects.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 117-119 of the Prospectus for further information.*

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>15% of the outperformance of the benchmark of the Fund, subject to the High Water Mark</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Distribution Shares:** Shares which distribute their income.

**High Water Mark:** the net asset value per Share at the end of any previous performance period.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund European Equity Yield (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR (base currency)</b> Class A Acc: 12/09/2005 #Class A Dis: 12/09/2005 Class A1 Acc: 12/09/2005  <b>SGD Hedged</b> #Class A Dis: 11/12/2013  <b>USD Hedged</b> #Class A Dis: 27/11/2013
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 2.04% Class A Dis: 2.04% Class A1 Acc: 2.46%  <b>SGD Hedged</b> Class A Dis: Not available  <b>USD Hedged</b> Class A Dis: Not available
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in European equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return primarily through investment in equity and equity related securities of European companies which offer attractive yields and sustainable dividend payments.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for the EUR A Dis Class will be declared as quarterly dividends and dividends for the SGD Hedged A Dis Class and the USD Hedged A Dis Class will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of European companies. The Fund has no bias to any particular country or industry.

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

The Fund invests in a diversified portfolio of high yielding equities in companies that the Investment Manager believes are attractive – firstly, because of the quality, sustainability and growth potential of their dividend and secondly, because the fundamental outlook for the companies is favourable. The Investment Manager's research focuses on identifying companies that are currently paying attractive levels of dividends while retaining enough cash to reinvest back into the company to generate future growth.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

### Market and Credit Risks

**You are exposed to market risk in Europe.**

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### Liquidity Risks

**You are exposed to liquidity risk.**

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

### Product-Specific Risks

**You are exposed to distribution policy risk (only applicable to Distribution Class).**

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

**You are exposed to counterparty risk.**

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.

- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund European Large Cap (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 17/01/2000 @Class A Dis: 04/12/1995 Class A1 Acc: 11/01/2002
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 1.76% Class A Dis: 1.76% Class A1 Acc: 2.43%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in European equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of European large cap companies. Large cap companies are companies which, at the time of purchase, are considered to form the top 80% by market capitalisation of the European market.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of large European companies. The companies will be in the top 80% by size of the European market at the time of purchase. At least 75% of the Fund will be invested in shares of companies that are incorporated in the European Economic Area. The Fund has no bias to any particular industry.

The Fund invests in quality businesses, with credible management teams, which the Investment Manager believes have been undervalued by the market. Investment decisions are based on in-depth research into a company’s financial and business strength, as well as regular meetings with the company’s

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.



management. To a lesser extent, the Investment Manager allows more macroeconomic or thematic views to influence portfolio positioning when they find pertinent opportunities.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.25% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund European Smaller Companies (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 17/01/2000 @Class A Dis: 07/10/1994 Class A1 Acc: 31/08/2001
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 2.01% Class A Dis: 2.01% Class A1 Acc: 2.43%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of smaller companies in Europe.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of smaller European companies. Smaller European companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of each European market.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of smaller-sized European companies. The companies will be in the bottom 30% by size of the European market at the time of purchase. The Fund has no bias to any particular industry.

Smaller companies offer investors exposure to some niche growth areas that, often, cannot be accessed through large companies. They also tend to grow more rapidly than larger firms and can go on to become household names. The Investment Manager’s investment approach centers on stock selection, which means they focus on each company’s ability to create value for shareholders, rather than try to predict what will happen in the wider economic environment.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.50% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund European Special Situations (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 31/03/2006 Class A1 Acc: 31/03/2006
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A: 1.97% Class A1: 2.39%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in European equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth through investment in equity securities of European companies. In order to achieve the objective of the Fund, the Investment Manager will invest in a select portfolio of securities in special situations, where the Investment Manager believes a special situation to be a company whose future prospects are not fully reflected in its valuation.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of European companies. The Fund has no bias to any particular industry or size of company.

The Fund invests companies whose future prospects, the Investment Manager believes, are not reflected in the current share price. The Investment Manager is particularly attracted to companies that are industry leaders; operators in markets with limited competition and high barriers to entry; or firms whose fortunes do not closely track the economic cycle. The Investment Manager’s focus is on finding companies with strong underlying businesses, solid market positions, good long-term growth drivers and excellent management teams.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.



## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	• 15% of the outperformance of the benchmark of the Fund, subject to the High Water Mark
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.50% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**High Water Mark:** the net asset value per Share at the end of any previous performance period.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund EURO Short Term Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 17/01/2000 @Class A Dis: 17/03/1998 Class A1 Acc: 24/10/2001
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Investment Adviser	Schroder Investment Management North America Inc.		
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 0.64% Class A Dis: 0.64% Class A1 Acc: 1.14%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in Euro denominated short term bonds issued by governments, government agencies and companies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a return of capital growth and income primarily through investment in a portfolio of short term bonds and other fixed and floating rate securities denominated in Euro and issued by governments, government agencies, supra-national and corporate issuers worldwide. The average maturity of the securities held in the portfolio must not exceed three years, whereas the residual maturity of any such security must not exceed five years. The Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in short term bonds in the euro currency issued by governments, government agencies and companies worldwide.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

The bonds held in the Fund will have an average maturity that will not exceed 3 years and the residual maturity of any such bond will not exceed 5 years. This means that the average remaining life of the bonds held in the Fund will be less than 3 years and the remaining life of every such bond will be less than 5 years.

The Fund focuses on bonds which have less than five years to run before they are repaid. These bonds normally offer the potential for higher returns than money market instruments, and tend to be less risky than longer-dated bonds.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage and take short positions.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Investment Adviser is Schroder Investment Management North America Inc..
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Europe.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Prior to 2 April 2013: Up to 5.00%</li><li>• With effect from 2 April 2013: Up to 3.00%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Prior to 2 April 2013: Up to 4.00%</li><li>• With effect from 2 April 2013: Up to 2.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the

directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Distribution Shares:** Shares which distribute their income.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Frontier Markets Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 15/12/2010
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.23%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in frontier markets equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of frontier markets\* companies.

\*Frontier markets are countries included in the MSCI Frontier Markets Index or any other recognised Frontier Markets financial index.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of frontier markets companies.

Frontier markets are at an even earlier stage of development than the emerging markets and offer some of the fastest rates of economic growth in the world. Frontier countries are characterised by large populations and low labour costs, and they also benefit from access to significant natural resources. Using proprietary research, the Investment Manager seeks to add value through country selection and their choice of stocks.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.



## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to structured products risk.

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to emerging market liquidity risk.

- Investments in emerging market securities can be difficult to sell quickly, which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• 15% of the outperformance of the benchmark of the Fund, subject to the High Water Mark</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**High Water Mark:** the net asset value per Share at the end of any previous performance period.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 17/1/2000 @Class A Dis: 3/6/1993  <b>EUR Hedged</b> Class A Acc: 2/11/2011 #Class A Dis: 2/11/2011  <b>USD Hedged</b> Class A Acc: 28/2/2013
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager Investment Adviser	Schroder Investment Management Limited Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 0.96% Class A Dis: 0.96%  <b>EUR Hedged</b> Class A Acc: 0.96% Class A Dis: 0.96%  <b>USD Hedged</b> Class A Acc: Not available as this Class has not been incepted as at 31 December 2012
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in bonds denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide. The Fund also has the flexibility to implement active currency positions through currency forwards, or via the above instruments. A maximum of 20% of the net assets of the Fund can be invested in securities with credit rating below investment grade (as measured by Standard & Poor’s or any equivalent grade of other credit rating agencies).

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for USD Distribution Classes will be declared as annual dividends and dividends for EUR Hedged Distribution Classes will be declared as quarterly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Share accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

For the Fund, the Investment Manager undertakes the hedging of the Shares of the Hedged Classes by considering the relevant underlying currency exposures within the benchmark of the Fund. Performance of these Hedged Classes may therefore vary significantly from equivalent Classes in the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

A maximum of 20% of the Fund will be invested in bonds that have been awarded lower ratings from credit agencies i.e. sub-investment grade bonds.

For those investors who are seeking to balance their portfolio, investment in global bonds can offer a good source of diversification whilst offering the lower risk profile associated with bond funds. Investors also get the chance to benefit from a wider range of opportunities.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage or take short positions.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Investment Adviser is Schroder Investment Management North America Inc..
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemptions requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to asset-backed/mortgage-backed securities risk.

- Mortgage or asset-backed securities may not receive in full the amounts owed to them by underlying borrowers.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## Fees and Charges

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 5.00%</li> <li>• With effect from 2 April 2013: Up to 3.00%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>• 0.75% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>• Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>• Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• None</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Climate Change Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 29/06/2007 Class A1 Acc: 29/06/2007  <b>SGD</b> Class A Acc: 10/08/2007  <b>EUR</b> Class A Acc: 29/06/2007 Class A1 Acc: 29/06/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.00% Class A1 Acc: 2.42%  <b>SGD</b> Class A Acc: 2.00%  <b>EUR</b> Class A Acc: 2.00% Class A1 Acc: 2.42%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equities securities of worldwide issuers which will benefit from efforts to accommodate or limit the impact of global climate change.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies worldwide. The Fund has no bias to any particular size of company.

The Investment Manager invests in companies that they believe will benefit from efforts to limit or adapt to the impact of global climate change. Examples include companies that provide renewable energy solutions, such as solar, wind power and biofuel, as well as companies that develop low-energy light bulbs and hybrid-powered cars. There are also compelling investment opportunities in the agriculture industry, with climate change making it vital to improve crop production.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 or further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Convertible Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 14/03/2008 Class A1 Acc: 14/03/2008 <b>EUR Hedged</b> Class A Acc: 28/03/2008 Class A1 Acc: 28/03/2008
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Switzerland) AG	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.65% Class A1 Acc: 2.00% <b>EUR Hedged</b> Class A Acc: 1.65% Class A1 Acc: 2.00%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in convertible bonds issued by companies worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a return of capital growth primarily through investment in a portfolio of convertible securities and other similar transferable securities, such as convertible preference securities, exchangeable bonds or exchangeable medium term notes, issued by corporate issuers worldwide. The Fund may also, to a limited extent, seek exposure to fixed and floating rate securities, equity securities and equity linked notes.

Hedged Classes aim to provide you with the performance returns of the Fund’s investments in the Fund’s base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund’s base currency.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in convertible bonds issued by companies worldwide.

The Fund, which has no regional constraints, provides broadly diversified exposure to the global convertible bond universe. Convertible bonds are simply corporate bonds that can be converted into shares at a given price. As such, investors can gain exposure to global equity markets, but with the defensive benefits and less volatile characteristics of a bond investment. The Fund aims to maximise these opportunities by rigorously evaluating the range of economic, regional, equity and corporate bond market considerations.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Switzerland) AG.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

### You are exposed to non-investment grade liquidity risk.

- Investments in non-investment grade securities can be difficult to sell quickly, which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to convertible bond liquidity risk.

- Investments in convertible bond securities can be difficult to sell quickly, which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>Up to 3.00%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>Up to 2.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>1.25% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>1.25% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.

- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

S\$11,000.00

(Redemption Proceeds)

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & & \times & & \text{S\$11.00} & & = \\ \text{(Number of Shares)} & & & & \text{(Net Asset Value per Share)} & & \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Corporate Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 01/07/2002 @Class A Dis: 01/07/2002 Class A1 Acc: 01/07/2002  <b>EUR Hedged</b> Class A Acc: 30/09/2004 #Class A Dis: 30/09/2004 Class A1 Acc: 22/03/2006  <b>SGD Hedged</b> @Class A Acc: 17/04/2009  <b>RMB Hedged</b> @Class A Dis: 7/11/2012
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.04% Class A Dis: 1.04% Class A1 Acc: 1.49%  <b>EUR Hedged</b> Class A Acc: 1.04% Class A Dis: 1.04% Class A1 Acc: 1.49%  <b>SGD Hedged</b> Class A Dis: 1.04%  <b>RMB Hedged</b> Class A Dis: 1.04%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in bonds in various currencies issued by companies worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers worldwide. A maximum of 20% of the net assets of the Fund will be held in securities issued by governments.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for the USD Distribution

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Classes will be declared as monthly dividends, dividends for the EUR Hedged Distribution Classes will be declared as quarterly dividends, for the SGD Hedged Distribution Classes will be declared as half yearly dividends and for the RMB Hedged Class will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds in various currencies issued by companies worldwide. A maximum of 20% of the Fund can be invested in bonds issued by governments and government agencies.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

The Investment Manager, supported by Schroders' global team of credit analysts, seeks to identify high quality companies which offer the best possible risk/reward profile. The Fund can also invest in non-corporate fixed income assets, usually as a defensive measure, if the Investment Manager deems necessary. Investing on a global basis allows investors to benefit from the best opportunities available around the world, and does not limit the Fund to a single region or market.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage and take short positions.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management North America Inc.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

**You are exposed to counterparty risk.**

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

**You are exposed to derivatives risk.**

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

**You are exposed to non-investment grade risk.**

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

**You are exposed to distribution policy risk (only applicable to Distribution Classes).**

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

**You are exposed to operational risk.**

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

**FEES AND CHARGES**

**WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?**

**Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<p><b>Class A</b></p> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 5.00%</li> <li>With effect from 2 April 2013: Up to 3.00%</li> </ul> <p><b>Class A1</b></p> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 4.00%</li> <li>With effect from 2 April 2013: Up to 2.00%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

**Payable by the Fund from invested proceeds**

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<p><b>Class A</b></p> <ul style="list-style-type: none"> <li>• 0.75% per annum</li> </ul> <p><b>Class A1</b></p> <ul style="list-style-type: none"> <li>• 0.75% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>• Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>• Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<p><b>Class A</b></p> <ul style="list-style-type: none"> <li>• None</li> </ul> <p><b>Class A1</b></p> <ul style="list-style-type: none"> <li>• 0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Dividend Maximiser (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 13/07/2007 #Class A Dis: 13/07/2007 Class A1 Acc: 13/07/2007  <b>SGD</b> Class A Acc: 12/10/2007 #Class A Dis: 12/10/2007  <b>EUR Hedged</b> #Class A Dis: 21/09/2011  <b>AUD Hedged</b> #Class A Dis: 16/04/2014
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.14% Class A Dis: 2.14% Class A1 Acc: 2.56%  <b>SGD</b> Class A Acc: 2.14% Class A Dis: 2.14%  <b>EUR Hedged</b> Class A Dis: 2.14%  <b>AUD Hedged</b> Class A Dis: Not available
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek income and capital growth; and
- understand the risks of investing in equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide income and capital growth primarily through investment in equities or equity related securities worldwide. The Fund will also selectively enter into option contracts to generate additional income, as more fully described below.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

To enhance the yield of the Fund the Investment Manager will selectively sell short dated call options over individual securities held by the Fund, in order to generate extra income by effectively agreeing target 'strike' prices at which those securities will be sold in the future.

The Investment Manager is also permitted to sell put options on securities to be bought in the future, at target prices that are pre-set below the current market level.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for the USD Distribution Class, the SGD Distribution Class and the EUR Hedged Distribution Class will be declared as quarterly dividends and for the AUD Hedged Distribution Class will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies worldwide, which offer a high dividend income and are selected for their long-term income and growth potential. The Fund has no bias to any particular industry or size of company.

The Fund generates its income from two sources, namely dividends and cash received from selling some of the potential capital growth on the shares held in the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to derivatives risk.

- The derivative strategy is applied repeatedly over three-monthly periods. This strategy will increase the income paid to investors and reduce the volatility of returns, but there is the potential the performance or capital value may be eroded.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>



## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their income so that the net income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Emerging Market Opportunities (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 19/01/2007 Class A1 Acc: 19/01/2007  <b>SGD</b> Class A Acc: 28/02/2007  <b>EUR</b> Class A Acc: 19/01/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.01% Class A1 Acc: 2.43%  <b>SGD</b> Class A Acc: 2.01%  <b>EUR</b> Class A Acc: 2.01%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in emerging markets equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return. The Fund may invest in equity and equity related securities of emerging market countries worldwide. The Fund may also invest in fixed income securities worldwide and liquidities for defensive purposes.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

The Fund will be invested in shares of companies in emerging markets. It may also invest in bonds and cash for defensive purposes. The Fund has no bias to any particular industry or size of company.

The Fund provides focused exposure to the best investment ideas generated by the Investment Manager's global team of emerging market experts. It has the flexibility to be aggressively positioned to maximise growth potential when market conditions are favourable and also to be cautiously positioned when stock markets are expected to be weak. The Fund can have up to 60% in cash and global bonds if necessary in order to protect returns during such periods. Typically, the majority of the Fund is invested in emerging market equities as the Investment Manager believes that these are likely to deliver strong returns over the longer term.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.5% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Energy (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 30/06/2006 Class A1 Acc: 30/06/2006 <b>EUR</b> Class A1 Acc: 12/01/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.97% Class A1 Acc: 2.39% <b>EUR</b> Class A1 Acc: 2.39%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of resource-related companies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in securities of companies active in the energy sector.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in a concentrated range of shares of resource-related companies. The Fund will typically hold fewer than 50 companies and has a bias towards smaller and medium sized companies.

The Fund focuses the Investment Manager’s highest conviction investment ideas, which largely comprise traditional oil and gas-based companies, but also can include companies involved in infrastructure, utilities, renewable and alternative energy. The Fund will have a bias towards exploration and production companies. The Fund focuses on companies with attractive longer term growth prospects, often supported by rising production, which the Investment Manager believes are misunderstood and undervalued by the market. The Investment Manager believes that energy is an ongoing investment theme, which should continue to provide compelling returns for investors especially over the long term.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.



## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Equity Alpha (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 29/07/2005 @Class A Dis: 26/09/2008  <b>EUR</b> Class A Acc: 28/03/2006
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.98% Class A Dis: 1.98%  <b>EUR</b> Class A Acc: 1.98%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of companies worldwide. In order to achieve the objective the Investment Manager will invest in a select portfolio of securities, which it believes offer the best potential for future growth. If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency.

As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in a concentrated range of shares of companies worldwide.

As an “Alpha” fund, the Fund invests in companies in which the Investment Manager has a high conviction that the current share price does not reflect the future prospects for that business. The Fund will typically hold fewer than 50 companies and has no bias to any particular industry or size of company.

The Investment Manager considers investment opportunities that reflect the importance of themes that drive longer term growth in companies, including climate change, changes to population demographics and the rising importance of emerging market countries within the world economy.

The Investment Manager's approach takes advantage of the most attractive investment opportunities, throughout the global investment universe, without regional constraint. They combine in-depth knowledge with global expertise to identify attractively-valued, quality growth stocks with a sustainable competitive advantage. Extensive local research generates globally-diverse investment ideas which are viewed in a global context, selecting stocks based on ‘best in class’.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the “Important Information” section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Distribution Shares: Shares which distribute their income.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 03/06/2005 @Class A Dis: 03/06/2005
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.81% Class A Dis: 1.81%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of companies worldwide.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies worldwide.

The Fund invests in a broad range of stocks spread across the world, with the aim of delivering strong returns over the long term. The Investment Manager focuses on their best investment ideas, which are identified by characteristics such as a company’s medium-term growth prospects, attractive stock valuation, management quality, financial position and sustainable competitive advantage.

The Investment Manager considers investment opportunities that reflect the importance of themes that drive longer term growth in companies, including climate change, changes to population demographics and the rising importance of emerging market countries within the world economy.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The Investment Manager's approach takes advantage of the most attractive investment opportunities, throughout the global investment universe, without regional constraint. They combine in-depth knowledge with global expertise to identify attractively-valued, quality growth stocks with a sustainable competitive advantage. Extensive local research generates globally-diverse investment ideas which are viewed in a global context, selecting stocks based on 'best in class'.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

### Market and Credit Risks

#### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### Liquidity Risks

#### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

### Product-Specific Risks

#### You are exposed to distribution policy risk (only applicable to Distribution Class).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

#### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.



## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> • Up to 5%
Switching Charge	• Up to 1%
Redemption Charge	• None

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> • 1.25% per annum
Performance Fee	• Not Applicable
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	<b>Class A</b> • None

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl}
 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\
 \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)}
 \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Equity Yield (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 29/07/2005 Class A1 Acc: 29/07/2005  <b>EUR</b> Class A Acc: 17/03/2006 Class A1 Acc: 17/03/2006
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.05% Class A1 Acc: 2.47%  <b>EUR</b> Class A Acc: 2.05% Class A1 Acc: 2.47%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return primarily through investment in equity and equity related securities of companies worldwide which offer attractive yields and sustainable dividend payments.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies worldwide offering attractive and sustainable dividend payments.

The Fund has a natural bias toward companies that pay out an above-average dividend. The Investment Manager combines top-down analysis (looking at global growth trends, interest rate cycles and currencies) with bottom-up analysis (looking at key metrics including capital discipline, operational efficiency and stability of earnings). Through extensive research and a disciplined investment approach, the Investment Manager believes that they can find good opportunities globally to invest in robust, well-managed and cash-generative businesses with sustainable earnings power.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>• Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & & \times & & \text{S\$11.00} & & = & & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & & & \text{(Net Asset Value per Share)} & & & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global High Income Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 25/01/2011 #Class A Dis: 25/01/2011
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.84% Class A Dis: 1.84%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in bonds and other fixed and floating rate debt securities denominated in various currencies issued by governments, government agencies and companies worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a high income return primarily through investment in a portfolio of bonds and other fixed and floating rate debt securities denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds and other fixed and floating rate debt securities denominated in various currencies issued by governments, government agencies and companies worldwide.

The Fund invests in bonds that have been awarded lower ratings from credit agencies, known as sub-investment grade bonds. A maximum of 20% of the Fund will be invested in asset-backed securities and mortgage-backed securities. The Fund seeks to generate a high income by investing in emerging market government bonds, emerging market corporate bonds and developed market high yield corporate bonds.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Using a well-defined, multi-stage investment process, the Investment Manager allocates funds across these sectors, reflecting their views on which sectors and companies are most likely to outperform in the prevailing environment. The Investment Manager also actively manages currency positions to provide an additional source of return.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage and take short positions.

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management North America Inc..
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

### Market and Credit Risks

#### You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### Liquidity Risks

#### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

### Product-Specific Risks

#### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

#### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

#### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

#### You are exposed to non-investment grade risk.

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.



### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>Up to 3.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>1.0% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Distribution Shares:** Shares which distribute their income.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global High Yield (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 16/04/2004 @Class A Dis: 30/11/2004 Class A1 Acc: 16/04/2004  <b>EUR Hedged</b> Class A Acc: 16/04/2004 Class A1 Acc: 30/11/2004
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager Investment Adviser (in respect of the EUR and GBP denominated assets of the Fund)	Schroder Investment Management North America Inc. Schroder Investment Management North America Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.28% Class A Dis: 1.28% Class A1 Acc: 1.73%  <b>EUR Hedged</b> Class A Acc: 1.28% Class A1 Acc: 1.73%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in bonds issued by governments, government agencies and companies worldwide in various currencies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers worldwide. A minimum of 70% of the net assets of the Fund will be invested in securities with a credit rating below investment grade (as measured by Standard & Poor’s or any equivalent grade of other credit rating agencies).

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as quarterly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

The Fund will be invested in bonds issued by governments, government agencies and companies worldwide in various currencies. A minimum of 70% of the Fund (excluding cash) will be invested in bonds that have been awarded lower ratings from credit agencies. These bonds are known as sub-investment grade bonds.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

Although high yield bonds are typically perceived to have higher levels of risk, the additional income they offer over an investment grade bond is intended to compensate for this. The Fund is dedicated to getting the best out of the high yield universe. The Investment Manager works with their global team of credit experts to evaluate economic, market, sector and other risks in order to determine the bonds that offer the best risk/reward profiles.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage and take short positions.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management North America Inc..
- The Investment Adviser (in respect of the EUR and GBP denominated assets of the Fund) is Schroder Investment Management North America Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to non-investment grade risk.

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

**You are exposed to counterparty risk.**

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

**You are exposed to derivatives risk.**

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

**You are exposed to distribution policy risk (only applicable to Distribution Class).**

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

**You are exposed to operational risk.**

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

**FEES AND CHARGES**

**WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?**

**Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<p><b>Class A</b></p> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 5.00%</li> <li>• With effect from 2 April 2013: Up to 3.00%</li> </ul> <p><b>Class A1</b></p> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 4.00%</li> <li>• With effect from 2 April 2013: Up to 2.00%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

**Payable by the Fund from invested proceeds**

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<p><b>Class A</b></p> <ul style="list-style-type: none"> <li>• 1.00% per annum</li> </ul> <p><b>Class A1</b></p> <ul style="list-style-type: none"> <li>• 1.00% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>• Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>• Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<p><b>Class A</b></p> <ul style="list-style-type: none"> <li>• None</li> </ul> <p><b>Class A1</b></p> <ul style="list-style-type: none"> <li>• 0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

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(Singapore) Ltd**

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Distributor

The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Inflation Linked Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR (base currency)</b> Class A Acc: 28/11/2003 Class A1 Acc: 28/11/2003 <b>USD Hedged</b> Class A Acc: 31/03/2004
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 0.95% Class A1 Acc: 1.50% <b>USD Hedged</b> Class A Acc: 0.95%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in inflation-linked bonds issued by governments, government agencies and companies worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a combination of capital growth and income primarily through investment in a portfolio of inflation-linked debt securities issued by governments, government agencies, supra-national and corporate issuers worldwide. The Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

Hedged Classes aim to provide you with the performance returns of the Fund’s investments in the Fund’s base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund’s base currency.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in inflation-linked bonds issued by governments, government agencies and companies worldwide.

Inflation-linked bonds provide protection against the effects of rising prices as generally both the value of the original amount borrowed and the interest payments move in line with consumer prices.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.



The Fund may use leverage and take short positions.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Prior to 2 April 2013: Up to 5.00%</li> <li>With effect from 2 April 2013: Up to 3.00%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Prior to 2 April 2013: Up to 4.00%</li> <li>With effect from 2 April 2013: Up to 2.00%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>0.75% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.75% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Managed Currency (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 2/06/2009 @Class A Dis: 2/06/2009 Class A1 Acc: 2/06/2009
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.29% Class A Dis: 1.29% Class A1 Acc: 1.79%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and/or diversification of portfolio currency risk; and
- understand the risks of investing in a basket of world currencies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund invests in a basket of world currencies with the aim of providing capital growth and/or the opportunity to diversify portfolio currency risk.

The Fund may invest in cash, deposits and fixed income instruments in any currency, provided that (i) at the time of acquisition, the average initial or residual maturity of all such securities held in the portfolio does not exceed 12 months, taking into account any financial instruments connected therewith, or (ii) the terms and conditions governing those securities provide that the applicable interest rate is adjusted at least annually on the basis of market conditions. The Fund may also invest in currency related derivatives including but not limited to forwards, futures, swaps and options.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

The Fund invests in a diversified portfolio of currencies, which is established through buying currency instruments and money market instruments denominated in different currencies.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

The Fund aims to preserve and increase investors' global purchasing power over the long term by investing in a diversified basket of cash instruments. Unlike many other currency vehicles, the Fund can invest in any currency around the world, including the emerging markets, where, historically, a lot of value has been generated. As such, investors can broadly diversify their cash holdings, gaining exposure to the world's best performing currencies and gaining an alternative to cash and government bonds that can deliver a higher yield and the potential for capital gains.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to money market & deposits risk.

- Investments in money market instruments and deposits with financial institutions may be subject to price fluctuation or default by the issuer. Some of the amounts deposited may not be returned to the Fund.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Prior to 2 April 2013: Up to 5.00%</li><li>With effect from 2 April 2013: Up to 3.00%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Prior to 2 April 2013: Up to 4.00%</li><li>With effect from 2 April 2013: Up to 2.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

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Distribution Shares: Shares which distribute their income.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Multi-Asset Income (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 18/04/2012 #Class A Dis: 18/04/2012 Class A1 Acc: 18/04/2012 #Class A1 Dis: 18/04/2012  <b>SGD</b> Class A Acc: 18/09/13  <b>SGD Hedged</b> #Class A Dis: 28/02/2013 Class A Acc: 18/09/13  <b>AUD Hedged</b> @Class A Dis: 17/04/2013  <b>RMB Hedged</b> #Class A Dis: 26/6/2013  <b>EUR Hedged</b> Class A Acc: 18/04/2012 #Class A Dis: 18/04/2012  <b>GBP Hedged</b> #Class A Dis: 17/04/2013
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD (base currency)</b> Class A Acc: 1.69% #Class A Dis: 1.69% Class A1 Acc: 2.19% #Class A1 Dis: 2.19%  <b>EUR Hedged</b> Class A Acc: 1.69% #Class A Dis: 1.69%  <b>SGD, SGD Hedged, AUD Hedged, RMB Hedged and GBP Hedged</b> Not available as the Classes have not been incepted as at 31 December 2012
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in shares and bonds of companies worldwide, bonds and currencies of governments and government agencies worldwide or indirectly through funds and derivatives.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.



## KEY PRODUCT FEATURES

### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide income and capital growth over the medium to longer term by investing primarily in global equities and global fixed income securities directly or indirectly through the use of Investment Funds or financial derivative instruments (including, but not limited to, futures, options and credit default swaps).

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for the USD A Distribution Class, the USD A1 Distribution Class, the SGD Hedged A Distribution Class, the AUD Hedged A Distribution Class, the RMB Hedged A Distribution Class and the GBP Hedged A Distribution Class will be declared as monthly dividends and dividends for the EUR Hedged A Distribution Class will be declared as quarterly distributions. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund’s investments in the Fund’s base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund’s base currency.

*Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.*

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested directly in shares and bonds of companies worldwide, bonds and currencies of governments and government agencies worldwide or indirectly through funds and derivatives. The Fund will not invest more than 10% into funds.

The Fund aims to provide a sustainable level of income. It invests in a broad range of assets from around the world, and seeks to identify attractive sources of income whilst diversifying risk. The regional allocation and allocation to asset classes may vary over time.

The Fund may also hold cash on deposit. **Financial derivative instruments and cash may be used to achieve the investment objective, to reduce risk or manage the Fund more efficiently.**

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

### Parties Involved

#### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited. With effect from 1 July 2013, the investment management of a portion of the fixed income portfolio of the Fund will be delegated by Schroder Investment Management Limited to Schroder Investment Management (Singapore) Ltd.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

### Market and Credit Risks

#### You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer’s individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to non-investment grade risk.

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market credit and default risk.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.25% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & & & & \\ \text{(Number of Shares)} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Property Securities (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 31/10/2005 Class A1 Acc: 31/10/2005  <b>EUR Hedged</b> Class A Acc: 31/10/2005 Class A1 Acc: 31/10/2005
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.98% Class A1 Acc: 2.40%  <b>EUR Hedged</b> Class A Acc: 1.98% Class A1 Acc: 2.40%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in shares of property companies worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims provide a total return primarily through investment in equity securities of property companies worldwide.

Hedged Classes aim to provide you with the performance returns of the Fund’s investments in the Fund’s base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund’s base currency.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of property companies worldwide.

The Fund invests in global property companies which generate the majority of their earnings from property investment related activities. This gives the Investment Manager flexible access to commercial property markets in many countries, where it may be difficult and costly to benefit through buying property directly. The Fund is able to gain exposure to office, retail, industrial, hotel and residential properties. The Investment Manager’s global presence enables them to take advantage of the world’s varying property cycles rather than just relying on the real estate trends in one region.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>• Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & & \times & & \text{S\$11.00} & & = & & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & & & \text{(Net Asset Value per Share)} & & & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Global Smaller Companies (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 24/02/2006 @Class A Dis: 24/02/2006 Class A1 Acc: 24/02/2006
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager Investment Adviser	Schroder Investment Management Limited Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.02% Class A Dis: 2.02% Class A1 Acc: 2.44%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of smaller companies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of smaller-sized companies worldwide. Smaller-sized companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of each individual market.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of smaller-sized companies worldwide. The companies will be in the bottom 30% by size of each individual market at the time of purchase. The Fund has no bias to any particular industry.

The Investment Manager believes smaller companies can provide higher growth prospects than larger companies over the longer term, due to the fact they are typically in the early stages of their development.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Smaller companies are also less researched than larger ones. The Investment Manager believes that their focus on finding companies that offer sustainable growth patterns and are trading on compelling valuations should reward the Fund's investors.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Investment Adviser is Schroder Investment Management North America Inc..
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>15% of the outperformance of the benchmark of the Fund, subject to the High Water Mark</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.50% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Distribution Shares: Shares which distribute their income.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

High Water Mark: the net asset value per Share at the end of any previous performance period.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Greater China (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 12/05/1995 Class A1 Acc: 26/02/2003
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Hong Kong) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.99% Class A1 Acc: 2.41%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in China, Hong Kong and Taiwan equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of People’s Republic of China, Hong Kong SAR and Taiwan companies.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies in People’s Republic of China, Hong Kong and Taiwan. The Fund has no bias to any particular industry or size of company.

China’s economic growth is creating many investment opportunities across a broad range of sectors in Greater China (China, Hong Kong and Taiwan). The Investment Manager believes that the Fund is strongly positioned to capture this investment potential through their rigorous research. The Investment Manager focuses exclusively on identifying the most compelling investment stories in Greater China, which should result in the most promising returns over the longer term.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Hong Kong) Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in Greater China.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to risks specific to China.

- Changes in China's political, social or economic policies may significantly affect the value of the Fund's investments. China's tax law is also applied under policies that may change without notice and with retrospective effect.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Hong Kong Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>HKD</b> Class A Acc: 26/01/1988 Class A1 Acc: 9/08/2002 <b>USD</b> Class A Acc: 30/03/2011
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Hong Kong) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>HKD</b> Class A Acc: 1.98% Class A1 Acc: 2.40% <b>USD</b> Class A Acc: 1.98%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in Hong Kong equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of Hong Kong SAR companies.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Hong Kong companies. The Fund has no bias to any particular industry or size of company.

The Investment Manager believes that the region offers superior economic growth potential, with China and India providing key support. Companies in the region are also in generally good shape, with disciplined capital spending and healthy balance sheets. The Investment Manager’s extensive resources and in-depth research means that they are strongly positioned to identify the most promising investment opportunities, which they believe should enable them to reward investors with strong returns over the long term.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Hong Kong) Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in Hong Kong.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to risks specific to China.

- Changes in China's political, social or economic policies may significantly affect the value of the Fund's investments. China's tax law is also applied under policies that may change without notice and with retrospective effect.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & & \times & & \text{S\$11.00} & & = & & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & & & \text{(Net Asset Value per Share)} & & & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

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Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

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**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Indian Opportunities (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 10/9/2013
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Singapore) Ltd	Dealing Frequency	Every Dealing Day
Investment Advisers	Schroder Investment Management (Hong Kong) Limited		
	Schroder Investment Management Limited Axis Asset Management Company Limited		
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: Not available
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of Indian companies or companies which have a substantial business exposure to India.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth.

The Fund will invest primarily in equity and equity related securities of Indian companies or companies which have a substantial business exposure to India. The Fund will invest in a select portfolio of securities, which the Investment Manager believes offer the best opportunities for future growth. There are no market capitalisation restrictions on the securities that can be held.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Indian companies or companies expected to benefit from the growth of the Indian market. Typically holding between 35-70 companies, the Fund will have no bias to any particular size of company or industry.

The Investment Manager believes that India will benefit from long-term growth trends, such as demographic change, income growth, increasing infrastructure and consumer spending as well as the continuing economic development of the country. They believe that with their extensive resources and in-depth research, they are well positioned to identify attractive investment opportunities.

The Fund may also invest in other financial instruments and hold cash on deposit.

**Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Investment Advisers are Schroder Investment Management (Hong Kong) Limited, Schroder Investment Management Limited and Axis Asset Management Company Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in India.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to emerging markets and frontier risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## You are exposed to structured products risk.

- In order to access restricted markets, the Fund may invest in structured products. Should the counterparty default, the value of these structured products may be nil.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Japanese Equity Alpha (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>JPY</b> Class A Acc: 27/02/2004 Class A1 Acc: 27/02/2004  <b>USD</b> Class A Acc: 12/03/2004
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Japan) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>JPY</b> Class A Acc: 1.99% Class A1 Acc: 2.41%  <b>USD</b> Class A Acc: 1.99%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of small and medium-sized companies in Japan.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of Japanese companies.

Refer to “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in a concentrated range of shares of Japanese companies.

As an “Alpha” fund, the Fund invests in companies in which the Investment Manager has a high conviction that the current share price does not reflect the future prospects for that business. The Fund will typically hold fewer than 50 companies.

The Fund has an emphasis on small and medium-sized companies. In terms of investment research, this area of the market is not as widely covered as the largest companies in Japan. As a result, there is considerable scope for the Investment Manager’s intensive company-by-company research to uncover good investment opportunities that have been overlooked by other investors.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Japan) Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk in Japan.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>• Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• 15% of the outperformance of the benchmark of the Fund, subject to the High Water Mark</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**High Water Mark:** the net asset value per Share at the end of any previous performance period.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Japanese Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>JPY (base currency)</b> Class A Acc: 17/01/2000 @Class A Dis: 02/08/1993 Class A1 Acc: 31/08/2001  <b>USD</b> Class A1 Acc: 28/06/2002  <b>USD Hedged</b> Class A Acc: 27/3/2013
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Japan) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>JPY</b> Class A Acc: 1.74% Class A Dis: 1.74% Class A1 Acc: 2.41%  <b>USD</b> Class A1 Acc: 2.41%  <b>USD Hedged</b> Class A Acc: Not available as this Class has not been incepted as at 31 December 2012
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in Japanese equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of Japanese companies.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Japanese companies. The Fund has no bias to any particular industry or size of company.

The Fund aims to make the most of the considerable investment potential in the Japanese market. The Fund looks to invest in companies that can continue to grow their profits and with management teams focused on improving efficiency, as the Investment Manager believes these have the best prospects over the longer term.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Japan) Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Japan.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.25% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)¹.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Japanese Opportunities (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>JPY (base currency)</b> Class A Acc: 1/12/2006 @Class A Dis: 1/12/2006  <b>USD</b> Class A1 Acc: 12/1/2007  <b>USD Hedged</b> Class A Acc: 26/6/2013
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Japan) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>JPY</b> Class A Acc: 1.95% Class A Dis: 1.96%  <b>USD</b> Class A1 Acc: 1.95%  <b>USD Hedged</b> Class A Acc: Not available as this Class has not been inceptioned as at 31 December 2012
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in Japanese equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth.

The Fund may invest primarily in equity securities of Japanese companies. The Fund seeks to identify and invest in significantly undervalued stocks by estimating fair value of a stock based on mid to long term earnings outlook and qualitative factors (sustainability of above average earnings growth, quality of earnings, management capability, and degree of shareholder focus). It will keep holding the position for a long time until the market reflects the value of a stock. The Fund has a long term smaller cap bias.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

¹ The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Japanese companies.

The Fund seeks to identify and invest in significantly undervalued stocks by estimating the fair value of a stock based on the mid to long term earnings outlook as well as the quality of earnings and company management. It will keep holding the position for a long time until the market reflects the value of a stock. The Fund has a long term smaller cap bias but has no bias to any particular industry.

The Fund may also invest in other financial instruments and hold cash on deposit.

**Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Japan) Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

**You are exposed to market risk in Japan.**

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

**You are exposed to liquidity risk.**

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

**You are exposed to distribution policy risk (only applicable to Distribution Classes).**

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

**You are exposed to counterparty risk.**

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	• Up to 5.00%
Switching Charge	• Up to 1%
Redemption Charge	• None

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	• 1.50% per annum
Performance Fee	• Not Applicable
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	• None

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Japanese Smaller Companies (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>JPY</b> Class A Acc: 17/01/2000 @Class A Dis: 13/10/1993 Class A1 Acc: 11/01/2002
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Japan) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>JPY</b> Class A Acc: 2.01% Class A Dis: 2.01% Class A1 Acc: 2.43%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of smaller companies in Japan.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of smaller Japanese companies. Smaller Japanese companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the Japanese market.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of smaller-sized Japanese companies. The companies will be in the bottom 30% by size of the Japanese market at the time of purchase. The Fund has no bias to any particular industry.

The Japanese smaller-companies market is inefficiently researched, meaning there is the opportunity to invest in good quality companies which may not have been identified by other investors. The Investment Manager’s focus is to invest in attractively-valued companies with solid medium to long-term growth potential, which have strong positions in promising markets and a sound financial footing.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Japan) Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Japan.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> • Up to 5%  <b>Class A1</b> • Up to 4%
Switching Charge	• Up to 1%
Redemption Charge	• None

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> • 1.50% per annum  <b>Class A1</b> • 1.50% per annum
Performance Fee	• Not Applicable
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	<b>Class A</b> • None  <b>Class A1</b> • 0.5% per annum

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Korean Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 10/09/2004 @Class A Dis: 10/09/2004 Class A1 Acc: 10/09/2004
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager Investment Adviser	Schroder Investment Management (Singapore) Ltd. Schroders Korea Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.05% Class A Dis: 2.05% Class A1 Acc: 2.47%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in Korean equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of Korean companies.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Korean companies. The Fund does not have any bias to any particular industry or sector.

The Fund will typically hold fewer than 70 companies and focuses on the Investment Manager’s highest-conviction investment ideas. This offers investors access to high quality Korean companies operating on a global scale where company profits are still growing. The portfolio is constructed around the ‘super cycle’ themes of demographic change, climate change and growth in emerging markets. These are

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

issues which the Investment Manager believes will drive the Korean economy over the long term.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Singapore) Ltd.
- The Investment Adviser is Schroders Korea Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Korea.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl}
 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\
 \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)}
 \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Distribution Shares: Shares which distribute their income.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Latin American (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 17/01/2000 @Class A Dis: 15/07/1998 Class A1 Acc: 31/05/2002  <b>SGD</b> Class A Acc: 07/07/2006  <b>EUR</b> Class A Acc: 22/03/2006
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.02% Class A Dis: 2.02% Class A1 Acc: 2.44%  <b>SGD</b> Class A Acc: 2.02%  <b>EUR</b> Class A Acc: 2.02%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in Latin American equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of Latin American companies.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Latin American companies. The Fund has no bias to any particular industry or size of company.

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

The case for investing in Latin America is strong, with these countries generally in much better financial shape when compared to the past. The region also has large reserves of natural resources. This puts Latin American economies in a strong position to supply to the developed world, where many of these resources are becoming increasingly scarce, as well as to strongly growing emerging economies. The depth of the Investment Manager's investment resources and their commitment to highly-detailed 'on the ground' research enable them to make the most of this compelling investment potential.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Latin America.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

## You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 4%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.

- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & & & & \\ \text{(Number of Shares)} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Middle East (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 3/09/2007 Class A1 Acc: 3/09/2007  <b>EUR</b> Class A Acc: 3/09/2007 Class A1 Acc: 3/09/2007  <b>SGD</b> Class A Acc: 31/01/08
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.15% Class A1 Acc: 2.57%  <b>EUR</b> Class A Acc: 2.15% Class A1 Acc: 2.57%  <b>SGD</b> Class A Acc: 2.15%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing Middle Eastern equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity and equity related securities of Middle Eastern companies including companies in emerging Mediterranean markets. The portfolio may also, to a limited extent, seek exposure to the markets of Northern Africa.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of Middle Eastern companies. The Fund has no bias to any particular industry or size of company.

Middle Eastern countries are at a relatively early stage in their development and have strong long-term growth potential. While many of these countries continue to benefit from oil and gas riches, they are investing in new products and skills to diversify away from reliance on energy exports. The region has a young, fast-growing population which should also contribute to more rapid economic development. The Investment Manager's highly-detailed research in these countries and the depth of their investment resources enable them to access the best investment opportunities.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in the Middle East.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund QEP Global Active Value (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 29/10/2004 @Class A Dis: 29/10/2004 Class A1 Acc: 29/10/2004 Class C Acc: 29/10/2004 @Class C Dis: 29/10/2004  <b>EUR</b> Class A Acc: 28/03/2006 Class A1 Acc: 28/03/2006 Class C Acc: 28/03/2006  <b>EUR Hedged</b> Class A Acc: 29/06/2007 Class C Acc: 29/06/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.74% Class A Dis: 1.74% Class A1 Acc: 2.41% Class C Acc: 1.31% Class C Dis: 1.31%  <b>EUR</b> Class A Acc: 1.74% Class A1 Acc: 2.41% Class C Acc: 1.31%  <b>EUR Hedged</b> Class A Acc: 1.74% Class C Acc: 1.31%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return primarily through active investment in a diversified value style biased portfolio of equity and equity related securities of companies worldwide. If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

For the Fund, the Investment Manager undertakes the hedging of the Shares of the hedged Share Classes by considering the relevant proportionate underlying currency exposures of the Sub-Fund. Performance of these hedged Share Classes may therefore vary significantly from equivalent Share Classes in the Sub-Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies worldwide that meet the Investment Manager's "value" criteria. This means looking at indicators such as dividends and cash flow to determine those shares that the Investment Manager believes have been undervalued by the market, and where a company's price does not necessarily correspond with its long-term prospects.

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

The Investment Manager's views on the factors that contribute to share price returns are fed into a model which allows them to analyse over 15,000 companies on a daily basis. They are then able to build a highly diversified portfolio of over 500 companies minimising the risk that the performance of a single stock could significantly affect the performance of the overall portfolio.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>	<b>Class C</b> <ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>	
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>	

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.25% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>	<b>Class C</b> <ul style="list-style-type: none"> <li>1% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>	
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>	
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>	
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>	
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>	<b>Class C</b> <ul style="list-style-type: none"> <li>None</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

Distributor

The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

QEP: quantitative equity products.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund QEP Global Emerging Markets (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 29/03/2012 <b>EUR</b> Class A Acc: 29/03/2012
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 2.35% <b>EUR</b> Class A Acc: 2.35%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in emerging markets equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth. The Fund may primarily invest in equity and equity related securities of companies in emerging markets countries. The Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques that aim to achieve an optimal allocation between value style biased and quality style biased companies.

The Investment Manager views value style biased companies as those whose stocks are attractively valued relative to their peers based on factors such as dividends, earnings, sales, assets and cash flow. Quality style biased companies are defined on measures of company profitability, stability and financial strength. Combining both drivers in a single portfolio offers investors the potential of outperformance across a broader range of market environments.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies in emerging markets countries. The Fund has no bias to any particular industry or size of company.

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

The Investment Manager's views on the factors that contribute to share price returns are fed into a model which allows them to analyse over 4,000 companies on a daily basis. They are then able to build a highly diversified portfolio of over 300 companies minimising the risk that performance of a single stock could significantly affect the overall performance of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit.

**Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to emerging and frontier markets risk.

- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>Up to 5%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>None</li></ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**QEP:** quantitative equity products.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund QEP Global Quality (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 17/10/2007 <b>EUR</b> Class A Acc: 17/10/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.74% <b>EUR</b> Class A Acc: 1.74%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return primarily through investment in equity and equity related securities of companies worldwide whose financial characteristics show a high quality bias. In order to achieve the objective, the Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques that apply a quality screen, including factors such as low leverage and stable profitability.

Refer to the “Important Information” section and Para 1 and 4 on page 7 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in shares of companies worldwide that meet the Investment Manager’s ‘quality’ criteria. This means looking at indicators such as a company’s profitability, stability and financial strength.

The Investment Manager’s views on the factors that contribute to share price returns are fed into a model which allows them to analyse over 5,000 companies on a daily basis. They are then able to build a highly diversified portfolio of over 400 companies minimising the risk that the performance of a single stock could significantly affect the performance of the overall portfolio.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.

## Product-Specific Risks

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

Refer to Para 7.1 on page 108 of the Prospectus for further information.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.25% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**QEP:** quantitative equity products.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.



This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Strategic Bond (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 30/09/2004 #Class A Dis: 15/04/2005 Class A1 Acc: 30/09/2004  <b>EUR Hedged</b> Class A Acc: 30/09/2004 Class A1 Acc: 30/09/2004
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager Investment Adviser	Schroder Investment Management Limited Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.31% Class A Dis: 1.31% Class A1 Acc: 1.76%  <b>EUR Hedged</b> Class A Acc: 1.31% Class A1 Acc: 1.76%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in bonds issued by governments, government agencies and companies worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a total return primarily through investment in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide. As part of its primary objective, the Fund also has the flexibility to implement active currency positions either via currency forwards or via the above instruments. The full spectrum of available securities, including non-investment grade, may be utilised.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as monthly dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds and currencies. The bonds will be issued by governments, government agencies and companies worldwide.

The Fund has no set target in respect of any country or sector but has the flexibility to focus on investments which offer the most attractive opportunities.

The Fund uses a flexible, opportunistic investment approach to maximise the return opportunities from global bond markets throughout the market cycle. The Fund is free to invest globally, across region, bond type and credit quality. It can invest in sovereign debt in the developed and emerging economies as well as investment grade and non-investment grade corporate bonds, giving the Investment Manager the freedom to take advantage of the best opportunities across fixed income.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage and take short positions.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Investment Adviser is Schroder Investment Management North America Inc..
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to non-investment grade risk.

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to asset-backed/mortgage-backed securities risk.

- Mortgage or asset-backed securities may not receive in full the amounts owed to them by underlying borrowers.

**You are exposed to debt securities risk.**

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

**You are exposed to counterparty risk.**

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost. You are exposed to distribution policy risk (only applicable to Distribution Classes)

**You are exposed to distribution policy risk (only applicable to Distribution Classes).**

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

**You are exposed to derivatives risk.**

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

**You are exposed to leverage risk.**

- The Fund makes significant use of financial derivative instruments, which may amplify gains and losses on its investments.

**You are exposed to non-investment grade liquidity risk.**

- Investments in non-investment grade securities can be difficult to sell quickly, which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

**You are exposed to operational risk.**

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

**FEES AND CHARGES**

**WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?**

**Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

Initial Charge	<p><b>Class A</b></p> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 5.00%</li> <li>With effect from 2 April 2013: Up to 3.00%</li> </ul> <p><b>Class A1</b></p> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 4.00%</li> <li>With effect from 2 April 2013: Up to 2.00%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

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Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Swiss Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>CHF</b> Class A Acc: 17/01/2000 @Class A Dis: 18/12/1995 Class A1 Acc: 31/08/2001
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management (Switzerland) AG	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>CHF</b> Class A Acc: 1.73% Class A Dis: 1.73% Class A1 Acc: 2.40%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in Swiss equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of Swiss companies.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

#### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in a concentrated range of shares of Swiss companies. This means typically holding 30 to 50 companies.

The Fund invests in companies that offer strong cash flow generation and reasonable valuations. It benefits from a bias towards small and medium-sized companies because they are generally less well researched by other investors. The Investment Manager uses an active fund management style and places great emphasis on maintaining close contact with company managers. Fundamental research is the hallmark of their approach with analysts gaining a thorough insight into the management and market approach of Swiss companies.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management (Switzerland) AG.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in Switzerland.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>• Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.25% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.50% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & & & & \\ \text{(Number of Shares)} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.



## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Distribution Shares: Shares which distribute their income.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund UK Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>GBP</b> Class A Acc: 17/01/2000 @Class A Dis: 13/04/1993 Class A1 Acc: 24/10/2001
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>GBP</b> Class A Acc: 1.72% Class A Dis: 1.72% Class A1 Acc: 2.39%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in UK equities.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of UK companies.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in the shares of UK companies. At least 75% of the Fund will be invested in shares of companies that are incorporated in the European Economic Area. The Fund has no bias to any particular industry or size of company.

The Fund invests in a broad range of UK equities, selecting from the full spectrum of large, medium-sized and smaller companies. The Investment Manager’s approach is grounded in the belief that sentiment drives share prices in the short term, such that companies with strong long-term prospects often become undervalued by the market. The Investment Manager looks for companies with healthy balance sheets, strong management teams and compelling business models as they believe these attributes, along with the undervaluation of the longer-term potential, can generate superior investment returns over time.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in UK.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.25% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the "Prospectus")<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund US Dollar Bond (the "Fund")

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 17/01/2000 #Class A Dis: 21/01/1998 Class A1 Acc: 11/01/2002 Class C Acc: 17/01/2000 @Class C Dis: 15/12/1997  <b>EUR Hedged</b> Class A Acc: 13/04/2007 Class C Acc: 13/04/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 0.94% Class A Dis: 0.94% Class A1 Acc: 1.49% Class C Acc: 0.64% Class C Dis: 0.64%  <b>EUR Hedged</b> Class A Acc: 0.94% Class C Acc: 0.64%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in US Dollar denominated bonds issued by governments, government agencies and companies worldwide.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the "Company"). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a "société anonyme" and qualifies as a Société d'Investissement à Capital Variable ("SICAV") under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide a return of capital growth and income primarily through investment in a portfolio of bonds and fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in USD and issued by governments, government agencies, supra-national and corporate issuers worldwide. The Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for the USD A Distribution Classes will be declared as quarterly dividends and dividends for the USD C Distribution Class will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Refer to the "Important Information" section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Accumulation Shares accumulate net received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in bonds in the US Dollar currency issued by governments, government agencies and companies worldwide.

*Refer to Para 4 on page 33-99 of the Prospectus for further information on the investment strategy of the Fund.*

The Fund provides investors with access to the world's largest bond market. It is able to invest in the full spectrum of US highly-rated bond sectors and can also invest into lower-rated and non-US dollar based bonds. The Investment Manager's investment approach is designed with the aim of maximising capital growth and income over time while applying the disciplined risk control essential to generate consistent performance.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

The Fund may use leverage and take short positions.

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management North America Inc.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in US.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

### You are exposed to asset-backed/mortgage-backed securities risk.

- Mortgage or asset-backed securities may not receive in full the amounts owed to them by underlying borrowers.

**You are exposed to non-investment grade risk.**

- Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market, credit and default risk.

**You are exposed to distribution policy risk (only applicable to Distribution Classes).**

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

**You are exposed to derivatives risk.**

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

**You are exposed to operational risk.**

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

**WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?****Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 5.00%</li> <li>With effect from 2 April 2013: Up to 3.00%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>• Prior to 2 April 2013: Up to 4.00%</li> <li>With effect from 2 April 2013: Up to 2.00%</li> </ul>	<b>Class C</b> <ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>• Up to 1%</li> </ul>	
Redemption Charge	<ul style="list-style-type: none"> <li>• None</li> </ul>	

**Payable by the Fund from invested proceeds**

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>• 0.75% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>• 0.75% per annum</li> </ul>	<b>Class C</b> <ul style="list-style-type: none"> <li>• Up to 0.5% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>• Not Applicable</li> </ul>	
Custody Fee	<ul style="list-style-type: none"> <li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>	
Administration Fee	<ul style="list-style-type: none"> <li>• Up to 0.4% per annum</li> </ul>	
Accounting and valuation fee	<ul style="list-style-type: none"> <li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>	
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>• None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>• 0.5% per annum</li> </ul>	<b>Class C</b> <ul style="list-style-type: none"> <li>• None</li> </ul>



## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

US: the United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund US Large Cap (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 21/03/2001 @Class A Dis: 21/03/2001
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.73% Class A Dis: 1.73%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in shares of larger-sized US companies.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of US large cap companies. Large cap companies are companies which, at the time of purchase, are considered to form the top 85% by market capitalisation of the US market.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in the shares of larger-sized US companies. The companies will be in the top 85% by size of the US market at the time of purchase.

The Fund invests in some of the world’s largest, industry-leading companies. The Investment Manager focuses on finding companies where they can exploit a ‘growth gap’ which means looking for companies with unrecognised or underappreciated earnings potential. The Fund may make some non-US investments but the companies must be listed on one of the major North American stock exchanges.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative**

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

**instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management North America Inc..
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in US.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 5%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

## Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.25% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

USA or US: the United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund US Small & Mid-Cap Equity (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD (base currency)</b> Class A Acc: 10/12/2004 @Class A Dis: 10/12/2004 Class A1 Acc: 10/12/2004  <b>EUR</b> Class A Acc: 28/03/2006 Class A1 Acc: 28/03/2006  <b>EUR Hedged</b> Class A Acc: 14/12/2007 Class A1 Acc: 14/12/2007
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.97% Class A Dis: 1.97% Class A1 Acc: 2.39%  <b>EUR</b> Class A Acc: 1.97% Class A1 Acc: 2.39%  <b>EUR Hedged</b> Class A Acc: 1.97% Class A1 Acc: 2.39%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in small and mid-cap equities in the USA.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of smaller and medium-sized US companies. Smaller and medium-sized US companies are considered companies which, at the time of purchase, form the bottom 40% by market capitalisation of the US market.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

## Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in the shares of smaller and medium-sized US companies. The companies will be in the bottom 40% by size of the US market at the time of purchase.

The Fund invests in a broad range of small- and medium-sized companies in the US. The Investment Manager's investment approach focuses on three types of US companies; companies that demonstrate strong growth trends and improving levels of cash; companies which generate dependable earnings and revenues; and companies that are undergoing positive changes that are not recognised by the market. By doing so, the Investment Manager believes that they can reduce overall risk and improve returns for their investors over the medium to long term.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

*Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.*

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management North America Inc.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in the US.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.



- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

**You are exposed to operational risk.**

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

**Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> • Up to 5%  <b>Class A1</b> • Up to 4%
Switching Charge	• Up to 1%
Redemption Charge	• None

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

**Payable by the Fund from invested proceeds**

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> • 1.50% per annum  <b>Class A1</b> • 1.50% per annum
Performance Fee	• Not Applicable
Custody Fee	• Up to a maximum of 0.5% per annum and US\$150 per transaction
Administration Fee	• Up to 0.4% per annum
Accounting and valuation fee	• 0.02% per annum subject to an annual minimum fee of US\$20,000
Distribution Charge	<b>Class A</b> • None  <b>Class A1</b> • 0.5% per annum

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.

- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rcccl} 1000 \text{ Units} & & \times & & \text{S\$11.00} & & = & & \text{S\$11,000.00} \\ \text{(Number of Shares)} & & & & \text{(Net Asset Value per Share)} & & & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Distribution Shares:** Shares which distribute their income.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

**USA or US:** the United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund US Smaller Companies (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>USD</b> Class A Acc: 17/01/2000 @Class A Dis: 20/07/1989 Class A1 Acc: 31/08/2001
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management North America Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>USD</b> Class A Acc: 1.97% Class A Dis: 1.97% Class A1 Acc: 2.39%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth; and
- understand the risks of investing in equities of smaller companies in the USA.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide capital growth primarily through investment in equity securities of smaller US companies. Smaller US companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the US market.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

At least two-thirds of the Fund (excluding cash) will be invested in the shares of smaller-sized US companies. The companies will be in the bottom 30% by size of the US market at the time of purchase.

The Fund invests in a broad range of smaller companies in the US on the belief that they will offer better growth prospects than their larger peers over the medium to long term. Smaller companies are typically at the early stages of their expansion and under-researched compared to their larger peers. The Investment Manager’s investment approach focuses on three types of companies; companies that demonstrate strong growth trends and improving levels of cash; companies which generate dependable

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

earnings and revenues; and companies which are undergoing positive changes that are not recognised by the market. By doing so, the Investment Manager believes that they can reduce overall risk and improve returns for their investors over the medium to long term.

The Fund may also invest in other financial instruments and hold cash on deposit. **Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management North America Inc.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk in the US.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to small cap liquidity risk.

- Investments in small companies can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests upon demand.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>Up to 5%</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>Up to 4%</li> </ul>
Switching Charge	<ul style="list-style-type: none"> <li>Up to 1%</li> </ul>
Redemption Charge	<ul style="list-style-type: none"> <li>None</li> </ul>

Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>1.50% per annum</li> </ul>
Performance Fee	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
Custody Fee	<ul style="list-style-type: none"> <li>Up to a maximum of 0.5% per annum and US\$150 per transaction</li> </ul>
Administration Fee	<ul style="list-style-type: none"> <li>Up to 0.4% per annum</li> </ul>
Accounting and valuation fee	<ul style="list-style-type: none"> <li>0.02% per annum subject to an annual minimum fee of US\$20,000</li> </ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"> <li>None</li> </ul> <b>Class A1</b> <ul style="list-style-type: none"> <li>0.5% per annum</li> </ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl}
 1000 \text{ Units} & \times & \text{S\$11.00} & = & \text{S\$11,000.00} \\
 \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)}
 \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre  
Singapore 049513  
Tel: 6534 4288  
Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

Distribution Shares: Shares which distribute their income.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

USA or US: the United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction.

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Schroder International Selection Fund Wealth Preservation EUR (the “Fund”)

Product Type	Collective Investment Scheme	Inception Date	<b>EUR</b> Class A Acc: 31/03/2000 @Class A Dis: 12/06/2001 Class A1 Acc: 12/02/2003
Management Company	Schroder Investment Management (Luxembourg) S.A.	Custodian	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2012	<b>EUR</b> Class A Acc: 2.05% Class A Dis: 2.05% Class A1 Acc: 2.32%
Name of Guarantor	Not Applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek real value (i.e. a positive return after inflation) offered through investment in a range of asset classes; and
- understand the risks of investing in a range of asset classes worldwide including shares, bonds, currencies, commodities and cash.

#### Further Information

Refer to Para 4 on page 33-99 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to preserve and enhance real value, as measured in euro terms after adjusting for inflation, over 3-5 years.

With effect from 1 July 2013, the Fund has been re-classified as a Multi-Asset Fund and is a medium-high risk vehicle.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency. As at the date of registration of the Prospectus, dividends for Distribution Classes will be declared as annual dividends. Dividends may be paid more or less frequently as deemed appropriate from time to time by the board of directors of the Company. For any updates to the distribution frequency, please refer to the dividend calendar which can be obtained from <http://www.schroders.com/singapore/offshore-funds/schroder-isf/literature>.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes

Refer to the “Important Information” section and Para 1, 2.2 and 4 on page 7, 22 and 33-99 of the Prospectus for further information on features of the product.

### Investment Strategy

The Fund will invest worldwide in shares, bonds, currencies, commodities and cash. The Fund will not acquire any physical commodities.

The Fund has the flexibility to focus on investment opportunities that the Investment Manager believes to be the most attractive, as it has no set target allocation in respect of country, currency or sector. The Fund may, at times, be substantially invested in cash when necessary to preserve capital.

Refer to Para 4 and 7.3(c) on page 33-99 and 110-111 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its approved distributors during usual office hours.

**Financial derivative instruments may be used to achieve the investment objective and to reduce risk or manage the Fund more efficiently.**

**The net asset value of the Fund is likely to have high volatility due to its investment policies or portfolio management techniques.**

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Luxembourg) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Custodian is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

*Refer to Para 1 and 3 on page 7 and 23-32 of the Prospectus for further information on the role and responsibilities of these entities.*

## KEY RISKS

### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.**

*Refer to Para 7 on page 108-111 of the Prospectus for further information on risks of the product.*

## Market and Credit Risks

### You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

## Liquidity Risks

### You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.

*Refer to the "Important Information" section and Para 7.1 and 10.1 on page 108 and 117 of the Prospectus for further information.*

## Product-Specific Risks

### You are exposed to debt securities risk.

- A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.

*Refer to Para 7.1 on page 108 of the Prospectus for further information.*

### You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

### You are exposed to money market and deposits risk.

- Investments in money market instruments and deposits with financial institutions may be subject to price fluctuation or default by the issuer. Some of the amounts deposited may not be returned to the Fund.

### You are exposed to counterparty risk.

- If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.

### You are exposed to derivatives risk.

- The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.



## You are exposed to operational risk.

- The Fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• Up to 4.00%</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• Up to 3.00%</li></ul>
Switching Charge	<ul style="list-style-type: none"><li>• Up to 1%</li></ul>
Redemption Charge	<ul style="list-style-type: none"><li>• None</li></ul>

*Refer to Para 6 on page 100-107 of the Prospectus for further information on the fees and charges.*

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	<b>Class A</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 1.5% per annum</li></ul>
Performance Fee	<ul style="list-style-type: none"><li>• Not Applicable</li></ul>
Custody Fee	<ul style="list-style-type: none"><li>• Up to a maximum of 0.5% per annum and US\$150 per transaction</li></ul>
Administration Fee	<ul style="list-style-type: none"><li>• Up to 0.4% per annum</li></ul>
Accounting and valuation fee	<ul style="list-style-type: none"><li>• Up to 0.02% per annum subject to an annual minimum fee of US\$20,000</li></ul>
Distribution Charge	<b>Class A</b> <ul style="list-style-type: none"><li>• None</li></ul> <b>Class A1</b> <ul style="list-style-type: none"><li>• 0.5% per annum</li></ul>

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

*Refer to Para 10, 12 and 13 on page 117-119 of the Prospectus for further information on valuation and exiting from the product.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Management Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 Business Days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

$$\begin{array}{rclcl} 1000 \text{ Units} & \times & \text{S\$}11.00 & = & \text{S\$}11,000.00 \\ \text{(Number of Shares)} & & \text{(Net Asset Value per Share)} & & \text{(Redemption Proceeds)} \end{array}$$

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

## CONTACT INFORMATION

### HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management  
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: [www.schroders.com.sg](http://www.schroders.com.sg)

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Distributor

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The Singapore Representative

## APPENDIX: GLOSSARY OF TERMS

# denotes a Distribution Class with fixed dividends.

@ denotes a Distribution Class with variable dividends.

**Accumulation Shares:** Shares which accumulate their net income so that the income is included in the price of the Shares.

**Business Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

**Class:** a class of Shares with a specific fee structure.

**Dealing Day:** unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**Distribution Shares:** Shares which distribute their income.

**Luxembourg Prospectus:** the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**Shares:** shares in the Fund.

**Singapore Business Day:** means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.

# Schroder International Selection Fund Prospectus

(a Luxembourg domiciled open-ended investment company)

July 2014

## Luxembourg



**Schrodgers**



Schroder International Selection Fund  
(a Luxembourg domiciled open-ended investment company)

# Prospectus

July 2014



# Important Information

Copies of this Prospectus can be obtained from and enquiries regarding the Company should be addressed to:

**Schroder Investment Management (Luxembourg) S.A.**

5, rue Höhenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg  
Tel: (+352) 341 342 202  
Fax: (+352) 341 342 342

This prospectus (the "Prospectus") should be read in its entirety before making any application for Shares. If you are in any doubt about the contents of this Prospectus you should consult your financial or other professional adviser.

Shares are offered on the basis of the information contained in this Prospectus and the documents referred to herein.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale, switching or redemption of Shares other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company or the Management Company. Neither the delivery of this Prospectus nor the offer, placement, subscription or issue of any of the Shares shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof.

The Directors, whose names appear below, have taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of their knowledge and belief, in accordance with the facts and does not omit anything material to such information. The Directors accept responsibility accordingly.

The distribution of this Prospectus and supplementary documentation and the offering of Shares may be restricted in certain countries. Investors wishing to apply for Shares should inform themselves as to the requirements within their own country for transactions in Shares, any applicable exchange control regulations and the tax consequences of any transaction in Shares.

This Prospectus does not constitute an offer or solicitation by anyone in any country in which such offer or solicitation is not lawful or authorised, or to any person to whom it is unlawful to make such offer or solicitation.

Investors should note that not all of the protections provided under their relevant regulatory regime may apply and there may be no right to compensation under such regulatory regime, if such scheme exists.

Holding and storing personal data in relation to the Investors is necessary to enable the Management Company to fulfil the services required by the Investors and to comply with its legal and regulatory obligations.

By subscribing to Shares of the Company, the Investors expressly agree that their personal data be stored, changed, otherwise used or disclosed (i) to Schrodgers and other parties which intervene in the process of the business relationship (e.g. external processing centres, dispatch or payment agents) or (ii) when required by law or regulation.

The personal data shall not be used or disclosed to any person other than as outlined in the preceding paragraph without the Investors' consent.

Reasonable measures have been taken to ensure confidentiality of the personal data transmitted within Schrodgers. However, due to the fact that the information is transferred electronically and made available outside of Luxembourg, the same level of confidentiality and the same level of protection in relation to data protection regulation as currently in force in Luxembourg may not be guaranteed while the information is kept abroad.

Schrodgers will accept no liability with respect to any unauthorised third party receiving knowledge of or having access to such personal data, except in the case of negligence by Schrodgers.

The Investors have a right of access and of rectification of the personal data in cases where such data is incorrect or incomplete.

Personal data shall not be held for longer than necessary with regard to the purpose of the data processing.

The distribution of this Prospectus in certain countries may require that this Prospectus be translated into the languages specified by the regulatory authorities of those countries. Should any inconsistency arise between the translated and the English version of this Prospectus, the English version shall always prevail.

The Management Company may use telephone recording procedures to record any conversation. Investors are deemed to consent to the recording of conversations with the Management Company and to the use of such recordings by the Management Company and/or the Company in legal proceedings or otherwise at their discretion.

**The price of Shares in the Company and the income from them may go down as well as up and an Investor may not get back the amount invested.**



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# Definitions

<b>Accumulation Shares</b>	shares which accumulate their net income so that the income is included in the price of the shares
<b>Articles</b>	the articles of association of the Company as amended from time to time
<b>AUD</b>	Australian Dollar
<b>Business Day</b>	unless otherwise provided in the Fund's details in Appendix III, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day
<b>CHF</b>	Swiss Franc
<b>Company</b>	Schroder International Selection Fund
<b>Custodian</b>	J.P. Morgan Bank Luxembourg S.A., acting as custodian bank and fund administrator
<b>CSSF</b>	Commission de Surveillance du Secteur Financier (Luxembourg Financial Sector Supervisory Authority)
<b>Dealing Day</b>	unless otherwise provided in the Fund's details in Appendix III, a dealing day is a Business Day which does not fall within a period of suspension of calculation of the Net Asset Value per Share of the relevant Fund. The Management Company may also take into account whether relevant local stock exchanges and / or Regulated Markets are open for trading and settlement, and may elect to treat such closures as non-Dealing Days for Funds which invest a substantial amount of their portfolio on these closed stock exchanges and/or Regulated Markets. A list of expected non-Dealing Days for the Funds is available from the Management Company on request and is also available on the Internet site <a href="http://www.schroders.lu">www.schroders.lu</a>
<b>Directors or Board of Directors</b>	the board of directors of the Company
<b>Distributor</b>	a person or entity duly appointed from time to time by the Management Company to distribute or arrange for the distribution of Shares
<b>Distribution Period</b>	the period from one date on which dividends are paid by the Company to the next. This may be annual or shorter where dividends are paid more regularly
<b>Distribution Shares</b>	shares which distribute their income
<b>EEA</b>	European Economic Area
<b>Eligible Asset</b>	a transferable security of any kind or any other permitted asset as more fully described in Appendix I 1.A
<b>Eligible State</b>	includes any member state of the European Union ("EU"), any member state of the Organisation for Economic Co-operation and Development ("OECD"), and any other state which the Directors deem appropriate
<b>EMU</b>	Economic and Monetary Union
<b>EU</b>	European Union
<b>EUR</b>	the European currency unit (also referred to as the Euro)
<b>Exchange Traded Fund</b>	an investment fund listed on a stock exchange which represents a pool of securities, commodities or currencies which typically track the performance of an index. Exchange Traded Funds (ETFs) are traded like shares. Investment in open-ended or closed-ended ETFs will be allowed if they qualify as (i) UCITS or other UCIs or (ii) transferable securities, respectively. Funds launched prior to 23 November 2012 may hold ETFs that do not qualify as (i) or (ii) above up to a maximum of 10% of the Net Asset Value (together with any other investments made in accordance with investment restriction 1. A(9) in Appendix I) provided that such holdings are realised before 31 December 2013. Any new investments in ETFs that do not qualify as (i) or (ii) above are no longer permitted

<b>Fund</b>	a specific portfolio of assets and liabilities within the Company having its own net asset value and represented by a separate Share Class or Share Classes
<b>GBP</b>	Great British Pound
<b>HKD</b>	Hong Kong Dollar
<b>Investment Fund(s)</b>	a UCITS or other UCI in which the Funds may invest, as determined in the investment rules described in Appendix I
<b>Investment Trust(s)</b>	a closed-ended investment company that invests in shares of other companies. An Investment Trust is classified as a transferable security, and thereby qualifies as an eligible investment for a UCITS under the Luxembourg Law, if it is listed on a Regulated Market. Investments in Investment Trusts which are not listed on a Regulated Market, are currently limited to 10% of the Net Asset Value of a Fund under Luxembourg Law (together with any other investments made in accordance with investment restriction 1. A (9) in Appendix I)
<b>Investor</b>	a subscriber for Shares
<b>JPY</b>	Japanese Yen
<b>Law</b>	the law on undertakings for collective investment dated 17 December 2010, as amended
<b>Management Company</b>	Schroder Investment Management (Luxembourg) S.A.
<b>Net Asset Value</b>	Net Asset Value per Share (as described below) multiplied by the number of Shares
<b>Net Asset Value per Share</b>	the value per Share of any Share Class determined in accordance with the relevant provisions described under the heading "Calculation of Net Asset Value" as set out in Section 2.4
<b>OTC</b>	over-the-counter
<b>Real Estate Investment Fund or REIT</b>	is an entity that is dedicated to owning, and in most cases, managing real estate. This may include, but is not limited to, real estate in the residential (apartments), commercial (shopping centres, offices) and industrial (factories, warehouses) sectors. Certain REITs may also engage in real estate financing transactions and other real estate development activities. The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdiction in which it is established. Investment in REITs will be allowed if they qualify as (i) UCITS or other UCIs or (ii) transferable securities. A closed-ended REIT, the units of which are listed on a Regulated Market is classified as a transferable security listed on a Regulated Market thereby qualifying as an eligible investment for a UCITS under the Luxembourg Law. Funds launched prior to 23 November 2012 may hold REITs that do not qualify as (i) or (ii) above up to a maximum of 10% of the Net Asset Value (together with any other investments made in accordance with investment restriction 1. (A) (9) in Appendix I) provided that such holdings are realised by 31 December 2013. Any new investments in REITs that do not qualify as (i) or (ii) above are no longer permitted
<b>Regulated Market</b>	a market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments or another regulated market, which operates regularly and is recognised and open to the public in an Eligible State
<b>Regulations</b>	the Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions
<b>Reporting Fund</b>	a Fund or a Share Class that complies with UK HMRC's tax regime for offshore funds and therefore has a certain tax status relevant for UK tax paying Shareholders
<b>RMB</b>	Renminbi, the official currency of the People's Republic of China; is used to denote the Chinese currency traded in the onshore and the offshore markets (primarily in Hong Kong). For clarity purposes, all the references to RMB in the name of a Fund or in its reference currency must be understood as a reference to offshore RMB

<b>Schroders</b>	the Management Company's ultimate holding company and its subsidiaries and affiliates worldwide
<b>SGD</b>	Singapore Dollar
<b>Share</b>	a share of no par value in any one class in the capital of the Company
<b>Share Class</b>	a class of Shares with a specific fee structure
<b>Shareholder</b>	a holder of Shares
<b>UCITS</b>	an "undertaking for collective investment in transferable securities" within the meaning of points a) and b) of Article 1(2) of the UCITS IV Directive
<b>UCI</b>	an "undertaking for collective investment" within the meaning of Article 2 (2) of the Law
<b>UCITS IV Directive</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended, on the coordination of laws, regulations and administrative provisions relating to UCITS
<b>UK</b>	United Kingdom
<b>USA or US</b>	the United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction
<b>USD</b>	United States Dollar

**All references herein to time are to Luxembourg Time unless otherwise indicated.**

**Words importing the singular shall, where the context permits, include the plural and vice versa.**

# Board of Directors

## Chairman

- **Massimo TOSATO**  
Vice Chairman  
Schroders PLC  
31 Gresham Street  
London EC2V 7QA  
United Kingdom

## Directors

- **Mike CHAMPION**  
Head of Product Development  
Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA  
United Kingdom
- **Marie-Jeanne CHEVREMONT-LORENZINI**  
Independent Advisor  
37C Avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg
- **Jacques ELVINGER**  
Avocat  
Elvinger, Hoss & Prussen  
2, place Winston Churchill  
L-2014 Luxembourg  
Grand Duchy of Luxembourg
- **Daniel DE FERNANDO GARCIA**  
Independent Director  
Serrano 1  
28001 Madrid  
Spain
- **Achim KUESSNER**  
Country Head Germany, Austria & CEE  
Schroder Investment Management GmbH  
Taubenstr. 2  
60311 Frankfurt  
Germany
- **Ketil PETERSEN**  
Country Head Nordic Region  
Schroder Investment Management A/S  
Store Strandstraede 21  
1255 Copenhagen K  
Denmark
- **Georges-Arnaud SAIER**  
Independent Director  
6 rue Paul Baudry  
75008 Paris  
France
- **Carlo TRABATTONI**  
Head of Pan European Intermediary Distribution and GFIG  
Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA  
United Kingdom

# Administration

## Registered Office

5, rue Höhenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg

## Management Company and Domiciliary Agent

Schroder Investment Management (Luxembourg) S.A.  
5, rue Höhenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg

## Investment Managers

- Schroder Investment Management (Switzerland) AG  
Central 2  
CH-8021 Zürich  
Switzerland
- Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA  
United Kingdom
- Schroder Investment Management Australia Limited  
Level 20 Angel Place  
123 Pitt Street  
Sydney NSW 2000  
Australia
- Schroder Investment Management Brasil DTVM S.A.  
Rua Joaquim Floriano  
100 - 14º andar - cj. 141 / 142  
04534-000 - São Paulo - SP  
Brazil
- Schroder Investment Management North America Inc.  
875 Third Avenue, 22nd Floor, New York  
New York 10022- 6225  
United States of America
- Schroder Investment Management (Hong Kong) Limited  
Level 33, Two Pacific Place  
88 Queensway  
Hong Kong
- Schroder Investment Management (Japan) Limited  
21st Floor Marunouchi Trust Tower Main, 1-8-3 Marunouchi, Chiyoda-Ku  
Tokyo 100-0005  
Japan
- Schroder Investment Management (Singapore) Limited  
65 Chulia Street 46-00, OCBC Centre  
Singapore 049513
- EII Capital Management Inc.  
640 Fifth Avenue, 8th Floor, New York  
New York 10019  
United States of America

## Custodian

J.P. Morgan Bank Luxembourg S.A.  
European Bank & Business Centre  
6, route de Trèves  
L-2633 Senningerberg  
Grand Duchy of Luxembourg

## Independent Auditors

PricewaterhouseCoopers, Société coopérative  
400, route d'Esch  
L-1471 Luxembourg  
Grand Duchy of Luxembourg

## Principal Legal Adviser

Elvinger, Hoss & Prussen  
2, place Winston Churchill  
L-2014 Luxembourg  
Grand Duchy of Luxembourg

**Principal Paying Agent**

Schroder Investment Management (Luxembourg) S.A.  
5, rue Höhenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg



# Section 1

## 1. The Company

### 1.1. Structure

The Company is an open-ended investment company organised as a "société anonyme" under the laws of the Grand Duchy of Luxembourg and qualifies as a Société d'Investissement à Capital Variable ("SICAV"). The Company operates separate Funds, each of which is represented by one or more Share Classes. The Funds are distinguished by their specific investment policy or any other specific features.

The Company constitutes a single legal entity, but the assets of each Fund shall be invested for the exclusive benefit of the Shareholders of the corresponding Fund and the assets of a specific Fund are solely accountable for the liabilities, commitments and obligations of that Fund.

The Directors may at any time resolve to set up new Funds and/or create within each Fund one or more Share Classes and this Prospectus will be updated accordingly. The Directors may also at any time resolve to close a Fund, or one or more Share Classes within a Fund to further subscriptions.

Certain Shares are listed on the Luxembourg Stock Exchange. The Directors may decide to make an application to list other Shares, as well as list all such Shares on any recognised stock exchange.

### 1.2. Investment Objectives and Policies

The exclusive objective of the Company is to place the funds available to it in transferable securities and other permitted assets of any kind, including financial derivative instruments, with the purpose of spreading investment risks and affording its Shareholders the results of the management of its portfolios.

The specific investment objective and policy of each Fund is described in Appendix III.

The investments of each Fund shall at any time comply with the restrictions set out in Appendix I, and Investors should, prior to any investment being made, take due account of the risks of investments set out in Appendix II.

### 1.3. Share Classes

The Directors may decide to create within each Fund different Share Classes whose assets will be commonly invested pursuant to the specific investment policy of the relevant Fund, but where a specific fee structure, currency of denomination or other specific feature may apply to each Share Class. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Share Class.

Investors are informed that not all Distributors offer all Share Classes.

Shares are generally issued as Accumulation Shares. Distribution Shares will only be issued within any Fund at the Directors' discretion. Investors may enquire at the Management Company or their Distributor whether any Distribution Shares are available within each Share Class and Fund.

The particular features of each Share Class are as follows:

## Initial and Distribution Charges

### Initial Charge

Shares	Initial Charge
A and AX Shares	<ul style="list-style-type: none"> <li>– Equity Funds up to 5.00% of the total subscription amount (equivalent to 5.26315% of the Net Asset Value per Share)</li> <li>– Asset Allocation Funds up to 5.00% of the total subscription amount (equivalent to 5.26315% of the Net Asset Value per Share)</li> <li>– Multi-Asset Funds up to 5.00% of the total subscription amount (equivalent to 5.26315% of the Net Asset Value per Share) of Funds Asian Diversified Growth, Global Multi-Asset Income, Global Diversified Growth and Japan DGF up to 4.00% of the total subscription amount (equivalent to 4.16667% of the Net Asset Value per Share) of Funds Global Dynamic Balanced, Global Multi-Asset Allocation, Wealth Preservation EUR and Wealth Preservation USD up to 3.00% of the total subscription amount (equivalent to 3.09278% of the Net Asset Value per Share) of Funds Global Conservative and Strategic Beta 10</li> <li>– Multi-Manager Funds up to 4.00% of the total subscription amount (equivalent to 4.16667% of the Net Asset Value per Share).</li> <li>– Absolute Return Funds up to 3.00% of the total subscription amount (equivalent to 3.09278% of the Net Asset Value per Share)</li> <li>– Bond Funds up to 3.00% of the total subscription amount (equivalent to 3.09278% of the Net Asset Value per Share)</li> <li>– Liquidity Funds None</li> <li>– Currency Funds up to 3.00% of the total subscription amount (equivalent to 3.09278% of the Net Asset Value per Share)</li> </ul>
A1 Shares	<ul style="list-style-type: none"> <li>– Equity Funds up to 4.00% of the total subscription amount (equivalent to 4.16667% of the Net Asset Value per Share)</li> <li>– Asset Allocation Funds up to 4.00% of the total subscription amount (equivalent to 4.16667% of the Net Asset Value per Share)</li> <li>– Multi-Asset Funds up to 4.00% of the total subscription amount (equivalent to 4.16667% of the Net Asset Value per Share) of Funds Asian Diversified Growth, Global Multi-Asset Income, Global Diversified Growth and Japan DGF up to 3.00% of the total subscription amount (equivalent to 3.09278% of the Net Asset Value per Share) of Funds Global Dynamic Balanced, Global Multi-Asset Allocation, Wealth Preservation EUR and Wealth Preservation USD up to 2.00% of the total subscription amount (equivalent to 2.04081% of the Net Asset Value per Share) of Funds Global Conservative and Strategic Beta 10</li> <li>– Multi-Manager Funds up to 4.00% of the total subscription amount (equivalent to 4.16667% of the Net Asset Value per Share)</li> </ul>

Shares	Initial Charge
	<ul style="list-style-type: none"> <li>– Absolute Return Funds up to 2.00% of the total subscription amount (equivalent to 2.04081% of the Net Asset Value per Share) Bond Funds: up to 2.00% of the total subscription amount (equivalent to 2.04081% of the Net Asset Value per Share)</li> <li>– Liquidity Funds None</li> <li>– Currency Funds up to 2.00% of the total subscription amount (equivalent to 2.04081% of the Net Asset Value per Share)</li> </ul>
B Shares	None
B1 Shares	None
C Shares	up to 1% of the total subscription amount (equivalent to 1.0101% of the Net Asset Value per share), except for Liquidity Funds. <ul style="list-style-type: none"> <li>– Liquidity Funds None</li> </ul>
D Shares	None
E Shares	up to 1% of the total subscription amount (equivalent to 1.0101% of the Net Asset Value per share)
I Shares	None
IZ Shares	None
J Shares	None
R Shares	None
S Shares	None
X Shares	None
Z Shares	None

The Management Company and Distributors are entitled to the initial charge, which can be partly or fully waived at the Directors' discretion.

#### Distribution Charge

Share	Distribution Charge
A and AX Shares	None
A1 Shares <sup>1</sup>	0.50% per annum of the net assets of Funds, except for the following: <ul style="list-style-type: none"> <li>– 0.60% per annum of the net assets of Multi-Manager Funds</li> <li>– 0.10% per annum of the net assets of Liquidity Funds (except the Fund US Dollar Liquidity)</li> <li>– 0.00% per annum of the net assets of the Fund US Dollar Liquidity</li> </ul>
B Shares <sup>2</sup>	<ul style="list-style-type: none"> <li>– Equity Funds 0.60% per annum of the net assets of Funds</li> <li>– Absolute Return Funds 0.50% per annum of the net assets of the Funds</li> </ul>

<sup>1</sup> Distribution charges in respect of A1, B1 and D Shares are paid at such intervals as may be agreed from time to time between the Company and those Distributors that are appointed specifically for the purpose of distributing such Shares.

<sup>2</sup> Distribution charges in respect of B Shares are payable quarterly.

Share	Distribution Charge
	<ul style="list-style-type: none"> <li>– Bond Funds 0.50% per annum of the net assets of Funds with the exception of 0.10% per annum of the net assets of the Fund EURO Short Term Bond</li> <li>– Liquidity Funds 0.10% per annum of the net assets of Funds with the exception of 0.00% per annum of the net assets of the Fund US Dollar Liquidity</li> <li>– Currency Funds 0.50% per annum of the net assets of Funds</li> <li>– Asset Allocation Funds 0.60% per annum of the net assets of Funds</li> <li>– Multi-Asset Funds 0.50% per annum of the net assets of Funds Wealth Preservation EUR and Wealth Preservation USD 0.60% per annum of the net assets of Funds Global Multi-Asset Allocation, Global Multi-Asset Income, Global Dynamic Balanced and Asian Diversified Growth. 0.80% per annum of the net assets of Fund Global Diversified Growth</li> <li>– Multi-Manager Funds 0.60% per annum of the net assets of Funds</li> </ul>
B1 Shares <sup>1</sup>	1.25% per annum of the net assets of Funds (including a shareholder servicing fee of 0.25% p.a.), except for the following: <ul style="list-style-type: none"> <li>– 0.60% per annum of the net assets of Fund Global Conservative</li> </ul>
C Shares	None
D Shares <sup>1</sup>	1% per annum of the net assets of the Funds
E shares	None
I Shares	None
IZ Shares	None
J Shares	None
R Shares	None
S Shares	None
X Shares	None
Z Shares	None

#### **Minimum Subscription Amount, Minimum Additional Subscription Amount and Minimum Holding Amount**

##### **A, AX, A1, B, B1 and D Shares**

The minimum subscription amount for A, AX, A1, B, B1 and D Shares is EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency.

The minimum additional subscription amount for A, AX, A1, B, B1 and D Shares is EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency.

The minimum holding amount for A, AX, A1, B, B1 and D Shares is EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency.

These minima on A, AX, A1, B, B1 and D Shares may be waived at the Directors' discretion from time to time.

<sup>1</sup> Distribution charges in respect of A1, B1 and D Shares are paid at such intervals as may be agreed from time to time between the Company and those Distributors that are appointed specifically for the purpose of distributing such Shares.

### C and E Shares

The minimum subscription amount for C and E Shares is EUR 500,000 or USD 500,000 or their near equivalent in any other freely convertible currency.

The minimum additional subscription amount for C and E Shares is EUR 250,000 or USD 250,000 or their near equivalent in any other freely convertible currency.

The minimum holding amount for C and E Shares is EUR 500,000 or USD 500,000 or their near equivalent in any other freely convertible currency.

These minima on C and E Shares may be waived at the Directors' discretion from time to time.

**I Shares** (see under "Specific Features" below)

**IZ Shares** (see under "Specific Features" below)

**J Shares** (see under "Specific Features" below)

**R Shares** (see under "Specific Features" below)

**S Shares** (see under "Specific Features" below)

**X Shares** (see under "Specific Features" below)

**Z Shares** (see under "Specific Features" below)

### Specific features of certain Share Classes

#### AX, A1 and B1 Shares

AX, A1 and B1 Shares will only be available to Investors who at the time the relevant subscription order is received are customers of certain Distributors appointed specifically for the purpose of distributing the AX, A1 and B1 Shares and only in respect of those Funds for which distribution arrangements have been made with such Distributors.

#### B1 Shares

No initial charge will be payable by an Investor on the acquisition of B1 Shares of any Fund. Instead a contingent deferred sales charge ("CDSC") may be payable to the Management Company or such other party as the Management Company may from time to time appoint. Where B1 Shares are redeemed within 4 years of the date of their issue, the redemption proceeds thereof will be subject to a CDSC at the rates set forth in the table below:

Redemption during years since issue	Applicable Rate of CDSC
1st Year	4%
2nd Year	3%
3rd Year	2%
4th Year	1%
After end of 4th Year	None

The applicable rate of CDSC is determined by reference to the total length of time during which the Shares being redeemed (including the B1 Shares from which they were derived (if any) as a result of a switch from another Fund) were in issue. In determining whether a CDSC is applicable, the calculation will be effected in a manner that results in the lowest possible rate being applied. It will therefore be assumed that, first, a redemption will be made of those B1 Shares in issue for a period exceeding four years and then those B1 Shares in issue for the longest period of time during the four year period. No CDSC is payable in respect of those B1 Shares which have been in issue for longer than a four year period. Dividends paid on B1 distribution Share Classes cannot be automatically reinvested and will be paid in cash.

The amount of CDSC is calculated by multiplying the relevant percentage rate as determined above by the lower of a) the Net Asset Value per Share of the Shares being redeemed on the relevant Dealing Day or b) the price paid for the original issue of Shares

being redeemed or for the B1 Shares of another Fund from which those Shares were exchanged, in either case calculated in the relevant dealing currency of the Shares being redeemed.

Investors in B1 Shares will not be permitted to switch the holding of such Shares into other Share Classes, nor will they be permitted to transfer such Shares from one Distributor to another. However, holdings in B1 Shares will be converted automatically into A1 Shares on the last Business Day of the month in which the sixth anniversary of issue of such Shares occurs on the basis of the respective Net Asset Value per Share of the relevant B1 Shares and A1 Shares. This conversion may give rise to a tax liability for Investors in certain jurisdictions. Investors should consult their tax adviser about their own position.

In all instances of switching that involve B1 Shares into another B1 Share Class, the age of the old B1 Shares will carry over and continue in the new B1 Shares. No CDSC is payable at the time of a switch of B1 Shares to B1 Shares in another Fund.

B1 Shares will also be subject to an annual distribution charge of 1%, and an annual shareholder servicing fee of 0.25%, (exceptions to this are highlighted in the table titled Distribution Charge, above), both calculated and accrued daily by reference to the Net Asset Value per Share of such Shares and paid monthly to the Management Company or such other party as the Management Company may appoint from time to time.

The amounts accrued as CDSC, annual distribution charge and shareholder servicing fee are incurred for the provision of certain services pertaining to the sales, promotion, marketing and financing of B1 Shares.

B1 Share Classes are now closed to subscriptions from new and existing Investors.

#### **D Shares**

D Shares will only be available to Investors who at the time the relevant subscription order is received are customers of certain Distributors appointed specifically for the purpose of distributing the D Shares and only in respect of those Funds for which distribution arrangements have been made with such Distributors.

No initial charge will be payable by an Investor on the acquisition of D Shares of any Fund. However some charges, for example redemption or administration charges may be deducted by the Distributor from the redemption proceeds as agreed separately between the Shareholders and the Distributor. Shareholders should check with the respective Distributors for details of the arrangement.

Investors in D Shares will not be permitted to switch the holding of such Shares into other Share Classes, nor will they be permitted to transfer such Shares from one Distributor to another.

#### **E Shares**

E Shares will only be available, with prior agreement of the Management Company. The E Shares will only be available until the total Net Asset Value of all available E Share Classes within a Fund reaches or is greater than EUR 50,000,000 or USD 50,000,000 or an equivalent amount in another currency, or any other amount as specifically determined by the Management Company.

Once the total Net Asset Value of the E Share Classes available in a Fund, ordinarily, reaches or is greater than EUR 50,000,000 or USD 50,000,000 or an equivalent amount in another currency or any other amount as specifically determined by the Management Company, the E Share Classes in that Fund will be closed to Investors for subscriptions.

#### **I Shares**

I Shares will only be offered to Investors:

- (A) who, at the time the relevant subscription order is received, are clients of Schroders with an agreement covering the charging structure relevant to the clients' investments in such Shares, and
- (B) who are institutional investors, within the meaning of Article 174 of the Law and as may be defined from time to time by the guidelines or recommendations issued by the CSSF.

The minimum subscription amount for I Shares is EUR 5,000,000 or USD 5,000,000 or their near equivalent in any other freely convertible currency.

The minimum additional subscription amount for I Shares is EUR 2,500,000 or USD 2,500,000 or their near equivalent in any other freely convertible currency.

The minimum holding amount for I Shares is EUR 5,000,000 or USD 5,000,000 or their near equivalent in any other freely convertible currency<sup>3</sup>.

These minima on I Shares may be waived at the Directors' discretion from time to time.

The Company will not issue, or effect any switching of, I Shares to any Investor who may not be considered an institutional investor. The Directors may, at their discretion, delay the acceptance of any subscription for I Shares restricted to institutional investors until such date as the Management Company has received sufficient evidence on the qualification of the relevant Investor as an institutional investor. If it appears at any time that a holder of I Shares is not an institutional investor, the Directors will instruct the Management Company to propose that the said holder convert their Shares into a Share Class within the relevant Fund which is not restricted to institutional investors (provided that there exists such a Share Class with similar characteristics). In the event that the Shareholder refuses such switching, the Directors will, at their discretion, instruct the Management Company to redeem the relevant Shares in accordance with the provisions under "Redemption and Switching of Shares".

As I Shares are, *inter alia*, designed to accommodate an alternative charging structure whereby the Investor is a client of Schroders and is charged management fees directly by Schroders, no management fees will be payable in respect of I Shares out of the net assets of the relevant Fund. I Shares will bear their pro-rata share of the fees payable to the Custodian and the Management Company, as well as of other charges and expenses.

### **IZ Shares**

IZ Shares will only be available, with prior agreement of the Management Company, to institutional investors, within the meaning of Article 174 of the Law and as may be defined from time to time by the guidelines or recommendations issued by the CSSF.

The minimum subscription amount for IZ Shares is EUR 100,000,000 or USD 100,000,000 or their near equivalent in any other freely convertible currency.

The minimum additional subscription amount for IZ Shares is EUR 20,000,000 or USD 20,000,000 or their near equivalent in any other freely convertible currency.

The minimum holding amount for IZ Shares is EUR 100,000,000 or USD 100,000,000 or their near equivalent in any other freely convertible currency.

These minima on IZ Shares may be waived at the Directors' discretion from time to time.

The Company will not issue, or effect any switching of, IZ Shares to any Investor who may not be considered an institutional investor. The Directors may, at their discretion, delay the acceptance of any subscription for IZ Shares restricted to institutional investors until such date as the Management Company has received sufficient evidence on the qualification of the relevant Investor as an institutional investor. If it appears at any time that a holder of IZ Shares is not an institutional investor, the Directors will instruct the Management Company to propose that the said holder convert their Shares into a Share Class within the relevant Fund which is not restricted to institutional investors (provided that there exists such a Share Class with similar characteristics). In the event that the Shareholder refuses such switching, the Directors will, at their discretion, instruct the Management Company to redeem the relevant Shares in accordance with the provisions under "Redemption and Switching of Shares".

<sup>3</sup> With effect from 1 September 2014 the following changes will apply. The I Share minimum subscription amount will be increased to EUR 20,000,000 or USD 20,000,000 or their near equivalent in any other freely convertible currency. The I Share minimum additional subscription amount will be increased to EUR 10,000,000 or USD 10,000,000 or their near equivalent in any other freely convertible currency. The I Share minimum holding amount will be increased to EUR 20,000,000 or USD 20,000,000 or their near equivalent in any other freely convertible currency. All Shareholders of I Shares at the time of this prospectus are authorised to remain Shareholders even if they do not comply with the new minimum holding amount.

**J Shares**

J Shares will only be offered to, and can only be acquired by Japanese Fund of Funds, which are institutional investors within the meaning of Article 174 of the Law and as may be defined from time to time by the guidelines or recommendations issued by the CSSF. "Japanese Fund of Funds" means an investment trust or investment corporation that is established under the Law Concerning Investment Trusts and Investment Corporations (Law No. 198 of 1951, as amended) of Japan (an "investment trust") the purpose of which is to invest its assets only in beneficial interests in other investment trusts or shares of investment corporations or collective investment schemes similar thereto established under the laws of any country other than Japan.

The Company will not issue any J Shares to any Investor who is not a Japanese Fund of Funds or permit any J Share to be switched to share(s) of any other Share Class of the Company. The Directors may, at their discretion, refuse to accept any application for subscription for J Shares until and unless the Management Company notifies the Directors that it is satisfied that the applicant for subscription is a Japanese Fund of Funds.

The minimum subscription amount for J Shares is USD 5,000,000 or their near equivalent in any other freely convertible currency.

The minimum additional subscription amount for J Shares is USD 2,500,000 or their near equivalent in any other freely convertible currency.

The minimum holding amount for J Shares is USD 5,000,000 or their near equivalent in any other freely convertible currency.

These minima on J Shares may be waived at the Directors' discretion from time to time.

**R Shares**

R Shares do not qualify as Reporting Funds for taxation purposes under the UK offshore fund rules (see Section 3.4). R Shares are only available at the Management Company's discretion to Investors who have been issued Shares pursuant to a merger or similar activity with another fund whereby the Investor's holding in such fund did not qualify as a Reporting Fund for the purposes of the UK offshore fund rules. R Shares may only be issued by the Management Company in these circumstances as part of the merger or similar activity. Holders of R Shares are not permitted to top up their investment in R Shares and are not permitted to switch their R Shares into other Share Classes. R Shares are not available to Investors (new and existing) in any other circumstance than those described above.

There is no minimum subscription or holding amount.

**S Shares**

S Shares are only available at the Management Company's discretion to certain clients of the Schroder Group's wealth management business. Before the Management Company can accept a subscription into S Shares, a legal agreement must be in place between the Investor and the Schroder Group's wealth management business containing terms specific to investment in S Shares.

In the event that a Shareholder of Class S Shares ceases to be a client of the Schroder Group's wealth management business, the Shareholder will cease to be eligible to hold Class S Shares and the Management Company will compulsorily switch the Shareholder into the most appropriate Share Class of the same Fund. This means that the switch of Class S Shares will be automatic without the need for Shareholders to submit a switching request to the Management Company. Therefore, by subscribing for Class S Shares, Shareholders irrevocably permit the Management Company to switch Class S Shares on their behalf should they cease to be eligible to invest in Class S Shares.

There is no minimum initial subscription, additional subscription or holding amount. Applications for subscriptions into Class S Shares will be accepted at the Management Company's discretion.



**X Shares**

X Shares will only be available, with prior agreement of the Management Company, to institutional investors, as within the meaning of Article 174 of the Law and may be defined from time to time by the guidelines or recommendations issued by the CSSF.

The Company will not issue, or effect any switching of, X Shares to any Investor who may not be considered an institutional investor. The Directors of the Company may, at their discretion, delay the acceptance of any subscription for X Shares restricted to institutional investors until such date as the Management Company has received sufficient evidence on the qualification of the relevant Investor as an institutional investor. If it appears at any time that a holder of X Shares is not an institutional investor, the Directors will instruct the Management Company to propose that the said holder convert their Shares into a Share Class within the relevant Fund which is not restricted to institutional investors (provided that there exists such a Share Class with similar characteristics). In the event that the Shareholder refuses such switching, the Directors will, at their discretion, instruct the Management Company to redeem the relevant Shares in accordance with the provisions under "Redemption and Switching of Shares".

No initial charge will be payable by an Investor on the acquisition of X Shares of any Fund.

The minimum subscription amount for X Shares is EUR 25,000,000 or their near equivalent in any other freely convertible currency.

The minimum additional subscription amount for X Shares is EUR 12,500,000 or their near equivalent in any other freely convertible currency.

The minimum holding amount for X Shares is EUR 25,000,000 or their near equivalent in any other freely convertible currency.

These minima on X Shares may be waived at the Directors' discretion from time to time.

**Z Shares**

With the prior agreement of the Management Company Z shares may be offered in certain limited circumstances (i) for distribution in certain countries and through certain Distributors and/or (ii) to professional investors.

The minimum subscription amount for Z Shares is EUR 100,000,000 or USD 100,000,000 or their near equivalent in any other freely convertible currency.

The minimum additional subscription amount for Z Shares is EUR 20,000,000 or USD 20,000,000 or their near equivalent in any other freely convertible currency.

The minimum holding amount for Z Shares is EUR 100,000,000 or USD 100,000,000 or their near equivalent in any other freely convertible currency.

These minima on Z Shares may be waived at the Directors' discretion from time to time.

# Section 2

## 2. Share Dealing

### 2.1. Subscription for Shares

#### How to subscribe

Investors subscribing for Shares for the first time should complete an application form and send it with applicable identification documents by post to the Management Company. Application forms may be accepted by facsimile transmission or other means approved by the Management Company, provided that the original is immediately forwarded by post. If completed application forms and cleared funds are received by the Management Company for any Dealing Day before 13.00, except for Funds QEP Global Value Plus, Global Tactical Asset Allocation, Asian Diversified Growth, Global Conservative, Global Diversified Growth, Global Dynamic Balanced, Japan DGF and the Multi-Manager Funds (see below), Shares will normally be issued at the relevant Net Asset Value per Share, as defined under "Calculation of Net Asset Value", determined on the Dealing Day (plus any applicable initial charge). For completed applications received after 13.00, Shares will normally be issued at the relevant Net Asset Value per Share on the immediately following Dealing Day (plus any applicable initial charge).

**Each Investor will be given a personal account number which, along with any relevant transaction number, should be quoted on any payment by bank transfer. Any relevant transaction number and the personal account number should be used in all correspondence with the Management Company or any Distributor.**

However, the Directors may permit, if they deem it appropriate, different dealing cut-off times to be determined in justified circumstances, such as distribution to Investors in jurisdictions with a different time zone. Such different dealing cut-off times may either be specifically agreed upon with Distributors or may be published in any supplement to the Prospectus or other marketing document used in the jurisdiction concerned. In such circumstances, the applicable dealing cut-off time applied to Shareholders must always precede the valuation point of the Funds for that Dealing Day.

**Different subscription procedures may apply if applications for Shares are made through Distributors.**

In respect of the Funds QEP Global Value Plus, Global Tactical Asset Allocation, Asian Diversified Growth, Global Conservative, Global Diversified Growth, Global Dynamic Balanced, Japan DGF and the Multi-Manager Funds, application forms and cleared funds must be received before 13.00 in order to be dealt with at the relevant Net Asset Value per Share the following Dealing Day, as defined below under "Calculation of Net Asset Value", determined on the Dealing Day (plus any applicable initial charge). Application forms and cleared funds for Shares received after 13.00 will be dealt with on the second following Dealing Day.

**All applications to subscribe for Shares shall be dealt with on an unknown Net Asset Value basis before the determination of the Net Asset Value per Share for that Dealing Day.**

Subsequent subscriptions for Shares do not require completion of an additional application form. However, Investors shall provide written instructions as agreed with the Management Company to ensure smooth processing of subsequent subscriptions. Instructions may also be made by letter, facsimile transmission, in each case duly signed, or such other means approved by the Management Company.

Confirmations of transactions will normally be dispatched on the Business Day following the execution of subscription instructions. Shareholders should promptly check these confirmations to ensure that they are correct in every detail. Investors are advised to refer to the terms and conditions on the application form to inform themselves fully of the terms and conditions to which they are subscribing.

#### How to pay

Payment should be made by electronic bank transfer net of all bank charges (i.e. at the Investor's expense). Further settlement details are available on the application form.

Shares are normally issued once settlement in cleared funds is received. In the case of applications from approved financial intermediaries or other investors authorised by the Management Company, the issue of Shares is conditional upon the receipt of settlement within a previously agreed period not exceeding three Business Days from the relevant Dealing Day (four Business Days for Funds Asian Diversified Growth, Global Conservative, Global Diversified Growth, Global Dynamic Balanced, Japan DGF and the Multi-Manager Funds). Any non-Dealing Days for a Fund falling within the settlement period are excluded from the calculation of the settlement date. If, on the settlement date, banks are not open for business in the country of the currency of settlement, then settlement will be on the next Business Day on which those banks are open. Payment should arrive in the appropriate bank account, as specified in the settlement instructions, at the latest by 17:00 on the settlement date. Payments received after this time may be considered to have settled on the next Business Day on which the bank is open. If timely settlement is not made, an application may lapse and be cancelled at the cost of the applicant or his/her financial intermediary. Failure to make good settlement by the settlement date may result in the Company bringing an action against the defaulting Investor or his/her financial intermediary or deducting any costs or losses incurred by the Company or Management

Company against any existing holding of the applicant in the Company. In all cases, any confirmation of transaction and any money returnable to the Investor will be held by the Management Company without payment of interest pending receipt of the remittance.

Payments in cash will not be accepted. Third party payments will only be accepted at the Management Company's discretion.

**Different settlement procedures may apply if applications for Shares are made through Distributors.**

Payment should normally be made in the currency of the relevant Share Class. However, a currency exchange service for subscriptions is provided by the Management Company on behalf of, and at the cost and risk of, the Investor. Further information is available from the Management Company or any of the Distributors on request.

### **Price Information**

The Net Asset Value per Share of one or more Share Classes is published daily in such newspapers or other electronic services as determined from time to time by the Directors. It may be made available on the Schroder Investment Management (Luxembourg) S.A. Internet site [www.schroders.lu](http://www.schroders.lu), and is available from the registered office of the Company. Neither the Company nor the Distributors accept responsibility for any error in publication or for non-publication of the Net Asset Value per Share.

### **Types of Shares**

Shares are issued only in registered form. Registered Shares are in non-certificated form. Fractional entitlements to registered Shares will be rounded to two decimal places. Shares may also be held and transferred through accounts maintained with clearing systems. For any physical bearer Share certificates in issue at the date of this Prospectus it should be noted that there may be a time delay in the issuing of any replacement physical bearer certificates and that the Management Company reserves the right to charge the Investor up to a maximum of EUR 100 per delivery for the cost of printing and handling such certificates. For the avoidance of any doubt the Company will not issue new bearer Shares.

### **General**

Instructions to subscribe, once given, are irrevocable, except in the case of a suspension or deferral of dealing. The Management Company and/or the Company in their absolute discretion reserve the right to reject any application in whole or in part. If an application is rejected, any subscription money received will be refunded at the cost and risk of the applicant without interest. Prospective applicants should inform themselves as to the relevant legal, tax and exchange control regulations in force in the countries of their respective citizenship, residence or domicile.

The Management Company may have agreements with certain Distributors pursuant to which they agree to act as or appoint nominees for Investors subscribing for Shares through their facilities. In such capacity, the Distributor may effect subscriptions, switches and redemptions of Shares in nominee name on behalf of individual Investors and request the registration of such operations on the register of Shareholders of the Company in nominee name. The Distributor or nominee maintains its own records and provides the Investor with individualised information as to its holdings of Shares. Except where local law or custom proscribes the practice, Investors may invest directly in the Company and not avail themselves of a nominee service. Unless otherwise provided by local law, any Shareholder holding Shares in a nominee account with a Distributor has the right to claim, at any time, direct title to such Shares.

The Management Company draws however the Investors' attention to the fact that any Investor will only be able to fully exercise his Shareholder rights directly against the Company, if the Investor is registered himself and his own name in the Shareholders' register. In cases where an Investor invests in the Company through a Distributor or a nominee investing into the Company in his own name but on behalf of the Investor, it may not always be possible for the Investor to exercise certain Shareholder rights directly against the Company. Investors are advised to take advice on their rights.

### **Subscriptions in Kind**

The Board of Directors may from time to time accept subscriptions for Shares against contribution in kind of securities or other assets which could be acquired by the relevant Fund pursuant to its investment policy and restrictions. Any such subscriptions in kind will be made at the Net Asset Value of the assets contributed calculated in accordance with

the rules set out in Section 2.4 hereafter and will be the subject of an independent auditor's report drawn up in accordance with the requirements of Luxembourg law and will be at the subscriber's expense.

Should the Company not receive good title on the assets contributed this may result in the Company bringing an action against the defaulting Investor or his/her financial intermediary or deducting any costs or losses incurred by the Company or Management Company against any existing holding of the applicant in the Company.

#### **Anti Money Laundering Procedures**

Pursuant to international norms, Luxembourg laws and regulations (comprising but not limited to the law of 12 November 2004 relating to the fight against money laundering and terrorism financing, as amended) obligations have been imposed on the Company to prevent money laundering and terrorism financing.

As a result of such provisions, the Company requires the Management Company to verify the identity of the Company's customers and perform ongoing due diligence on them in accordance with Luxembourg laws and regulations. To fulfil this requirement, the Management Company may request any information and supporting documentation it deems necessary, including information about beneficial ownership, source of funds and origin of wealth. In any case, the Management Company may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

In case of delay or failure by a customer to provide the documents required, an application for subscription or, if applicable, for redemption or any other transaction may not be accepted. Neither the Company nor the Management Company have any liability for delays or failure to process deals as a result of the customer providing no or only incomplete information and/or documentation.

#### **Statement for the purposes of the UK Offshore Funds (Tax) Regulations 2009**

In accordance with the requirements laid out in Chapter 6 of the UK Offshore Funds (Tax) Regulations 2009 (SI 2009/3001) the Directors hereby state that:

#### **Equivalence Condition**

The Company complies with the requirements of the UCITS IV Directive.

#### **Genuine Diversity of Ownership Condition**

Interests in the Company's Funds are widely available, and the Management Company undertakes that they will be marketed and made available sufficiently widely and in a manner appropriate to reach the intended categories of Investor who meet the broad requirements for investment in any given Share Class, and are not intended to be limited to particular investors or narrowly-defined groups of investor. Please refer to Section 1.3 for details of the minimum levels of investment and/or investor categories that are specified as eligible to acquire particular Share Classes.

Provided that a person meets the broad requirements for investment in any given Share Class, he/she may obtain information on and acquire the relevant Shares in the Company, subject to the paragraphs immediately following.

#### **Investment Restrictions applying to US Investors**

The Company has not been and will not be registered under the United States Investment Company Act of 1940 as amended (the "Investment Company Act"). The Shares of the Company have not been and will not be registered under the United States Securities Act of 1933 as amended (the "Securities Act") or under the securities laws of any state of the US and such Shares may be offered, sold or otherwise transferred only in compliance with the 1933 Securities Act and such state or other securities laws. The Shares of the Company may not be offered or sold within the US or to or for the account, of any US Person. For these purposes, US Person is as defined in Rule 902 of Regulation S under the Securities Act or the Internal Revenue Code of 1986, as amended including to reflect the provisions of FATCA (the "Code").

Rule 902 of Regulation S under the Securities Act defines US Person to include inter alia any natural person resident of the United States and with regards to Investors other than individuals, (i) a corporation or partnership organised or incorporated under the laws of the US or any state thereof; (ii) a trust: (a) of which any trustee is a US Person except if

such trustee is a professional fiduciary and a co-trustee who is not a US Person has sole or shared investment discretion with regard to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person or (b) where a court is able to exercise primary jurisdiction over the trust and one or more US fiduciaries have the authority to control all substantial decisions of the trust and (iii) an estate (a) which is subject to US tax on its worldwide income from all sources; or (b) for which any US Person is executor or administrator except if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with regard to the assets of the estate and the estate is governed by foreign law.

The term "US Person" also means any entity organized principally for passive investment (such as a commodity pool, investment company or other similar entity) that was formed: (a) for the purpose of facilitating investment by a US Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations promulgated by the United States Commodity Futures Trading Commission by virtue of its participants being non-US Persons or (b) by US Persons principally for the purpose of investing in securities not registered under the Securities Act of 1933, unless it is formed and owned by "accredited investors" (as defined in Rule 501 (a) under the Securities Act of 1933) who are not natural persons, estates or trusts.

Pursuant to the Code, the term US Person means (i) a citizen or resident of the US, (ii) a partnership or other entity treated as a partnership for US federal income tax organized under the laws of the US or any political subdivision thereof, (iii) a corporation or other entity treated as a corporation for US federal income tax purposes organized under the laws of the US or any political subdivision thereof, (iv) an estate the income of which is subject to US federal income tax without regard to its source or (v) a trust, if, either (a) a court within the US is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or (b) the trust was in existence on August 20, 1996 and properly elected to be treated as a US person.

If you are in any doubt as to your status, you should consult your financial or other professional adviser.

### **Investment restrictions applying to Canadian investors**

The Shares of the Company will not be publicly offered in Canada. Any offering of Shares of the Company in Canada will be made only by way of private placement: (i) pursuant to a Canadian offering memorandum containing certain prescribed disclosure, (ii) on a basis which is exempt from the requirement that the Company prepare and file a prospectus with the relevant Canadian securities regulatory authorities and pursuant to applicable requirements in the relevant Canadian jurisdictions, and (iii) to persons or entities that are "accredited investors" (as such term is defined in National Instrument 45-106 Prospectus and Registration Exemptions) and, if required, "permitted clients" (as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations).

The Management Company is not registered in any capacity in any jurisdiction in Canada and may rely on one or more exemptions from various registration requirements in certain Canadian jurisdictions. In addition to being an "accredited investor", a Canadian-resident Investor may also be required to be a "permitted client". If a Canadian-resident Investor, or an Investor that has become a Canadian-resident after purchasing Shares of the Company, is required to be a "permitted client" and does not qualify, or no longer qualifies, as a "permitted client", the Investor will not be able to purchase any additional Shares of the Company and may be required to redeem its outstanding Shares.

## **2.2. Redemption and Switching of Shares**

### **Redemption Procedure**

Redemption instructions accepted by the Management Company for any Dealing Day before 13.00, except for the Funds QEP Global Value Plus, Global Tactical Asset Allocation, Asian Diversified Growth, Global Conservative, Global Diversified Growth, Global Dynamic Balanced, Japan DGF and the Multi-Manager Funds (see below), or such other time at the Directors' discretion, will normally be executed at the relevant Net Asset Value per Share, as defined under "Calculation of Net Asset Value", calculated on the

Dealing Day (less any applicable redemption charge). Instructions accepted by the Management Company after 13.00 will normally be executed on the following Dealing Day.

In respect of the Funds QEP Global Value Plus, Global Tactical Asset Allocation, Asian Diversified Growth, Global Conservative, Global Diversified Growth, Global Dynamic Balanced, Japan DGF and the Multi-Manager Funds, redemption requests must be received before 13.00 in order to be dealt with at the relevant Net Asset Value per Share the following Dealing Day. Redemption requests received after 13.00 will be dealt with on the second following Dealing Day.

In cases where dealing is suspended in a Fund from which a redemption has been requested, the processing of the redemption will be held over until the next Dealing Day where dealing is no longer suspended. Redemption instructions can only be executed when any previously related transaction has been completed.

Instructions to redeem Shares may be given to the Management Company by completing the form requesting redemption of Shares or by letter, facsimile transmission or other means approved by the Management Company where the account reference and full details of the redemption must be provided. All instructions must be signed by the registered Shareholders, except where sole signatory authority has been chosen in the case of a joint account holding or where a representative has been appointed following receipt of a completed power of attorney.

Instructions for the redemption of physical bearer Shares must be accompanied by the appropriate certificate and all relevant coupons, including details of the number of Shares to be redeemed and full settlement details. For the avoidance of any doubt the Company will not issue new bearer Shares.

#### **Redemption Proceeds**

**Different settlement procedures may apply if instructions to redeem Shares are communicated via Distributors.**

Redemption proceeds are normally paid by bank transfer or electronic transfer, within three Business Days from the relevant Dealing Day (four Business Days for the Funds Asian Diversified Growth, Global Conservative, Global Diversified Growth, Global Dynamic Balanced, Japan DGF and the Multi-Manager Funds) and will be instructed to be made at no cost to the Shareholder, provided the Management Company is in receipt of all documents required. Any non-Dealing Days for a Fund falling within the settlement period are excluded from the calculation of the settlement date. If, on the settlement date, banks are not open for business in the country of the currency of settlement, then settlement will be on the next Business Day on which those banks are open. The Company or Management Company are not responsible for any delays or charges incurred at any receiving bank or settlement system, nor are they responsible for delays in settlement which may occur due to the timeline for local processing of payments within some countries or by certain banks. Redemption proceeds will normally be paid in the currency of the relevant Share Class. On request, redemption proceeds paid by bank transfer may be paid in most other currencies on behalf of, at the cost and risk of, the Shareholder.

If, in exceptional circumstances and for whatever reason, redemption proceeds cannot be paid within three Business Days from the relevant Dealing Day (four Business Days for the Funds Asian Diversified Growth, Global Conservative, Global Diversified Growth, Global Dynamic Balanced, Japan DGF and the Multi-Manager Funds), for example when the liquidity of the relevant Fund does not permit, then payment will be made as soon as reasonably practicable thereafter (not exceeding, however, thirty Business Days) at the Net Asset Value per Share calculated on the relevant Dealing Day.

#### **Redemptions in Kind**

The Directors may from time to time permit redemptions in kind. Any such redemption in kind will be valued in accordance with the requirements of Luxembourg law. In case of a redemption in kind, Shareholders will have to bear costs incurred by the redemption in kind (mainly costs resulting from drawing-up of the independent auditor's report) unless the Company considers that the redemption in kind is in its own interest or made to protect its own interests. Requests for redemptions in kind may only be accepted if the total Net Asset Value of the Shares to be redeemed in a Fund is at least EUR 10,000,000 or an equivalent amount in another currency, unless otherwise determined from time to time by the Directors.

### Switching Procedure

A switch transaction is a transaction by which the holding of a Shareholder into a Share Class (the "Original Class") is converted into another Share Class (the "New Class") either within the same Fund or in different Funds within the Company.

Acceptance by the Management Company of switching instructions will be subject to the availability of the New Class and to the compliance with any eligibility requirements and/or other specific conditions attached to the New Class (such as minimum subscription and holding amounts). The switching procedure is processed as a redemption from the Original Class followed by a subscription into the New Class.

If the Original and New Classes involved in a switch transaction have the dealing cut-off time at 13.00 and the same Dealing Days, switching instructions accepted by the Management Company before 13.00, or such other time at the Directors' discretion, will normally be executed on the Dealing Day associated with the receipt of the instruction and will normally be executed based on the relevant Net Asset Values per Share of both Share Classes calculated for that Dealing Day (less any applicable switching charge).

In respect of the Funds QEP Global Value Plus, Global Tactical Asset Allocation, Asian Diversified Growth, Global Conservative, Global Diversified Growth, Global Dynamic Balanced, Japan DGF and the Multi-Manager Funds, switching instructions must be received before 13.00 in order to be dealt with at the relevant Net Asset Value per Share the following Dealing Day. Switching instructions received after 13.00 will be dealt with on the second following Dealing Day. Similarly if switching is requested into those Funds, the prior notice will be taken into account for the processing of the Share Class subscription.

However, if the settlement period in the New Class is shorter than that of the Original Class and/or if the Original and New Classes are subject to different Dealing Days or dealing cut-off times, the following rules will apply:

- (A) the redemption will be dealt with on the Dealing Day relating to the receipt of the switching instruction with the Net Asset Value per Share of the Original Class calculated for that Dealing Day, and
- (B) the subscription will be executed at the next earliest Dealing Day applicable for the New Class with the Net Asset Value per Share of the New Class calculated for that Dealing Day, and
- (C) the subscription may be further deferred to a later Dealing Day so that the settlement date for the subscription will always match or follow the settlement date for the redemption (if possible both settlement periods will be matched), and
- (D) where the redemption is settled before the subscription, the redemption proceeds will remain on the Company's collection account and interest accrued will be for the benefit of the Company.

In cases where dealing is suspended in a Fund from or to which a switch has been requested, the processing of the switch will be held over until the next Dealing Day where dealings are no longer suspended. The switching procedures described above will continue to apply.

Instructions to switch Shares may be given to the Management Company by completing the switch form or by letter, facsimile transmission or other means approved by the Management Company where the account reference and the number of Shares to be switched between named Share Classes and Funds must be provided. All instructions must be signed by the registered Shareholders, except where sole signatory authority has been chosen in the case of a joint account holding or where a representative has been appointed following receipt of a completed power of attorney.

Instructions to switch Shares between Share Classes denominated in different currencies will be accepted. A currency exchange service for such switches is provided by the Management Company on behalf of, and at the cost and risk of, the Shareholder. Further information is available from the Management Company or any of the Distributors on request.

Instructions for the switch of physical bearer Shares must be accompanied by the appropriate certificate and all relevant coupons, including details of the Share Class and number of Shares to be switched and full settlement details. For the avoidance of any doubt the Company will not issue new bearer Shares.

The Directors may, at their discretion, allow certain selected Distributors to make a charge for switching which shall not exceed 1% of the value of the Share being requested to be switched.

The same principles may apply if Investors instruct switches between Investment Funds belonging to different legal structures within Schroders' fund ranges.

Shareholders should seek advice from their local tax advisers to be informed on the local tax consequences of such transactions.

### **General**

**Different redemption and switching procedures may apply if instructions to switch or redeem Shares are communicated via Distributors.**

**All instructions to redeem or switch Shares shall be dealt with on an unknown Net Asset Value basis before the determination of the Net Asset Value per Share for that Dealing Day.**

**Instructions to make payments to third parties will only be accepted at the Management Company's discretion.**

The value of Shares held by any Shareholder in any one Share Class after any switch or redemption should generally exceed the minimum investment set forth under 1.3 "Share Classes" for each Share Class.

Unless waived by the Management Company, if, as a result of any switch or redemption request, the amount invested by any Shareholder in a Share Class in any one Fund falls below the minimum holding for that Share Class, it will be treated as an instruction to redeem or switch, as appropriate, the Shareholder's total holding in the relevant Share Class.

The Directors may permit, if they deem it appropriate, different dealing cut-off times to be determined in justified circumstances, such as distribution to Investors in jurisdictions with a different time zone. Such different dealing cut-off times may either be specifically agreed upon with Distributors or may be published in any supplement to the Prospectus or other marketing document used in the jurisdiction concerned. In such circumstances, the applicable dealing cut-off time applied to Shareholders must always precede the dealing cut-off time referred to in this Prospectus.

Confirmations of transactions will normally be dispatched by the Management Company on the next Business Day after Shares are switched or redeemed. Shareholders should promptly check these confirmations to ensure that they are correct in every detail.

Switching or redemption requests will be considered binding and irrevocable by the Management Company and will, at the discretion of the Management Company, only be executed where the relevant Shares have been duly issued.

### **2.3. Restrictions on Subscriptions and Switches into Certain Funds or Classes**

A Fund or Share Class may be closed to new subscriptions or switches in (but not to redemptions or switches out) if, in the opinion of the Management Company, the closure is necessary to protect the interests of existing Shareholders or to enable the efficient management of the Fund or Share Class. Without limiting the circumstances where the closure may be appropriate, the circumstances could be where the Fund or a Share Class has reached a size such that the capacity of the market has been reached or that it becomes difficult to manage in an optimal manner, and/or where to permit further inflows would be detrimental to the performance of the Fund or the Share Class. Notwithstanding the above, the Management Company may, at its discretion, allow the continuation of subscriptions from regular savings schemes on the basis that these types of flows present no challenge with respect to capacity. Once closed, a Fund, or Share Class, will not be re-opened until, in the opinion of the Management Company, the circumstances which required closure no longer prevail.

### **2.4. Calculation of Net Asset Value**

#### **Calculation of the Net Asset Value per Share**

- (A) The Net Asset Value per Share of each Share Class will be calculated on each Dealing Day in the currency of the relevant Share Class. It will be calculated by dividing the Net Asset Value attributable to each Share Class, being the proportionate value of its assets less its liabilities, by the number of Shares of such Share Class then in issue. The resulting sum shall be rounded to the nearest two decimal places.
- (B) The Directors reserve the right to allow the Net Asset Value per Share of each Share Class to be calculated more frequently than once daily or to otherwise alter dealing arrangements on a permanent or a temporary basis, for example, where the



Directors consider that a material change to the market value of the investments in one or more Funds so demands. The Prospectus will be amended, following any such permanent alteration, and Shareholders will be informed accordingly.

(C) In valuing total assets, the following rules will apply:

- (1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.
- (2) The value of such securities, financial derivative instruments and assets will be determined on the basis of the last available price on the stock exchange or any other Regulated Market on which these securities or assets are traded or admitted for trading. Where such securities or other assets are quoted or dealt in one or by more than one stock exchange or any other Regulated Market, the Directors shall make regulations for the order of priority in which stock exchanges or other Regulated Markets shall be used for the provisions of prices of securities or assets.
- (3) If a security is not traded or admitted on any official stock exchange or any Regulated Market, or in the case of securities so traded or admitted the last available price of which does not reflect their true value, the Directors are required to proceed on the basis of their expected sales price, which shall be valued with prudence and in good faith.
- (4) The financial derivative instruments which are not listed on any official stock exchange or traded on any other recognised market are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative. The reference to fair value shall be understood as a reference to the amount for which an asset could be exchanged, or a liability be settled, between knowledgeable, willing parties in an arm's length transaction. The reference to reliable and verifiable valuation shall be understood as a reference to a valuation, which does not rely only on market quotations of the counterparty and which fulfils the following criteria:
  - (I) The basis of the valuation is either a reliable up-to-market value of the instrument, or, if such value is not available, pricing model using an adequately-recognised methodology.
  - (II) Verification of the valuation is carried out by one of the following:
    - (a) an appropriate third party which is independent from the counterparty of the OTC derivative, at an adequate frequency and in such a way that the Company is able to check it;
    - (b) a unit within the Company which is independent from the department in charge of managing the assets and which is adequately equipped for such purpose.
- (5) Units or shares in UCIs shall be valued on the basis of their last available Net Asset Value as reported by such undertakings.
- (6) Liquid assets and money market instruments held within the Liquidity Funds will usually be valued on an amortised cost basis.
- (7) If any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Company's assets, the Directors may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.
- (8) Any assets or liabilities in currencies other than the Fund Currency (as defined in Appendix III) will be converted using the relevant spot rate quoted by a bank or other recognised financial institution.

- (D) If on any Dealing Day the aggregate transactions in Shares of a Fund result in a net increase or decrease of Shares which exceeds a threshold set by the Directors from time to time for that Fund (relating to the cost of market dealing for that Fund), the Net Asset Value of the Fund will be adjusted by an amount (not exceeding 2% of that Net Asset Value) which reflects both the estimated fiscal charges and dealing costs that may be incurred by the Fund and the estimated bid/offer spread of the assets in which the Fund invests. The adjustment will be an addition when the net movement results in an increase of all Shares of the Fund and a deduction when it results in a decrease. Please see "Dilution" and "Dilution Adjustment" below for more details.

### **Dilution**

The Funds are single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of their underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/or switches in and out of the Fund. This is known as "dilution". In order to counter this and to protect Shareholders' interests, the Management Company will apply "swing pricing" as part of its daily valuation policy. This will mean that in certain circumstances the Management Company will make adjustments in the calculations of the Net Asset Values per Share, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

### **Dilution Adjustment**

In the usual course of business the application of a dilution adjustment will be triggered mechanically and on a consistent basis.

The need to make a dilution adjustment will depend upon the net value of subscriptions, switches and redemptions received by a Fund for each Dealing Day. The Management Company therefore reserves the right to make a dilution adjustment where a Fund experiences a net cash movement which exceeds a threshold set by the Directors from time to time of the previous Dealing Day's total Net Asset Value.

The Management Company may also make a discretionary dilution adjustment if, in its opinion, it is in the interest of existing Shareholders to do so.

Where a dilution adjustment is made, it will increase the Net Asset Value per Share when there are net inflows into the Fund and decrease the Net Asset Value per Share when there are net outflows. The Net Asset Value per Share of each Share Class in the Fund will be calculated separately but any dilution adjustment will, in percentage terms, affect the Net Asset Value per Share of each Share Class identically.

As dilution is related to the inflows and outflows of money from the Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Management Company will need to make such dilution adjustments.

Because the dilution adjustment for each Fund will be calculated by reference to the costs of dealing in the underlying investments of that Fund, including any dealing spreads, which can vary with market conditions, this means that the amount of the dilution adjustment can vary over time but will not exceed 2% of the relevant Net Asset Value.

The Directors are authorised to apply other appropriate valuation principles for the assets of the Funds and/or the assets of a given Share Class if the aforesaid valuation methods appear impossible or inappropriate due to extraordinary circumstances or events.

## **2.5. Suspensions or Deferrals**

- (A) The Company reserves the right not to accept instructions to redeem or switch on any one Dealing Day more than 10% of the total value of Shares in issue of any Fund. In these circumstances, the Directors may declare that the redemption of part or all Shares in excess of 10% for which a redemption or switch has been requested will be deferred until the next Dealing Day and will be valued at the Net Asset Value per Share prevailing on that Dealing Day. On such Dealing Day, deferred requests will be dealt with in priority to later requests and in the order that requests were initially received by the Management Company.
- (B) The Company reserves the right to extend the period of payment of redemption proceeds to such period, not exceeding thirty calendar days, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to

exchange control regulations or similar constraints in the markets in which a substantial part of the assets of a Fund are invested or in exceptional circumstances where the liquidity of a Fund is not sufficient to meet the redemption requests.

- (C) The Company may suspend or defer the calculation of the Net Asset Value per Share of any Share Class in any Fund and the issue and redemption of any Shares in such Fund, as well as the right to switch Shares of any Share Class in any Fund into Shares of the same Share Class of the same Fund or any other Fund:
- (1) during any period when any of the principal stock exchanges or any other Regulated Market on which any substantial portion of the Company's investments of the relevant Share Class for the time being are quoted, is closed, or during which dealings are restricted or suspended; or
  - (2) during any period when the determination of the net asset value per share of and/or the redemptions in the underlying Investment Funds representing a material part of the assets of the relevant Fund is suspended; or
  - (3) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Fund by the Company is impracticable; or
  - (4) during any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange; or
  - (5) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Directors be effected at normal rates of exchange; or
  - (6) if the Company or a Fund is being or may be wound-up on or following the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Company or the Fund is proposed; or
  - (7) if the Directors have determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company attributable to a particular Share Class in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; or
  - (8) during any other circumstance or circumstances where a failure to do so might result in the Company or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment
- (D) The suspension of the calculation of the Net Asset Value per Share of any Fund or Share Class shall not affect the valuation of other Funds or Share Classes, unless these Funds or Share Classes are also affected.
- (E) During a period of suspension or deferral, a Shareholder may withdraw his request in respect of any Shares not redeemed or switched, by notice in writing received by the Management Company before the end of such period.

Shareholders will be informed of any suspension or deferral as appropriate.

## **2.6. Market Timing and Frequent Trading Policy**

The Company does not knowingly allow dealing activity which is associated with market timing or frequent trading practices, as such practices may adversely affect the interests of all Shareholders.

For the purposes of this section, market timing is held to mean subscriptions into, switches between or redemptions from the various Share Classes (whether such acts are performed singly or severally at any time by one or several persons) that seek or could reasonably be considered to appear to seek profits through arbitrage or market timing opportunities. Frequent trading is held to mean subscriptions into, switches between or redemptions from the various Share Classes (whether such acts are performed singly or severally at any time by one or several persons) that by virtue of their frequency or size cause any Fund's operational expenses to increase to an extent that could reasonably be considered detrimental to the interests of the Fund's other Shareholders.

Accordingly, the Directors may, whenever they deem it appropriate, cause the Management Company to implement either one, or both, of the following measures:

- The Management Company may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices. Accordingly, the Directors reserve the right to cause the Management Company to reject any application for switching and/or subscription of Shares from Investors whom the former considers market timers or frequent traders.
- If a Fund is primarily invested in markets which are closed for business at the time the Fund is valued, the Directors may, during periods of market volatility, and by derogation from the provisions above, under "Calculation of Net Asset Value", cause the Management Company to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Fund's investments at the point of valuation.

In practice, the securities of Funds investing in non-European markets are usually valued on the basis of the last available price at the time when the Net Asset Value per Share is calculated. The time difference between the close of the markets in which a Fund invests and the point of valuation can be significant. For example, in the case of US traded securities the last available price may be as much as 17 hours old. Developments that could affect the value of these securities, which occur between the close of the markets and the point of valuation, will not, therefore, normally be reflected in the Net Asset Value per Share of the relevant Fund.

As a result, where the Directors believe that a significant event has occurred between the close of the markets in which a Fund invests and the point of valuation, and that such event will materially affect the value of that Fund's portfolio, they may cause the Management Company to adjust the Net Asset Value per Share so as to reflect what is believed to be the fair value of the portfolio as at the point of valuation.

The level of adjustment will be based upon the movement in a chosen surrogate up until the point of valuation, provided that such movement exceeds the threshold as determined by the Directors for the relevant Fund. The surrogate will usually be in the form of a futures index, but might also be a basket of securities, which the Directors believe is strongly correlated to, and representative of, the performance of the Fund.

Where an adjustment is made as per the foregoing, it will be applied consistently to all Share Classes in the same Fund.

As at the date of issue of this Prospectus, it is intended that the measure described above, known as fair value pricing, only be applied to those Funds which have a significant exposure to securities traded on the US market. The Directors, however, reserve the right to extend the implementation of fair value pricing in respect of other Funds whenever they deem it appropriate.

# Section 3

## 3. General Information

### 3.1. Administration Details, Charges and Expenses

#### Directors

Each of the Directors is entitled to remuneration for his services at a rate determined by the Company in the general meeting from time to time. In addition, each Director may be paid reasonable expenses incurred while attending meetings of the Board of Directors or general meetings of the Company. Directors who are also directors/employees of the Management Company and/or any Schroders' company will waive their Directors' remuneration. External Directors will be remunerated for their services, though Jacques Elvinger does not receive any direct remuneration for serving as a Director. However, he is a partner at Elvinger, Hoss & Prussen, the Principal Legal Adviser of the Company, which receives fees in that capacity.

#### Management Company

The Directors have appointed Schroder Investment Management (Luxembourg) S.A. as its management company to perform investment management, administration and marketing functions as described in Annex II of the Law.

The Management Company has been permitted by the Company to delegate certain administrative, distribution and management functions to specialised service providers. In that context, the Management Company has delegated certain administration functions to J.P. Morgan Bank (Luxembourg) S.A. and may delegate certain marketing functions to entities which form part of the Schroders group. The Management Company has also delegated certain management functions to the Investment Managers as more fully described below.

The Management Company will monitor on a continued basis the activities of the third parties to which it has delegated functions. The agreements entered between the Management Company and the relevant third parties provide that the Management Company can give at any time further instructions to such third parties, and that it can withdraw their mandate with immediate effect if this is in the interest of the Shareholders. The Management Company's liability towards the Company is not affected by the fact that it has delegated certain functions to third parties.

The Management Company is entitled to receive the customary charges for its services as administration agent, coordinator, domiciliary agent, global distributor, principal paying agent and registrar and transfer agent. These fees accrue on each Business Day at an annual rate of up to 0.4% by reference to the Net Asset Value of the relevant Fund and are paid monthly in arrears. These fees are subject from time to time to review by the Management Company and the Company. The Management Company is also entitled to reimbursement of all reasonable out-of-pocket expenses properly incurred in carrying out its duties.

Schroder Investment Management (Luxembourg) S.A. was incorporated as a "Société Anonyme" in Luxembourg on 23 August 1991 and has an issued and fully paid up share capital of EUR 12,867,092.98. Schroder Investment Management (Luxembourg) S.A. has been authorised as a management company under chapter 15 of the Law and, as such, provides collective portfolio management services to UCIs.

The Management Company is also acting as a management company for three other Luxembourg domiciled *Sociétés d'Investissement à Capital Variable*: Schroder GAIA, Schroder Special Situations Fund and Schroder Alternative Solutions.

The directors of the Management Company are:

- Markus Ruetimann, Group Head of Operations and Information Technology, Schroder Investment Management Limited
- Noel Fessey, Managing Director, Schroder Investment Management (Luxembourg) S.A.
- Marco Zwick, Head of Compliance for Continental Europe and Middle East, Schroder Investment Management (Luxembourg) S.A.
- Finbarr Browne, Head of Finance, Schroder Investment Management (Luxembourg) S.A.

- Paul Duncombe, Head of Multi-Asset Investment Solutions, Schroder Investment Management Limited.
- John Troiano, Global Head of Institutional Business, Schroder Investment Management Limited.

### Investment Managers

The Investment Managers may on a discretionary basis acquire and dispose of securities of the Funds for which they have been appointed as investment adviser and manager, subject to and in accordance with instructions received from the Management Company and/or the Company from time to time, and in accordance with stated investment objectives and restrictions. The Investment Managers are entitled to receive as remuneration for their services management fees, as more fully described below. Such fees are calculated and accrued on each Dealing Day (each Business Day in the case of the Fund European Small & Mid-Cap Value) by reference to the Net Asset Values of the Funds and paid monthly in arrears. In the performance of their duties, Investment Managers may seek, at their own expense, advice from investment advisers.

### Management Fees (per annum)

Funds	A, AX, B and D	A1 and B1	C
<b>Mainstream Equity Funds</b>			
Asian Opportunities	1.50%	1.50%	0.75%
EURO Equity	1.50%	1.50%	0.75%
European Large Cap	1.25%	1.50%	0.75%
Global Equity	1.25%	1.50%	0.75%
Italian Equity	1.25%	1.50%	0.75%
Japanese Equity	1.25%	1.50%	0.75%
Swiss Equity	1.25%	1.50%	0.75%
UK Equity	1.25%	1.50%	0.75%
US Large Cap	1.25%	1.50%	0.75%
<b>Specialist Equity Funds</b>			
Asian Dividend Maximiser	1.50%	1.50%	0.75%
Asian Equity Yield	1.50%	1.50%	1.00%
Asian Smaller Companies	1.50%	1.50%	1.00%
Asia Pacific Property Securities	1.50%	1.50%	1.00%
Asian Total Return	1.50%	1.50%	1.00%
BRIC (Brazil, Russia, India, China)	1.50%	1.50%	1.00%
China Opportunities	1.50%	1.50%	1.00%
Emerging Asia	1.50%	1.50%	1.00%
Emerging Europe	1.50%	1.50%	1.00%
Emerging Markets	1.50%	1.50%	1.00%
European Dividend Maximiser	1.50%	1.50%	1.00%
European Equity (Ex UK)	1.50%	1.50%	0.75%
European Equity Focus	1.50%	1.50%	1.00%
European Equity Yield	1.50%	1.50%	1.00%
European Opportunities	1.50%	1.50%	0.75%
European Special Situations	1.50%	1.50%	1.00%
European Smaller Companies	1.50%	1.50%	1.00%

<b>Funds</b>	<b>A, AX, B and D</b>	<b>A1 and B1</b>	<b>C</b>
European Total Return	1.50%	1.50%	1.00%
Frontier Markets Equity	1.50%	1.50%	1.00%
Global Climate Change Equity	1.50%	1.50%	1.00%
Global Demographic Opportunities	1.50%	1.50%	1.00%
Global Dividend Maximiser	1.50%	1.50%	1.00%
Global Emerging Market Opportunities	1.50%	1.50%	1.00%
Global Emerging Markets Income	1.50%	1.50%	0.75%
Global Emerging Markets Smaller Companies	1.50%	1.50%	1.00%
Global Energy	1.50%	1.50%	1.00%
Global Equity Yield	1.50%	1.50%	1.00%
Global Property Dividend Maximiser	1.50%	1.50%	1.00%
Global Property Securities	1.50%	1.50%	1.00%
Global Recovery	1.50%	1.50%	0.75%
Global Small Cap Energy	1.50%	1.50%	1.00%
Global Smaller Companies	1.50%	1.50%	1.00%
Greater China	1.50%	1.50%	1.00%
Hong Kong Equity	1.50%	1.50%	1.00%
Indian Equity	1.50%	1.50%	1.00%
Indian Opportunities	1.50%	1.50%	0.75%
Japanese Opportunities	1.50%	1.50%	1.00%
Japanese Smaller Companies	1.50%	1.50%	1.00%
Korean Equity	1.50%	1.50%	1.00%
Latin American	1.50%	1.50%	1.00%
Middle East	1.50%	1.50%	1.00%
Swiss Small & Mid Cap Equity	1.50%	1.50%	1.00%
Swiss Equity Opportunities	1.50%	1.50%	1.00%
Taiwanese Equity	1.50%	1.50%	1.00%
UK Opportunities	1.50%	1.50%	0.75%
US Small & Mid-Cap Equity	1.50%	1.50%	1.00%
US Smaller Companies	1.50%	1.50%	1.00%
<b>Style Equity Funds</b>			
European Small & Mid-Cap Value	1.50%	1.50%	1.00%
<b>Alpha Equity Funds</b>			
European Equity Alpha	1.50%	1.50%	1.00%
Global Equity Alpha	1.50%	1.50%	1.00%
Japanese Equity Alpha	1.50%	1.50%	1.00%
<b>Quantitative Equity Funds</b>			
QEP Global Core	N/A	N/A	0.275%
QEP Global Active Value	1.25%	1.50%	1.00%
QEP Global Blend	1.25%	1.50%	1.00%

<b>Funds</b>	<b>A, AX, B and D</b>	<b>A1 and B1</b>	<b>C</b>
QEP Global Emerging Markets	1.50%	1.50%	1.00%
QEP Global Quality	1.25%	1.50%	1.00%
QEP Global Value Plus	1.75%	1.75%	1.00%
<b>Asset Allocation Funds</b>			
Global Tactical Asset Allocation	1.50%	1.50%	1.00%
<b>Multi-Asset Funds</b>			
Asian Diversified Growth	1.50%	1.50%	1.00%
Global Conservative	(A) 1.00% (D) 0.50%	1.00%	0.50%
Global Diversified Growth	1.50%	1.50%	0.75%
Global Multi-Asset Allocation	1.25%	1.25%	0.75%
Global Dynamic Balanced	1.25%	1.25%	0.60%
Global Multi-Asset Income	1.25%	1.25%	0.75%
Japan DGF	N/A	N/A	0.75%
Wealth Preservation EUR	1.50%	(A1) 1.50% (B1) 1.00%	0.75%
Wealth Preservation USD	1.50%	1.50%	0.75%
Strategic Beta 10	1.00%	1.00%	0.50%
<b>Multi-Manager Funds</b>			
Multi-Manager Global Diversity	1.00%	1.00%	0.50%
<b>Absolute Return Funds</b>			
Asian Bond Absolute Return	1.25%	(A1) 1.25% (B1) 1.00%	0.75%
Emerging Markets Debt Absolute Return	1.50%	(A1) 1.50% (B1) 1.00%	0.90%
European Alpha Absolute Return	2.00%	2.00%	1.00%
European Equity Absolute Return	2.00%	2.00%	1.00%
<b>Mainstream Bond Funds</b>			
EURO Bond	0.75%	0.75%	0.50%
EURO Short Term Bond	0.50%	0.50%	0.20%
EURO Government Bond	0.40%	0.40%	0.20%
Global Bond	0.75%	0.75%	0.50%
Global Inflation Linked Bond	0.75%	0.75%	0.50%
Hong Kong Dollar Bond	0.75%	0.75%	0.50%
US Dollar Bond	0.75%	0.75%	0.50%
<b>Specialist Bond Funds</b>			
Asian Convertible Bond	1.25%	1.25%	0.75%
Asian Local Currency Bond	1.00%	1.00%	0.60%
EURO Corporate Bond	0.75%	0.75%	0.45%
Emerging Market Bond	1.00%	1.00%	0.60%
Emerging Market Corporate Bond	1.00%	1.00%	0.60%
Emerging Market Local Currency Bond	1.00%	1.00%	0.60%



<b>Funds</b>	<b>A, AX, B and D</b>	<b>A1 and B1</b>	<b>C</b>
EURO Credit Conviction	1.00%	1.00%	0.50%
EURO High Yield	1.00%	1.00%	0.60%
Global Convertible Bond	1.25%	1.25%	0.75%
Global Corporate Bond	0.75%	0.75%	0.45%
Global Credit Duration Hedged	0.75%	0.75%	0.50%
Global High Income Bond	1.00%	1.00%	0.60%
Global High Yield	1.00%	1.00%	0.60%
Global Unconstrained Bond	1.00%	1.00%	0.60%
RMB Fixed Income	0.75%	0.75%	0.375%
Strategic Bond	1.00%	1.00%	0.60%
Strategic Credit	1.00%	1.00%	0.60%
<b>Liquidity Funds</b>			
EURO Liquidity	0.50%	0.50%	0.20%
US Dollar Liquidity	0.20%	0.20%	0.20%
<b>Currency Funds</b>			
Global Managed Currency	1.00%	1.00%	0.50%

The management fees per annum of the E Share Classes are 50% of the management fees per annum of the C Share Classes of the same Fund.

As I and J Shares are, *inter alia*, designed to accommodate an alternative charging structure whereby the Investor is a client of Schroders and is charged management fees directly by Schroders, no management fees will be payable in respect of I and J Shares out of the net assets of the relevant Fund. I and J Shares will bear their pro-rata share of the fees payable to the Custodian and the Management Company, as well as of other charges and expenses.

In respect of IZ Shares, R Shares, S Shares and Z Shares, the management fees will be up to 1.50% per annum.

In respect of X Shares, the management fees will be up to 1.00% per annum.

In certain countries, Investors may be charged with additional amounts in connection with the duties and services of local paying agents, correspondent banks or similar entities.

Regular savings plans may be available in certain countries. If a savings plan is terminated before the agreed final date, the amount of the initial charge paid may be greater than it would have been in the case of a standard subscription. Further details can be obtained from the local distributor.

#### **Redemption charge**

The Company may introduce a redemption charge based on the Net Asset Value per Share of the relevant Share Classes of the relevant Fund in favour of the Fund. At the time of this Prospectus, there are no Funds to which such a redemption charge is applicable.

#### **Performance Fees**

In consideration of the services provided by the respective Investment Managers in relation to the Funds, the Investment Managers are entitled to receive a performance fee, in addition to management fees. It should also be noted that the performance fee is calculated prior to any dilution adjustments.

The performance fee becomes due in the event of outperformance, that is, if the increase in the Net Asset Value per Share during the relevant performance period exceeds the increase in the relevant benchmark (see below) over the same period, in accordance with the high water mark principle, i.e. by reference to the Net Asset Value per Share at the

end of any previous performance period (the High Water Mark). The performance period shall normally be each financial year except that where the Net Asset Value per Share as at the end of the financial year is lower than the High Water Mark, the performance period will commence on the date of the High Water Mark. If a performance fee is introduced on a Fund during a financial year, then its first performance period will commence on the date on which such fee is introduced.

The performance fee is set at 15% (except for the Funds European Equity Focus and Global Tactical Asset Allocation, which is set at 10% and for Funds European Alpha Absolute Return and European Equity Absolute Return, which is set at 20%) of the outperformance as defined above.

The performance fee, if applicable, is payable yearly during the month immediately following the end of each financial year. In addition if a Shareholder redeems or switches all or part of their Shares before the end of a performance period, any accrued performance fee with respect to such Shares will crystallise on that Dealing Day and will then become payable to the Investment Manager. The High Water Mark is not reset on those Dealing Days at which performance fees crystallise following the redemption or switch of Shares.

It should be noted that as the Net Asset Value per Share may differ between Share Classes, separate performance fee calculations will be carried out for separate Share Classes within the same Fund, which therefore may become subject to different amounts of performance fee.

A Share Class' performance fee is accrued on each Business Day, on the basis of the difference between the Net Asset Value per Share on the preceding Business Day (before deduction of any provision for the performance fee), and the higher of the Target Net Asset Value per Share (i.e. the hypothetical Net Asset Value per Share assuming a performance based on the benchmark until the preceding Business Day) or the High Water Mark, multiplied by the average number of Shares in issue over the accounting period.

On each Business Day, the accounting provision made on the immediately preceding Business Day is adjusted to reflect the Share Class performance, positive or negative, calculated as described above. If the Net Asset Value per Share on the Business Day is lower than the Target Net Asset Value per Share or the High Water Mark, the provision made on such Business Day is returned to the relevant Share Class within the relevant Fund. The accounting provision may, however, never be negative. Under no circumstances will the respective Investment Manager pay money into a Fund or to any Shareholder for any underperformance.

At the time of issue of this Prospectus, the relevant Funds and Share Classes in relation to which a performance fee may be introduced are:

<b>Fund</b>	<b>Share Classes</b>
Asian Convertible Bond	A, AX, A1, B, C, D, E, IZ, S, X and Z
European Alpha Absolute Return	A, AX, A1, B, C, D, E, IZ, R, S, X and Z
European Equity Absolute Return	A, AX, A1, B, C, D, E, IZ, R, S, X and Z
European Equity Alpha	A, AX, A1, B, C, D, E, IZ, S, X and Z
European Equity Focus	A, AX, A1, B, C, D, E, IZ, S, X and Z
European Special Situations	A, AX, A1, B, C, D, E, IZ, S, X and Z
Frontier Markets Equity	A, AX, A1, B, C, D, E, IZ, S, X and Z
Global Small Cap Energy	A, AX, A1, B, C, D, E, IZ, S, X and Z
Global Emerging Markets Smaller Companies	A, AX, A1, B, C, D, E, IZ, S, X and Z
Global Smaller Companies	A, AX, A1, B, C, D, E, IZ, S, X and Z
Global Tactical Asset Allocation	A, AX, A1, B, C, D, E, IZ, S, X and Z
Japanese Equity Alpha	A, AX, A1, B, C, D, E, IZ, S, X and Z
Swiss Equity Opportunities	A, AX, A1, B, C, D, E, IZ, S, X and Z

For the purpose of calculating the outperformance, the relevant benchmark for each Fund will be as follows:

<b>Fund</b>	<b>Benchmark</b>
Asian Convertible Bond	UBS Asia ex Japan Convertible
European Alpha Absolute Return	3 Month EUR London Interbank Offer Rate Act 360
European Equity Absolute Return	3 Month EUR London Interbank Offer Rate Act 360
European Equity Alpha	MSCI Europe Net TR
European Equity Focus	MSCI Europe Net TR
European Special Situations	MSCI Europe Net TR
Frontier Markets Equity	MSCI Frontier Markets Net TR
Global Small Cap Energy <sup>1</sup>	MSCI World Energy Net TR
Global Emerging Markets Smaller Companies	MSCI Emerging Markets Small Cap Net TR
Global Smaller Companies	S&P Developed Small Cap TR
Global Tactical Asset Allocation	BBA Libor USD 3 Month Act 360
Japanese Equity Alpha	TOPIX TR
Swiss Equity Opportunities	Swiss Exchange Swiss Performance Index

For the avoidance of doubt, the above mentioned benchmarks are solely used for performance fee calculation purposes, and they should therefore under no circumstances be considered as indicative of a specific investment style. In relation to currency hedged Share Classes, currency hedged versions of the above mentioned benchmarks (including currency equivalent cash benchmarks) are used for performance fee calculation purposes.

### **Marketing of the Shares and terms applying to Distributors**

The Management Company shall perform its marketing functions by appointing and, as the case may be, terminating, coordinating among and compensating third party distributors of good repute in the countries where the Shares of the Funds may be distributed or privately placed. Third party distributors shall be compensated for their distribution, shareholder servicing and expenses. Third party distributors may be paid a portion or all of the initial charge, distribution charge, shareholder servicing fee, and management fee.

Distributors may only market the Company's Shares if the Management Company has authorised them to do so.

Distributors shall abide by and enforce all the terms of this Prospectus including, where applicable, the terms of any mandatory provisions of Luxembourg laws and regulations relating to the distribution of the Shares. Distributors shall also abide by the terms of any laws and regulations applicable to them in the country where their activity takes place, including, in particular, any relevant requirements to identify and know their clients.

Distributors must not act in any way that would be damaging or onerous on the Company in particular by submitting the Company to regulatory, fiscal or reporting information it would otherwise not have been subject to. Distributors must not hold themselves out as representing the Company.

### **Structured Products**

Investment in the Shares for the purpose of creating a structured product replicating the performance of the Funds is only permitted after entering into a specific agreement to this effect with the Management Company. In the absence of such an agreement, the Management Company can refuse an investment into the Shares if this is related to a structured product and deemed by the Management Company to potentially conflict with the interest of other Shareholders.

<sup>1</sup> The performance fee for this fund will be removed as of 1 September 2014.

**Custodian**

J.P. Morgan Bank Luxembourg S.A. has been appointed as Custodian of the Company. J.P. Morgan Bank Luxembourg S.A. was incorporated as a "Société Anonyme" for an unlimited duration on May 16, 1973 and has its registered office at European Bank & Business Centre, 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg. On 31 December 2013, its capital reserves amounted to USD 1,039,453,645. The principal activities of J.P. Morgan Bank Luxembourg S.A. are custodial and investment administration services.

All cash, securities and other assets constituting the assets of the Company shall be held under the control of the Custodian on behalf of the Company and its Shareholders. The Custodian shall ensure that the issue and redemption of Shares in the Company and the application of the Company's income are carried out in accordance with the provisions of Luxembourg law and the Articles, and the receipt of funds from transactions in the assets of the Company are received within the usual time limits. The Custodian may receive a fee in relation to these fiduciary services, which is set at a rate of up to 0.005% per annum of the Net Asset Value of the Company.

The Custodian will receive from the Company such fees and commissions as are in accordance with usual practice in Luxembourg as well as accounting fees covering the Company's accounting. The custody safe keeping services and transaction fees are paid on a monthly basis and calculated and accrued on each Business Day. The percentage rate of the safekeeping fee and the level of transaction fees vary, according to the country in which the relevant activities take place, up to a maximum of 0.5% per annum and USD 150 per transaction respectively.

Fees relating to core fund accounting and valuation services are calculated and accrued on each Business Day at an annual rate of up to 0.02% of the Net Asset Value of a Fund, subject to an annual minimum fee of USD 20,000. Additional fees may be due from each Fund for additional services such as non-standard valuations, additional accounting services, for example performance fee calculations and for tax reporting services.

Fiduciary fees, custody safekeeping and transaction fees, together with fund accounting and valuation fees, may be subject to review by the Custodian and the Company from time to time. In addition, the Custodian is entitled to any reasonable expenses properly incurred in carrying out its duties.

The amounts paid to the Custodian will be shown in the Company's financial statements.

The Custodian has also been appointed to act as listing agent for the Company in relation to the listing of its Shares on the Luxembourg Stock Exchange and will receive customary fees for the performance of its duties as such.

**Other Charges and Expenses**

The Company will pay all charges and expenses incurred in the operation of the Company including, without limitation, taxes, expenses for legal and auditing services, brokerage, governmental duties and charges, stock exchange listing expenses and fees due to supervisory authorities in various countries, including the costs incurred in obtaining and maintaining registrations so that the Shares of the Company may be marketed in different countries; expenses incurred in the issue, switch and redemption of Shares and payment of dividends, registration fees, insurance, interest and the costs of computation and publication of Share prices and postage, telephone, facsimile transmission and the use of other electronic communication; costs of printing proxies, statements, Share certificates or confirmations of transactions, Shareholders' reports, prospectuses and supplementary documentation, explanatory brochures and any other periodical information or documentation.

In addition to standard banking and brokerage charges paid by the Company, Schroders' companies providing services to the Company may receive payment for these services. Investment Managers may enter into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Manager, including the Company, and where the Investment Manager is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the Company. Any such arrangements must be made by the Investment Manager on terms commensurate with best market practice.

### 3.2. Company Information

(A) The Company is an umbrella structured open-ended investment company with limited liability, organised as a "société anonyme" and qualifies as a SICAV under Part I of the Law. The Company was incorporated on 5 December 1968 and its Articles were published in the Mémorial on 16 December 1968. The Articles were last amended on 11 October 2011.

The Company is registered under Number B-8202 with the "Registre de Commerce et des Sociétés", where the Articles have been filed and are available for inspection. The Company exists for an indefinite period.

(B) The minimum capital of the Company required by Luxembourg law is EUR 1,250,000. The share capital of the Company is represented by fully paid Shares of no par value and is at any time equal to its net asset value. Should the capital of the Company fall below two thirds of the minimum capital, an extraordinary general meeting of Shareholders must be convened to consider the dissolution of the Company. Any decision to liquidate the Company must be taken by the simple majority of the votes of the Shareholders present or represented at the meeting. Where the share capital falls below one quarter of the minimum capital, the Directors must convene an extraordinary general meeting of Shareholders to decide upon the liquidation of the Company. At that meeting, the decision to liquidate the Company may be taken by Shareholders holding together one quarter of the votes cast of the Shares present or represented.

(C) The following material contracts, not being contracts entered into in the ordinary course of business, have been entered into:

- (1) Fund Services Agreement between the Company and Schroder Investment Management (Luxembourg) S.A., under which the Company appoints Schroder Investment Management (Luxembourg) S.A. as its Management Company,
- (2) Global Custody Agreement between the Company and J.P. Morgan Bank Luxembourg S.A.

The material contracts listed above may be amended from time to time by agreement between the parties thereto.

#### Documents of the Company

Copies of the Articles, Prospectus, Key Investor Information Documents and financial reports may be obtained free of charge and upon request, from the registered office of the Company. The material contracts referred to above are available for inspection during normal business hours, at the registered office of the Company.

#### Historical Performance of the Funds

Past performance information for each Fund in operation for more than one financial year of the Company is carried in that Fund's Key Investor Information Document, which is available from the registered office of the Company and on the internet at [www.schroders.lu](http://www.schroders.lu). Past performance information is also available in the Fund fact sheets found on the Internet at [www.schroders.lu](http://www.schroders.lu) and upon request from the registered office of the Company.

#### Queries and Complaints

Any person who would like to receive further information regarding the Company or who wishes to make a complaint about the operation of the Company should contact the Compliance Officer, Schroder Investment Management (Luxembourg) S.A., 5, rue Höhenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg.

### 3.3. Dividends

#### Dividend Policy

It is intended that the Company will distribute dividends to holders of Distribution Shares in the form of cash in the relevant Share Class currency.

The Company offers different types of Distribution Share Classes as explained in more detail below. Distribution Share Classes may differ in terms of their distribution frequency and in terms of the basis for calculating the dividend.

### Distribution Frequency

Dividends will either be declared as annual dividends by the annual general meeting of Shareholders or may be paid by the Fund more frequently as deemed appropriate by the Directors.

### Dividend Calculation

#### Distribution Share Classes based on Investment Income Before Expenses

**Dividends may be paid out of capital and further reduce the relevant Fund's Net Asset Value. Dividends paid out of capital could be taxed as income in certain jurisdictions.**

The general policy for Distribution Share Classes is to distribute dividends based on income for the period before deduction of expenses. The Directors will periodically review these Distribution Share Classes and reserve the right to make changes if they deem it is appropriate to declare a lower dividend. The Directors may also determine if and to what extent dividends may include distributions from both realised and unrealised capital gains as well as from capital, within the limits set up by Luxembourg law. Distributions from capital may include a premium when the interest rate of a currency hedged Share Class is higher than the Fund's base currency interest rate. Consequently when the interest rate of a currency hedged Share Class is lower than the Fund's base currency interest rate, the dividend may be discounted. The level of premium or discount is determined by differences in interest rates and is not part of the Fund's Investment Objective or Investment Policy.

#### Distribution Share Classes based on Investment Income After Expenses

The Company may also offer Distribution Share Classes where the dividend is based upon investment income for the period after deduction of expenses. The Directors may also determine if and to what extent dividends may include distributions from both realised and unrealised capital gains within the limits set up by Luxembourg law.

#### Distribution Share Classes with Fixed Dividends

**Dividends may be paid out of capital and further reduce the relevant Fund's Net Asset Value. Dividends paid out of capital could be taxed as income in certain jurisdictions.**

The Company may also offer other Distribution Share Classes where the dividend is based on a fixed amount or fixed percentage of the Net Asset Value per Share. The Directors will periodically review fixed Distribution Share Classes and reserve the right to make changes, for example if the investment income after expenses is higher than the target fixed distribution the Directors may declare the higher amount to be distributed. Equally the Directors may deem it is appropriate to declare a dividend lower than the target fixed distribution.

### Dividend Calendar

A dividend calendar including details on the distribution frequency and the dividend calculation basis for all available Share Classes can be requested from the Management Company and is available on [www.schroders.lu](http://www.schroders.lu).

The Board of Directors may decide that dividends be automatically reinvested by the purchase of further Shares. However, no dividends will be distributed if their amount is below the amount of EUR 50 or its equivalent. Such amount will automatically be reinvested in new Shares, other than in respect of B1 Shares where there is no reinvestment facility and any amount of dividend will be paid in cash.

Dividends to be reinvested will be paid to the Management Company who will reinvest the money on behalf of the Shareholders in additional Shares of the same Share Class. Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant Share Class in non-certificated form. Fractional entitlements to registered Shares will be recognised to two decimal places.

Income equalisation arrangements are applied in the case of all distributing Share Classes. These arrangements are intended to ensure that the income per Share which is distributed in respect of a Distribution Period is not affected by changes in the number of Shares in issue during that period.

Dividends due on bearer Shares will be distributed in accordance with the dividend payment instruction given by holders of bearer Shares to the Management Company, on deposit of relevant coupons.

Dividend payments and dividends due on bearer Shares remaining unclaimed five years after the dividend record date will be forfeited and will accrue for the benefit of the relevant Fund.

### 3.4. Taxation

The following is based on the Directors' understanding of the law and practice in force at the date of this document and applies to Investors acquiring Shares in the Company as an investment. Investors should, however, consult their financial or other professional advisers on the possible tax or other consequences of buying, holding, transferring, switching, redeeming or other dealing in the Company's Shares under the laws of their countries of citizenship, residence and domicile.

**This summary is subject to future changes.**

#### Luxembourg Taxation

##### (A) The Company

The Company is not subject to any taxes in Luxembourg on income or capital gains. The only tax to which the Company in Luxembourg is subject is the "taxe d'abonnement" at a rate of 0.05% per annum based on the Net Asset Value of each Fund at the end of the relevant quarter, calculated and paid quarterly. In respect of any Share Class or Fund which comprises only institutional Investors (within the meaning of Article 174 of the Law), the tax levied will be at the rate of 0.01% per annum.

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the countries of origin. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin.

##### (B) Shareholders

Shareholders are not normally subject to any capital gains, income, withholding, gift, estate, inheritance or other taxes in Luxembourg except for Shareholders domiciled, resident or having a permanent establishment in Luxembourg. Shareholders should consult their tax advisers for a more detailed analysis of tax issues arising for them from investing in the Company.

#### **EU Tax Considerations for individuals resident in the EU or in certain third countries or dependent or associated territories**

On 3 June 2003 the EU adopted Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "Directive"). Under the Directive, member states of the EU ("Member States") in whose jurisdiction a paying agent (as defined in the Directive) pays interest or other similar income to an individual who is resident in another Member State for tax purposes must provide the tax authorities of that other Member State with detailed information about such payments. Austria and Luxembourg have, for a transitional period, the right not to do so provided that they must instead withhold tax on such payments. Switzerland, Monaco, Liechtenstein, Andorra, San Marino, the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean, have also introduced measures equivalent to information reporting or, during the above transitional period, withholding tax.

Luxembourg's law of 21 June 2005 (the "2005 Law") implemented the Directive.

Dividends distributed by any of the Company's Funds will be subject to the Directive and the 2005 Law if more than 15% of that Fund's assets are invested in debt claims (as defined in the 2005 Law). Proceeds realised by Shareholders on the redemption or sale of Shares in a Fund will be subject to the Directive and the 2005 Law if more than 25% of that Fund's assets are invested in debt claims.

The applicable withholding tax is at a rate of 35%.

Subject to the provisions of the immediately following paragraph, if a Luxembourg paying agent pays dividends or redemption proceeds directly to a Shareholder who is an individual resident for tax purposes in another Member State or certain of the above mentioned dependent or associated territories, such payment will be subject to withholding tax at the rate described above.

No tax will be withheld by a Luxembourg paying agent if the relevant individual either (i) expressly instructs the paying agent to report information to the tax authorities in accordance with the provisions of the 2005 Law or (ii) presents to the paying agent a certificate, which was drawn up in the format required by the 2005 Law by the competent authorities of his State of residence for tax purposes. Information on how

to instruct the Company's Luxembourg paying agent to report information to the tax authorities of other Member States is available from the Company's registered office. Shareholders may instruct the paying agent to report such information at any time.

The Company reserves the right to reject any application for Shares if the information provided by the applicant does not satisfy the requirements of the 2005 Law.

The Company does not provide legal or tax advice and accepts no responsibility for its Shareholders' actions under the Directive or the 2005 Law. Shareholders who need further advice should seek it from independent professional advisors.

## **UK Taxation**

### **(A) The Company**

It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it will not become resident in the UK. Accordingly, and provided that the Company does not carry on a trade in the UK through a branch or agency situated therein, the Company will not be subject to UK corporation tax or income tax.

### **(B) Shareholders**

#### **Offshore Funds Legislation**

Part 8 of the Taxation (International and Other Provisions) Act 2010 and Statutory Instrument 2009/3001 (the "Offshore Funds regulations") provides that if an Investor who is resident or ordinarily resident in the United Kingdom for taxation purposes disposes of a holding in an offshore entity that constitutes an "offshore fund" and that offshore fund does not qualify as a Reporting Fund throughout the period during which the Investor holds that interest, any gain accruing to the Investor upon the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income ("offshore income gains") and not as a capital gain. The Company is an "offshore fund" for the purpose of those provisions.

All Classes of Shares in the Company, with the exception of R Shares (see further below), are currently managed with a view to them qualifying as Reporting Funds for taxation purposes, and accordingly any capital gain on disposal of Shares in the Company will not be reclassified as an income gain under the UK's offshore fund rules. A full list of reporting Share Classes is available from the Management Company on request. A list of Reporting Funds and their certification dates is published on the HMRC website **Error! Hyperlink reference not valid.** [www.hmrc.gov.uk/cisc/offshore-funds.htm](http://www.hmrc.gov.uk/cisc/offshore-funds.htm)

Under the offshore fund rules, Investors in Reporting Funds are subject to tax on their share of the Reporting Fund's income for an accounting period, whether or not the income is distributed to them. UK resident holders of Accumulation Share Classes should be aware that they will be required to account for and pay tax on income which has been reported to them in respect of their holdings, on an annual basis through their tax return, even though such income has not been distributed to them.

For the avoidance of doubt, distributions which in accordance with 3.3 above have been reinvested in further Shares by the Investment Manager should be deemed for the purpose of UK tax as having been distributed to the Shareholders and subsequently reinvested by them, and accordingly should form part of the Shareholder's taxable income of the period in which the dividend is deemed to have been received.

In accordance with the Offshore Funds legislation, reportable income attributable to each Fund Share will be published no later than 10 months after the end of the reporting period on the following Schroders website: <http://www.schroders.com/luxprof/fund-centre/income-tables>.

It is the Investor's responsibility to calculate and report their respective total reportable income to HMRC based on the number of Shares held at the end of the reporting period. In addition to reportable income attributable to each Fund Share the report will include information on amounts distributed per Share and the dates of distributions in respect of the reporting period. Shareholders with particular needs may request their report be provided in paper form, however we reserve the right to make a charge for this service.

Chapter 3 of Part 6 of the Corporation Tax Act 2009 provides that, if at any time in an accounting period a person within the charge of United Kingdom corporation tax holds an interest in an offshore fund within the meaning of the relevant provisions of



the tax legislation, and there is a time in that period when that fund fails to meet the "qualifying investments test", the interest held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to meet the "qualifying investments test" at any time where more than 60% of its assets by market value comprise government and corporate debt securities or cash on deposit or certain derivative contracts or holdings in other collective investment schemes which at any time in the relevant accounting period do not themselves meet the "qualifying investments test". The Shares will constitute interests in an offshore fund and on the basis of the investment policies of the Company, the Company could fail to meet the "qualifying investments test".

R Shares do not qualify as Reporting Funds for taxation purposes, and accordingly any capital gain on disposal of R Shares will be reclassified as an income gain under the UK's offshore fund rules and taxed accordingly.

#### **Transfer of Assets Abroad**

The attention of individuals ordinarily resident in the United Kingdom for taxation purposes is drawn to Chapter 2 of Part 13 of the Income Tax Act 2007, which may render them liable to income tax in respect of the undistributed income of the Company.

#### **Controlled Foreign Companies Legislation**

The attention of companies resident in the United Kingdom for taxation purposes is drawn to the fact that the "controlled foreign companies" legislation contained in Chapter IV of Part XVII of the Taxes Act could apply to any United Kingdom resident company which is, either alone or together with persons associated with it for taxation purposes, deemed to be interested in 25% or more of any chargeable profits of the Company arising in an accounting period, if at the same time the Company is controlled (as control is defined in Section 755D of the Taxes Act) by persons (whether companies, individuals or others) who are resident in the United Kingdom for taxation purposes or is controlled by two persons taken together, one of whom is resident in the United Kingdom for tax purposes and has at least 40% of the interests, rights and powers by which those persons control the Company, and the other of whom has at least 40% and not more than 55% of such interests, rights and powers. The "chargeable profits" of the Company do not include any of its capital gains. The effect of these provisions could be to render such companies liable to United Kingdom corporation tax in respect of the undistributed income of the Company.

#### **Non-Resident Close Companies**

The attention of persons resident or ordinarily resident in the United Kingdom for taxation purposes (and who, if individuals, are also domiciled in the United Kingdom for those purposes) is drawn to the provisions of Section 13 Taxation of Chargeable Gains Act 1992 ("Section 13"). Section 13 could be material to any such person who has an interest in the Company as a "participator" for United Kingdom taxation purposes (which term includes a shareholder) at a time when any gain accrues to the Company (such as on a disposal of any of its investments) which constitutes a chargeable gain or offshore income gain if, at the same time, the Company is itself controlled in such a manner and by a sufficiently small number of persons as to render the Company a body corporate that would, were it to have been resident in the United Kingdom for taxation purposes, be a "close" company for those purposes. The provisions of Section 13 would result in any such person who is a Shareholder being treated for the purposes of United Kingdom taxation as if a part of any chargeable gain or offshore income gain accruing to the Company had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's proportionate interest in the Company. No liability under Section 13 could be incurred by such a person, however, in respect of a chargeable gain or offshore income gain accruing to the Company if the aggregate proportion of that gain that could be attributed under Section 13 both to that person and to any persons connected with him for United Kingdom taxation purposes does not exceed one-tenth of the gain.

#### **Stamp Taxes**

Transfers of Shares will not be liable to United Kingdom stamp duty unless the instrument of transfer is executed within the United Kingdom when the transfer will be liable to United Kingdom ad valorem stamp duty at the rate of 0.5% of the consideration paid rounded up to the nearest GBP 5. No United Kingdom stamp duty reserve tax is payable on transfers of Shares, or agreements to transfer Shares.

### **Distributions**

Distributions paid by Funds that hold more than 60% of their assets in interest-bearing, or economically similar, form at any time in an accounting period are treated as a payment of annual interest for UK resident individual Investors. The distribution is subject to tax at the rates applying to interest (for the tax year 2013/14, the rates are 10%, 20%, 40% and 45%).

Distributions paid by Funds that have no more than 60% of their assets in interest-bearing form at all times in an accounting period are treated as foreign dividends bearing a non-payable dividend tax credit for UK resident individual Investors. The dividend is subject to tax at the rates applying to dividends (for the tax year 2013/14 the rates are 10%, 32.5% and 37.5%), and the tax credit either partly or fully satisfies the UK tax liability of the Investor. Investors liable to income tax at the basic rate will have no further liability to tax. Higher and additional rate taxpayers will have to pay an additional amount of income tax. Non-taxpayers may not reclaim the tax credits on dividend distributions.

### **Equalisation**

The Company operates full equalisation arrangements. Equalisation applies to Shares purchased during a Distribution Period. The amount of income, calculated daily and included in the purchase price of all Shares purchased part way through a Distribution Period is refunded to holders of these Shares on a first distribution as a return of capital.

Being capital it is not liable to income tax and it should be excluded from the calculation of reportable income included in a UK Shareholder's tax return. The daily income element of all Shares is held on a database and is available upon request from the Company's registered office or online at [www.schroders.com/equalisation](http://www.schroders.com/equalisation).

The aim of operating equalisation is to relieve new Investors in the Company from the liability to tax on income already accrued in the Shares they acquire. Equalisation will not affect Shareholders who own their Shares for the whole of a Distribution Period.

### **U.S. Tax Reporting Obligations under FATCA**

The provisions of the Foreign Account Tax Compliance Act 2012 were enacted on 18 March 2010 as part of the Hiring Incentive to Restore Employment Act and became part of the Code (FATCA). It includes provisions under which the Company as Foreign Financial institution ("FFI") may be required to report directly to the Internal Revenue Service ("IRS") certain information about shares held by US persons for the purposes of FATCA or other foreign entities subject to FATCA and to collect additional identification information for this purpose. Financial institutions that do not enter into an agreement with the IRS and comply with the FATCA regime could be subject to 30% withholding tax on any payment of US source income as well as on the gross proceeds deriving from the sale of securities generating US income made to the Company.

In order to comply with its FATCA obligations, from 1 July 2014 the Company may be required to obtain certain information from its investors so as to ascertain their US tax status. If the investor is a specified US person for the purposes of FATCA, US owned non-US entity, non-participating FFI ("NPFPI") or does not provide the requisite documentation promptly, the Company will need to report information on these investors to the Luxembourg tax authority, in accordance with applicable laws and regulations, which will in turn report this to the IRS. Provided that the Company acts in accordance with these provisions it will not be subject to withholding tax under FATCA.

Shareholders, and intermediaries acting for Shareholders, should note that it is the existing policy of the Company that Shares are not being offered or sold for the account of US persons for the purposes of FATCA and that subsequent transfers of Shares to such US persons are prohibited. Shareholders should moreover note that under the FATCA legislation, the definition of US persons for the purposes of FATCA may include a wider range of investors than the current US person definition.

## **3.5. Meetings and Reports**

### **Meetings**

In principle, the annual general meeting of Shareholders of the Company is held in Luxembourg on the last Tuesday of May in each year at 11:00 or, if such day is not a Business Day, on the next Business Day. For all general meetings of Shareholders notices are sent to registered Shareholders by post at least 8 days prior to the meeting. Notices

will be published in the Mémorial and in a Luxembourg newspaper(s) (if legally required) and in such other newspapers as the Directors may decide. Such notices will include the agenda and specify the place of the meeting. The legal requirements as to notice, quorum and voting at all general and Fund or Share Class meetings are included in the Articles. Meetings of Shareholders of any given Fund or Share Class shall decide upon matters relating to that Fund or Share Class only.

The notice of any general meeting of Shareholders may provide that the quorum and the majority at this general meeting shall be determined according to the Shares issued and outstanding at a certain date and time preceding the general meeting (the "Record Date"). The right of a Shareholder to participate at a general meeting of Shareholders and to exercise voting rights attached to his/its/her Shares shall be determined by reference to the Shares held by this Shareholder as at the Record Date.

### **Reports**

The financial year of the Company ends on 31 December each year. An abridged version of the audited annual report of the Company will be made available upon request to Shareholders ahead of the annual general meeting of Shareholders. This abridged version encloses the report of the Directors, a statement of the net assets of the Funds and statistical information, a statement of operations and of changes in net assets of the Funds, notes to the financial statements and the Independent Auditors' report. The unaudited half-yearly report and full version of the audited annual report will also be prepared. Such reports form an integral part of this Prospectus. Copies of the annual and semi-annual financial reports may be obtained from the Internet site [www.schroders.lu](http://www.schroders.lu), and are available free of charge from the registered office of the Company.

## **3.6. Details of Shares**

### **Shareholder rights**

The Shares issued by the Company are freely transferable and entitled to participate equally in the profits, and in case of Distribution Shares, dividends of the Share Classes to which they relate, and in the net assets of such Share Class upon liquidation. The Shares carry no preferential and pre-emptive rights.

### **Voting**

At general meetings, each Shareholder has the right to one vote for each whole Share held.

A Shareholder of any particular Fund or Share Class will be entitled at any separate meeting of the Shareholders of that Fund or Share Class to one vote for each whole Share of that Fund or Share Class held.

In the case of a joint holding, only the first named Shareholder may vote.

### **Compulsory redemption**

The Directors may impose or relax restrictions on any Shares and, if necessary, require redemption of Shares to ensure that Shares are neither acquired nor held by or on behalf of any person in breach of the law or requirements of any country or government or regulatory authority or which might have adverse taxation or other pecuniary consequences for the Company including a requirement to register under the laws and regulations of any country or authority. The Directors may in this connection require a Shareholder to provide such information as they may consider necessary to establish whether the Shareholder is the beneficial owner of the Shares which they hold.

If it shall come to the attention of the Directors at any time that Shares are beneficially owned by a US Person, or a US person for the purposes of FATCA, the Company will have the right compulsorily to redeem such Shares.

### **Transfers**

The transfer of registered Shares may be effected by delivery to the Management Company of a duly signed stock transfer form in appropriate form together with, if issued, the relevant certificate to be cancelled. Transfer of physical bearer Shares are effected by delivery of the relevant Share certificate. For the avoidance of any doubt the Company will not issue new bearer shares.

**Rights on a winding-up**

The Company has been established for an unlimited period. However, the Company may be liquidated at any time by a resolution adopted by an extraordinary general meeting of Shareholders, at which meeting one or several liquidators will be named and their powers defined. Liquidation will be carried out in accordance with the provisions of Luxembourg law. The net proceeds of liquidation corresponding to each Fund shall be distributed by the liquidators to the Shareholders of the relevant Fund in proportion to the value of their holding of Shares.

If and when the net assets of all Share Classes in a Fund are less than EUR 50,000,000 or its equivalent in another currency, or if any economic or political situation would constitute a compelling reason therefore, or if required in the interest of the Shareholders of the relevant Fund, the Directors may decide to redeem all the Shares of that Fund. In any such event Shareholders will be notified by redemption notice published (or notified as the case may be) by the Company in accordance with applicable Luxembourg laws and regulations prior to compulsory redemption, and will be paid the Net Asset Value of the Shares of the relevant Share Class held as at the redemption date.

Under the same circumstances as described above, the Directors may also decide upon the reorganisation of any Fund by means of a division into two or more separate Funds. Such decision will be published or notified in the same manner as described above and, in addition, the publication or notification will contain information in relation to the two or more separate Funds resulting from the reorganisation. Such publication or notification will be made at least one month before the date on which the reorganisation becomes effective in order to enable Shareholders to request redemption or switch of their Shares before the reorganisation becomes effective.

Any merger of a Fund with another Fund of the Company or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for the merger to the general meeting of Shareholders of the Fund concerned. In the latter case, no quorum is required for this general meeting and the decision for the merger is taken by a simple majority of the votes cast. Such a merger will be undertaken in accordance with the provisions of the Law.

Any liquidation proceeds not claimed by the Shareholders at the close of the liquidation of a Fund will be deposited in escrow at the "Caisse de Consignation". Amounts not claimed from escrow within the period fixed by law may be liable to be forfeited in accordance with the provisions of Luxembourg law.

**Information to bearer Shareholders**

Any relevant notification to bearer Shareholders (with the exception of the convening notices referred to under 3.5 "Meetings and Reports") will be posted on Schroder's website: [www.schroders.lu](http://www.schroders.lu).

**3.7. Pooling**

For the purpose of effective management, and subject to the provisions of the Articles and to applicable laws and regulations, the Management Company may invest and manage all or any part of the portfolio of assets established for two or more Funds (for the purposes hereof "Participating Funds") on a pooled basis. Any such asset pool shall be formed by transferring to it cash or other assets (subject to such assets being appropriate with respect to the investment policy of the pool concerned) from each of the Participating Funds. Thereafter, the Management Company may from time to time make further transfers to each asset pool. Assets may also be transferred back to a Participating Fund up to the amount of the participation of the Share Class concerned. The share of a Participating Fund in an asset pool shall be measured by reference to notional units of equal value in the asset pool. On formation of an asset pool, the Management Company shall, in its discretion, determine the initial value of notional units (which shall be expressed in such currency as the Management Company considers appropriate) and shall allocate to each Participating Fund units having an aggregate value equal to the amount of cash (or to the value of other assets) contributed. Thereafter, the value of the notional unit shall be determined by dividing the Net Asset Value of the asset pool by the number of notional units subsisting.

When additional cash or assets are contributed to or withdrawn from an asset pool, the allocation of units of the Participating Fund concerned will be increased or reduced, as the case may be, by a number of units determined by dividing the amount of cash or the

value of assets contributed or withdrawn by the current value of a unit. Where a contribution is made in cash, it will be treated for the purpose of this calculation as reduced by an amount which the Management Company considers appropriate to reflect fiscal charges and dealing and purchase costs which may be incurred in investing the cash concerned; in the case of cash withdrawal, a corresponding addition will be made to reflect costs which may be incurred in realising securities or other assets of the asset pool.

Dividends, interest and other distributions of an income nature received in respect of the assets in an asset pool will be immediately credited to the Participating Funds in proportion to their respective participation in the asset pool at the time of receipt. Upon the dissolution of the Company, the assets in an asset pool will be allocated to the Participating Funds in proportion to their respective participation in the asset pool.

### **3.8. Co-Management**

In order to reduce operational and administrative charges while allowing a wider diversification of the investments, the Management Company may decide that part or all of the assets of one or more Funds will be co-managed with assets belonging to other Luxembourg collective investment schemes. In the following paragraphs, the words "co-managed entities" shall refer globally to the Funds and all entities with and between which there would exist any given co-management arrangement and the words "co-managed Assets" shall refer to the entire assets of these co-managed entities and co-managed pursuant to the same co-management arrangement.

Under the co-management arrangement, the Investment Manager, if appointed and granted the day-to-day management will be entitled to take, on a consolidated basis for the relevant co-managed entities, investment, disinvestment and portfolio readjustment decisions which will influence the composition of the relevant Fund's portfolio. Each co-managed entity shall hold a portion of the co-managed Assets corresponding to the proportion of its net assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed entity.

In case of new subscriptions in one of the co-managed entities, the subscription proceeds shall be allotted to the co-managed entities pursuant to the modified proportions resulting from the net asset increase of the co-managed entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed entities, the cash required may be levied on the cash held by the co-managed entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed entity which has suffered from the redemptions and, in such case, all lines of investment shall be adjusted to the modified proportions. Shareholders should be aware that, in the absence of any specific action by the Management Company or any of the Management Company's appointed agents, the co-management arrangement may cause the composition of assets of the relevant Fund to be influenced by events attributable to other co-managed entities such as subscriptions and redemptions. Thus, all other things being equal, subscriptions received in one entity with which the Fund is co-managed will lead to an increase of the Fund's reserve of cash.

Conversely, redemptions made in one entity with which any Fund is co-managed will lead to a reduction of the Fund's reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Management Company or any of the Management Company's appointed agents to decide at anytime to terminate its participation in the co-management arrangement permit the relevant Fund to avoid the readjustments of its portfolio if these readjustments are likely to affect the interest of its Shareholders.

If a modification of the composition of the relevant Fund's portfolio resulting from redemptions or payments of charges and expenses peculiar to another co-managed entity (i.e. not attributable to the Fund) is likely to result in a breach of the investment

restrictions applicable to the relevant Fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

Co-managed Assets of the Funds shall, as the case may be, only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets in order to assure that investment decisions are fully compatible with the investment policy of the relevant Fund. Co-managed Assets shall only be co-managed with assets for which the Custodian is also acting as depository in order to assure that the Custodian is able, with respect to the Company and its Funds, to fully carry out its functions and responsibilities pursuant to the Regulations. The Custodian shall at all times keep the Company's assets segregated from the assets of other co-managed entities, and shall therefore be able at all time to identify the assets of the Company and of each Fund. Since co-managed entities may have investment policies which are not strictly identical to the investment policy of the relevant Funds, it is possible that as a result the common policy implemented may be more restrictive than that of the Funds concerned.

A co-management agreement shall be signed between the Management Company, the Custodian and the Investment Managers in order to define each of the parties' rights and obligations. The Directors may decide at any time and without notice to terminate the co-management arrangement.

Shareholders may at all times contact the registered office of the Company to be informed of the percentage of assets which are co-managed and of the entities with which there is such a co-management arrangement at the time of their request. Audited annual and half-yearly reports shall state the co-managed Assets' composition and percentages.

# Appendix I

## Investment Restrictions

The Directors have adopted the following restrictions relating to the investment of the Company's assets and its activities. These restrictions and policies may be amended from time to time by the Directors if and as they shall deem it to be in the best interests of the Company in which case this Prospectus will be updated.

The investment restrictions imposed by Luxembourg law must be complied with by each Fund. Those restrictions in section 1(D) below are applicable to the Company as a whole.

### 1. Investment in Transferable Securities and Liquid Assets

- (A) The Company will invest in:
- (1) transferable securities and money market instruments admitted to or dealt in on a Regulated Market; and/or
  - (2) transferable securities and money market instruments dealt in on another market in a Member State of the EU which is regulated, operated regularly and is recognised and open to the public; and/or
  - (3) transferable securities and money market instruments added to official listing on a stock exchange in a non-Member State of the EU, which is regulated, operated regularly and is recognised and open to the public; and/or
  - (4) recently issued transferable securities and money market instruments, provided that:
    - (I) the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another Regulated Market which operates regularly, is recognised and open to the public and
    - (II) such admission is secured within one year of the issue and/or
  - (5) units of UCITS and/or of other UCI, whether situated in an EU member state or not, provided that:
    - (I) such other UCIs have been authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU Law, and that cooperation between authorities is sufficiently ensured,
    - (II) the level of protection for Shareholders in such other UCIs is equivalent to that provided for Shareholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS IV Directive,
    - (III) the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
    - (IV) no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs; and/or
  - (6) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a country which is an EU member state or, if the registered office of the credit institution is situated in a non-EU member state, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU Law; and/or
  - (7) financial derivative instruments, including equivalent cash-settled instruments, dealt on a Regulated Market, and/or financial derivative instruments dealt over-the-counter, provided that:
    - (I) the underlying consists of securities covered by this section 1(A), financial indices, interest rates, foreign exchange rates or currencies, in which the Funds may invest according to their investment objective;

- (II) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF;
  - (III) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.
- and/or
- (8) money market instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
    - (I) issued or guaranteed by a central, regional or local authority or by a central bank of an EU member state, the European Central Bank, the EU or the European Investment Bank, a non-EU member state or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU member states belong, or
    - (II) issued by an undertaking any securities of which are dealt in on Regulated Markets, or
    - (III) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined in EU Law, or
    - (IV) issued by other bodies belonging to categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR 10,000,000 and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.
  - (9) In addition, the Company may invest a maximum of 10% of the Net Asset Value of any Fund in transferable securities or money market instruments other than those referred to under A(1) to A(4) and A(8) above.
  - (10) Under the conditions and within the limits laid down by the Law, the Company may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Fund into a Feeder UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.

A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS. A Feeder UCITS may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with paragraph B below;
- financial derivative instruments, which may be used only for hedging purposes;

For the purposes of compliance with section 3 below, the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the above paragraph, (b) with either:

- the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or
- the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.

- (A) Each Fund may hold ancillary liquid assets. Liquid assets used to back-up financial derivative exposure are not considered as ancillary liquid assets.



(B) (1) Each Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same issuing body (and in the case of structured financial instruments embedding derivative instruments, both the issuer of the structured financial instruments and the issuer of the underlying securities). Each Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of a Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in paragraph 1(A)(6) above or 5% of its net assets in other cases.

(2) Furthermore, where any Fund holds investments in transferable securities and money market instruments of any issuing body which individually exceed 5% of the Net Asset Value of such Fund, the total value of all such investments must not account for more than 40% of the Net Asset Value of such Fund.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph (C)(1), a Fund may not combine:

- investments in transferable securities or money market instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions undertaken with a single body in excess of 20% of its net assets.

(3) The limit of 10% laid down in paragraph (C)(1) above shall be 35% in respect of transferable securities or money market instruments which are issued or guaranteed by an EU member state, its local authorities or by an Eligible State or by public international bodies of which one or more EU member states are members.

(4) The limit of 10% laid down in paragraph (C)(1) above shall be 25% in respect of debt securities which are issued by highly rated credit institutions having their registered office in an EU member state and which are subject by law to a special public supervision for the purpose of protecting the holders of such debt securities, provided that the amount resulting from the issue of such debt securities are invested, pursuant to applicable provisions of the law, in assets which are sufficient to cover the liabilities arising from such debt securities during the whole period of validity thereof and which are assigned to the preferential repayment of capital and accrued interest in the case of a default by such issuer.

If a Fund invests more than 5% of its assets in the debt securities referred to in the sub-paragraph above and issued by one issuer, the total value of such investments may not exceed 80% of the value of the assets of such Fund.

(5) The transferable securities and money market instruments referred to in paragraphs (C)(3) and (C)(4) are not included in the calculation of the limit of 40% referred to in paragraph (C)(2).

The limits set out in paragraphs (C)(1), (C)(2), (C)(3) and (C)(4) above may not be aggregated and, accordingly, the value of investments in transferable securities and money market instruments issued by the same body, in deposits or financial derivative instruments made with this body, effected in accordance with paragraphs (C)(1), (C)(2), (C)(3) and (C)(4) may not, in any event, exceed a total of 35% of each Fund's Net Asset Value.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph (C).

A Fund may cumulatively invest up to 20% of its net assets in transferable securities and money market instruments within the same group.

- (6) Without prejudice to the limits laid down in paragraph (D), the limits laid down in this paragraph (C) shall be 20% for investments in shares and/or bonds issued by the same body when the aim of a Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the CSSF, provided
- the composition of the index is sufficiently diversified,
  - the index represents an adequate benchmark for the market to which it refers,
  - it is published in an appropriate manner.

The limit laid down in the sub-paragraph above is raised to 35% where it proves to be justified by exceptional market conditions in particular in Regulated Markets where certain transferable securities or money market instruments are highly dominant provided that investment up to 35% is only permitted for a single issuer.

- (7) Where any Fund has invested in accordance with the principle of risk spreading in transferable securities or money market instruments issued or guaranteed by an EU member state, by its local authorities or by an Eligible State or by public international bodies of which one or more EU member states are members, the Company may invest 100% of the Net Asset Value of any Fund in such securities provided that such Fund must hold securities from at least six different issues and the value of securities from any one issue must not account for more than 30% of the Net Asset Value of the Fund.**

Subject to having due regard to the principle of risk spreading, a Fund need not comply with the limits set out in this paragraph (C) for a period of 6 months following the date of its launch.

- (C) (1) The Company may not normally acquire shares carrying voting rights which would enable the Company to exercise significant influence over the management of the issuing body.
- (2) Each Fund may acquire no more than (a) 10% of the non-voting shares of any single issuing body, (b) 10% of the value of debt securities of any single issuing body, (c) 10% of the money market instruments of the same issuing body, and/or (d) 25% of the units of the same UCI. However, the limits laid down in (b), (c) and (d) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments or the net amount of securities in issue cannot be calculated.

The limits set out in paragraph (D)(1) and (2) above shall not apply to:

- (1) transferable securities and money market instruments issued or guaranteed by an EU member state or its local authorities;
  - (2) transferable securities and money market instruments issued or guaranteed by any other Eligible State;
  - (3) transferable securities and money market instruments issued by public international bodies of which one or more EU member states are members; or
  - (4) shares held in the capital of a company incorporated in a non-EU member state which invests its assets mainly in the securities of issuing bodies having their registered office in that state where, under the legislation of that state, such holding represents the only way in which such Fund's assets may invest in the securities of the issuing bodies of that state, provided, however, that such company in its investment policy complies with the limits laid down in Articles 43, 46 and 48 (1) and (2) of the Law.
- (D) No Fund may invest more than 10% of its net assets in units of UCITS or other UCIs with the exception of Funds Asian Diversified Growth, Global Conservative, Global Diversified Growth, Japan DGF, Strategic Beta 10, Wealth Preservation EUR, Wealth

Preservation USD, the Multi-Manager Funds, and funds identified as Feeder UCITS as provided for in the investment objective and policy in Appendix III. In addition, except for funds identified as Feeder UCITS, the following limits shall apply:

- (1) If a Fund is allowed to invest more than 10% of its net assets in units of UCITS and/or UCIs, this Fund may not invest more than 20% of its net assets in units of a single UCITS or other UCI. Investments made in units of UCIs other than UCITS may not, in aggregate, exceed 30% of the net assets of a Sub-Fund.
  - (2) When a Fund invests in the units of other UCITS and/or other UCIs linked to the Company by common management or control, or by a direct or indirect holding of more than 10% of the capital or the voting rights, or managed by a management company linked to the Investment Manager, no subscription or redemption fees may be charged to the Company on account of its investment in the units of such other UCITS and/or UCIs. In respect of a Fund's investments in UCITS and other UCIs linked to the Company as described in the preceding paragraph, there shall be no management fee charged to that portion of the assets of the relevant Fund. The Company will indicate in its annual report the total management fees charged both to the relevant Fund and to the UCITS and other UCIs in which such Fund has invested during the relevant period.
  - (3) The Company may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple sub-funds, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all sub-funds combined.
  - (4) The underlying investments held by the UCITS or other UCIs in which the Funds invest do not have to be considered for the purpose of the investment restrictions set forth under section 1(C) above.
- (E) A Fund (the "Investing Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Funds (each, a "Target Fund") without the Company being subject to the requirements of the law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:
- (1) the Target Fund(s) do(es) not, in turn, invest in the Investing Fund invested in this (these) Target Fund(s); and
  - (2) no more than 10% of the assets that the Target Fund(s) whose acquisition is contemplated may be invested in units of other Target Funds; and
  - (3) voting rights, if any, attaching to the Shares of the Target Fund(s) are suspended for as long as they are held by the Investing Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
  - (4) in any event, for as long as these securities are held by the Investing Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the Law; and
  - (5) there is no duplication of management/subscription or repurchase fees between those at the level of the Investing Fund having invested in the Target Fund(s), and this (these) Target Fund(s).

## 2. Investment in Other Assets

- (A) The Company will neither make investments in precious metals, commodities or certificates representing these. In addition, the Company will not enter into financial derivative instruments on precious metals or commodities. This does not prevent the Company from gaining exposure to precious metals or commodities by investing into financial instruments backed by precious metals or commodities, or financial instruments whose performance is linked to precious metals or commodities.
- (B) The Company will not purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

- (C) The Company may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in sections 1(A)(5), (7) and (8).
- (D) The Company may not borrow for the account of any Fund, other than amounts which do not in aggregate exceed 10% of the Net Asset Value of the Fund, and then only as a temporary measure. For the purpose of this restriction back to back loans are not considered to be borrowings.
- (E) The Company will not mortgage, pledge, hypothecate or otherwise encumber as security for indebtedness any securities held for the account of any Fund, except as may be necessary in connection with the borrowings mentioned in paragraph (D) above, and then such mortgaging, pledging, or hypothecating may not exceed 10% of the Net Asset Value of each Fund. In connection with swap transactions, option and forward exchange or futures transactions the deposit of securities or other assets in a separate account shall not be considered a mortgage, pledge or hypothecation for this purpose.
- (F) The Company will not underwrite or sub-underwrite securities of other issuers.
- (G) The Company will on a Fund by Fund basis comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

### 3. Financial Derivative Instruments

As specified in section 1(A)(7) above, the Company may in respect of each Fund invest in financial derivative instruments.

The Company shall ensure that the global exposure of each Fund relating to financial derivative instruments does not exceed the total net assets of that Fund. The Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings (as referred to in section 2(D) above) so that it may not exceed 210% of any Fund's total net assets under any circumstances.

The global exposure relating to financial derivative instruments is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following sub-paragraphs.

Each Fund may invest, as a part of its investment policy and within the limits laid down in section 1(A)(7) and section 1(C)(5), in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in sections 1(C)(1) to (7).

When a Fund invests in index-based financial derivative instruments compliant with the provisions of sections 1(C)(1) to (7), these investments do not have to be combined with the limits laid down in section 1(C). The frequency of the review and rebalancing of the composition of the underlying index of such financial derivative instruments varies per index and could be daily, weekly, monthly, quarterly or annually. The rebalancing frequency will have no impact in terms of costs in the context of the performance of the investment objective of the relevant Fund.

When a transferable security or money market instrument embeds a financial derivative instrument, the latter must be taken into account when complying with the requirements of these restrictions. Transferable securities or money market instruments backed by other assets are not deemed to embed a financial derivative instrument.

The Funds may use financial derivative instruments for investment purposes and for hedging purposes, within the limits of the Regulations. Under no circumstances shall the use of these instruments and techniques cause a Fund to diverge from its investment policy or objective. The risks against which the Funds could be hedged may be, for instance, market risk, foreign exchange risk, interest rates risk, credit risk, volatility or inflation risks.

#### Agreements on OTC derivatives

A Fund may enter into agreements on OTC derivatives. The counterparties to any OTC financial derivative transactions, such as total return swaps or other financial derivative instruments with similar characteristics, entered into by a Fund, are selected from a list of authorised counterparties established with the Management Company. The

counterparties will be first class institutions which are either credit institutions or investment firm, which are subject to prudential supervision. The list of authorised counterparties may be amended with the consent of the Management Company. The identity of the counterparties will be disclosed in the annual report of the Company.

The counterparties to total return swaps do not assume any discretion over the composition or management of the Fund's investment portfolio or over the underlying asset. The approval of the counterparties is not required to any portfolio transactions by the Fund.

Unless specified otherwise in Appendix III, the global exposure relating to financial derivative instruments will be calculated using a commitment approach. Funds applying a Value-at-Risk (VaR) approach to calculate their global exposure will contain an indication thereto in Appendix III.

#### **Global exposure**

A Fund's global exposure is limited to the total net value of its portfolio.

#### **Commitment Approach**

Under the commitment approach, financial derivative positions are converted into equivalent positions in the underlying asset, using market price or future price/notional value when more conservative.

#### **VaR approach**

VaR reports will be produced and monitored on a daily basis based on the following criteria:

- 1 month holding period;
- 99% unilateral confidence interval;
- at least a one year effective historical observation period (250 days) unless market conditions require a shorter observation period; and
- parameters used in the model are updated at least quarterly.

Stress testing will also be applied at a minimum of once per month.

VaR limits are set using an absolute or relative approach.

#### **Absolute VaR approach**

The absolute VaR approach is generally appropriate in the absence of an identifiable reference portfolio or benchmark, for example with absolute return funds. Under the absolute VaR approach a limit is set as a percentage of the Net Asset Value of the Fund. The absolute VaR limit of a Fund has to be set at or below 20% of its Net Asset Value. This limit is based upon a 1 month holding period and a 99% unilateral confidence interval.

#### **Relative VaR approach**

The relative VaR approach is used for Funds where a VaR benchmark reflecting the investment strategy which the Fund is pursuing is defined. Under the relative VaR approach a limit is set as a multiple of the VaR of a benchmark or reference portfolio. The relative VaR limit of a fund has to be set at or below twice the VaR of the Fund's VaR benchmark. Information on the specific VaR benchmark used are disclosed in Appendix III hereunder.

## **4. Use of Techniques and Instruments relating to transferable securities and money market instruments**

Techniques and instruments (including, but not limited to, securities lending or repurchase and reverse repurchase agreements) relating to transferable securities and money market instruments may be used by each Fund for the purpose of efficient portfolio management and where this is in the best interest of the Fund and in line with its investment objective and investor profile.

To the extent permitted by and within the limits prescribed by the Regulations, each Fund may for the purpose of generating additional capital or income or for reducing its costs or risks, enter as purchaser or seller into optional or non-optional repurchase or reverse repurchase transactions and engage in securities lending transactions.

The Company will, for the time being, not enter into repurchase and reverse repurchase agreements nor engage in securities lending transactions. Should the Company decide to use such techniques and instruments in the future, the Company will update this Prospectus accordingly and will comply with the Regulations and in particular CSSF circular 13/559 relating to ESMA guidelines on ETFs and other UCITS issues.

### **Securities lending**

Should the Company engage in securities lending, each Fund will only engage in securities lending transactions with first class institutions specialising in these types of transactions and which are subject to prudential supervision considered by the CSSF to be equivalent to that laid down in EU law.

Each Fund must ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

In respect of securities loans, the Fund will ensure that its counterparty delivers and each day maintains collateral of at least the market value of the securities lent. Such collateral must be in the form of cash or securities that satisfy the requirements of the Regulations. Such collateral shall comply with the requirements set out in section 5. "Management of Collateral" below.

### **Reverse repurchase and repurchase agreements**

Should the Company engage in reverse repurchase and repurchase agreements, each Fund will only enter into reverse repurchase and repurchase agreements with counterparties which are subject to prudential supervision rules considered by the CSSF as equivalent to that laid down in EU law.

A Fund that enters into a reverse repurchase agreement shall ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement.

A Fund that enters into a repurchase agreement shall ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

Fixed-term repurchase and reverse repurchase agreement that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

Each Fund shall ensure that the level of its exposure to repurchase and reverse repurchase agreements is such that it is able to comply at all times with its redemption obligations.

## **5. Management of Collateral**

The risk exposures to a counterparty arising from OTC financial derivative transactions and efficient portfolio management techniques shall be combined when calculating the counterparty risk limits provided for in section 1(C) above.

Where a Fund enters into OTC financial derivative transactions and efficient portfolio management techniques, all collateral used to reduce counterparty risk exposure shall comply with the following criteria at all times:

- (A) Any collateral received other than cash shall be highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received shall also comply with the provisions in section 1(D) above.
- (B) Collateral received shall be valued on at least a daily basis. Assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place.
- (C) Collateral received shall be of high quality.
- (D) The collateral received shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- (E) Collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of

collateral with a maximum exposure to a given issuer of 20% of its Net Asset Value. When a Fund is exposed to different counterparties, the different baskets of collateral shall be aggregated to calculate the 20% limit of exposure to a single issuer.

- (F) Where there is a title transfer, the collateral received shall be held by the Custodian. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- (G) Collateral received shall be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.
- (H) Non-cash collateral received shall not be sold, re-invested or pledged.
- (I) Cash collateral that isn't received on behalf of currency hedged Share Classes shall only be:
  - (1) placed on deposit with entities as prescribed in section 1(A)(6) above;
  - (2) invested in high-quality government bonds;
  - (3) used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis;
  - (4) invested in short-term money market funds as defined in the "ESMA Guidelines on a Common Definition of European Money Market Funds".

Re-invested cash collateral shall be diversified in accordance with the diversification requirements applicable to non-cash collateral.

#### **Collateral policy**

Collateral received by the Fund shall predominantly be limited to cash and government bonds.

#### **Haircut policy**

The following haircuts for collateral in OTC transactions are applied by the Management Company (the Management Company reserves the right to vary this policy at any time in which case this Prospectus will be updated accordingly):

<b>Eligible Collateral</b>	<b>Remaining Maturity</b>	<b>Valuation Percentage</b>
Cash	N/A	100%
Government Bonds	One year or under	98%
	More than one year up to and including five years	97%
	More than five years up to and including ten years	95%
	More than ten years up to and including thirty years	93%
	More than thirty years up to and including forty years	90%
	More than forty years up to and including fifty years	87%

## **6. Risk Management Process**

The Company will employ a risk management process which enables it with the Investment Manager to monitor and measure at any time the risk of the positions, the use of efficient portfolio management techniques, the management of collateral and their contribution to the overall risk profile of each Fund. The Company or the Investment Manager will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

Upon request of an Investor, the Management Company will provide supplementary information relating to the quantitative limits that apply in the risk management of each Fund, to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments. This supplementary information includes the VaR levels set for the Funds using such risk measure.

The risk management framework is available upon request from the Company's registered office.

## 7. Miscellaneous

- (A) The Company may not make loans to other persons or act as a guarantor on behalf of third parties provided that for the purpose of this restriction the making of bank deposits and the acquisition of such securities referred to in paragraphs 1(A)(1), (2), (3) and (4) or of ancillary liquid assets shall not be deemed to be the making of a loan and that the Company shall not be prevented from acquiring such securities above which are not fully paid.
- (B) The Company need not comply with the investment limit percentages when exercising subscription rights attached to securities which form part of its assets.
- (C) The Management Company, the Investment Managers, the Distributors, Custodian and any authorised agents or their associates may have dealings in the assets of the Company provided that any such transactions are effected on normal commercial terms negotiated at arm's length and provided that each such transaction complies with any of the following:
  - (1) a certified valuation of such transaction is provided by a person approved by the Directors as independent and competent;
  - (2) the transaction has been executed on best terms, on and under the rules of an organised investment exchange; or  
where neither (1) or (2) is practical;
  - (3) where the Directors are satisfied that the transaction has been executed on normal commercial terms negotiated at arm's length.
- (D) Funds registered in Taiwan are restricted in the percentage of the Fund that can be invested in securities traded on the security markets of the People's Republic of China. These limits may be amended from time to time by the Financial Supervisory Commission in Taiwan.



# Appendix II

## Risks of Investment

### 1. General Risks

Past performance is not a guide to future performance and Shares, other than Shares of Liquidity Funds, should be regarded as a medium to long-term investment. The value of investments and the income generated by them may go down as well as up and Shareholders may not get back the amount originally invested. Where the Fund Currency varies from the Investor's home currency, or where the Fund Currency varies from the currencies of the markets in which the Fund invests, there is the prospect of additional loss (or the prospect of additional gain) to the Investor greater than the usual risks of investment.

### 2. Investment Objective Risk

Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro economic environment, investment objectives may become more difficult or even impossible to achieve. There is no express or implied assurance as to the likelihood of achieving the investment objective for a Fund.

### 3. Regulatory Risk

The Company is domiciled in Luxembourg and Investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally the Funds will be registered in non-EU jurisdictions. As a result of such registrations the Funds may be subject, without any notice to the shareholders in the Funds concerned, to more restrictive regulatory regimes. In such cases the Funds will abide by these more restrictive requirements. This may prevent the Funds from making the fullest possible use of the investment limits.

### 4. Risk of Suspension of Share Dealings

Investors are reminded that in certain circumstances their right to redeem or switch Shares may be suspended (see Section 2.4, "Suspensions or Deferrals").

### 5. Interest Rate Risk

The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the values of existing debt instruments, and rising interest rates generally reduce the value of existing debt instruments. Interest rate risk is generally greater for investments with long durations or maturities. Some investments give the issuer the option to call or redeem an investment before its maturity date. If an issuer calls or redeems an investment during a time of declining interest rates, a Fund might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates.

### 6. Credit Risk

The ability, or perceived ability, of an issuer of a debt security to make timely payments of interest and principal on the security will affect the value of the security. It is possible that the ability of the issuer to meet its obligation will decline substantially during the period when a Fund owns securities of that issuer, or that the issuer will default on its obligations. An actual or perceived deterioration in the ability of an issuer to meet its obligations will likely have an adverse effect on the value of the issuer's securities.

If a security has been rated by more than one nationally recognised statistical rating organisation the Fund's Investment Manager may consider the highest rating for the purposes of determining whether the security is investment grade. A Fund will not necessarily dispose of a security held by it if its rating falls below investment grade, although the Fund's Investment Manager will consider whether the security continues to be an appropriate investment for the Fund. A Fund's Investment Manager considers whether a security is investment grade only at the time of purchase. Some of the Funds will invest in securities which will not be rated by a nationally recognised statistical rating organisation, but the credit quality will be determined by the Investment Manager.

Credit risk is generally greater for investments issued at less than their face values and required to make interest payments only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition, and does not reflect an assessment of an investment's volatility and liquidity. Although investment grade investments generally have lower credit risk than investments rated below investment grade, they may share some of the risks of lower-rated investments, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default.

## 7. Liquidity Risk

Liquidity risk exists when particular investments are difficult to purchase or sell. A Fund's investment in illiquid securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Illiquid securities may be highly volatile and difficult to value.

## 8. Inflation/Deflation Risk

Inflation is the risk that a Fund's assets or income from a Fund's investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of a Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

## 9. Financial Derivative Instrument Risk

For a Fund that uses financial derivative instruments to meet its specific investment objective, there is no guarantee that the performance of the financial derivative instruments will result in a positive effect for the Fund and its Shareholders.

## 10. Warrants Risk

When a Fund invests in warrants, the price, performance and liquidity of such warrants are typically linked to the underlying stock. However, the price, performance and liquidity of such warrants will generally fluctuate more than the underlying securities because of the greater volatility of the warrants market. In addition to the market risk related to the volatility of warrants, a Fund investing in synthetic warrants, where the issuer of the synthetic warrant is different to that of the underlying stock, is subject to the risk that the issuer of the synthetic warrant will not perform its obligations under the transactions which may result in the Fund, and ultimately its Shareholders, suffering a loss.

## 11. Credit Default Swap Risk

A credit default swap allows the transfer of default risk. This allows a Fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. In addition, if there is a credit event and the Fund does not hold the underlying reference obligation, there may be a market risk as the Fund may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. The Company will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

## 12. Futures, Options and Forward Transactions Risk

A Fund may use options, futures and forward contracts on currencies, securities, indices, volatility, inflation and interest rates for hedging and investment purposes.

Transactions in futures may carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the Fund. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options may also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the Fund is fixed, the Fund may sustain a loss well in excess of that amount. The Fund will also be exposed to the risk of the purchaser exercising the option and the Fund will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the Fund holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Forward transactions, in particular those traded over-the-counter, have an increased counterparty risk. If a counterparty defaults, the Fund may not get the expected payment or delivery of assets. This may result in the loss of the unrealised profit.

**13. Credit Linked Note Risk**

A credit linked note is a debt instrument which assumes both credit risk of the relevant reference entity (or entities) and the issuer of the credit linked note. There is also a risk associated with the coupon payment; if a reference entity in a basket of credit linked notes suffers a credit event, the coupon will be re-set and is paid on the reduced nominal amount. Both the residual capital and coupon are exposed to further credit events. In extreme cases, the entire capital may be lost. There is also the risk that a note issuer may default.

**14. Equity Linked Note Risk**

The return component of an equity linked note is based on the performance of a single security, a basket of securities or an equity index. Investment in these instruments may cause a capital loss if the value of the underlying security decreases. In extreme cases the entire capital may be lost. These risks are also found in investing in equity investments directly. The return payable for the note is determined at a specified time on a valuation date, irrespective of the fluctuations in the underlying stock price. There is no guarantee that a return or yield on an investment will be made. There is also the risk that a note issuer may default.

A Fund may use equity linked notes to gain access to certain markets, for example emerging and less developed markets, where direct investment is not possible. This approach may result in the following additional risks being incurred – lack of a secondary market in such instruments, illiquidity of the underlying securities, and difficulty selling these instruments at times when the underlying markets are closed.

**15. General Risk associated with OTC Transactions**

Instruments traded in OTC markets may trade in smaller volumes, and their prices may be more volatile than instruments principally traded on exchanges. Such instruments may be less liquid than more widely traded instruments. In addition, the prices of such instruments may include an undisclosed dealer mark-up which a Fund may pay as part of the purchase price.

**16. Counterparty Risk**

The Company conducts transactions through or with brokers, clearing houses, market counterparties and other agents. The Company will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A Fund may invest into instruments such as notes, bonds or warrants the performance of which is linked to a market or investment to which the Fund seeks to be exposed. Such instruments are issued by a range of counterparties and through its investment the Fund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

The Funds will only enter into OTC derivatives transactions, including swap agreements, with first class institutions which are subject to prudential supervision and specialising in these types of transactions. In principle, the counterparty risk for such derivative transactions entered into with first class institutions should not exceed 10% of the relevant Fund's net assets when the counterparty is a credit institution or 5% of its net assets in other cases. However, if a counterparty defaults, the actual losses may exceed these limitations.

**17. Custody Risk**

Assets of the Company are safe kept by the Custodian and Investors are exposed to the risk of the Custodian not being able to fully meet its obligation to reconstitute in a short time frame all of the assets of the Company in the case of bankruptcy of the Custodian. The assets of the Company will be identified in the Custodian's books as belonging to the Company. Securities held by the Custodian will be segregated from other assets of the Custodian which mitigates but does not exclude the risk of non restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non restitution in case of bankruptcy. The Custodian does not keep all the assets of the Company itself but uses a network of sub-custodians which are not part of the same group of companies as the Custodian. Investors are exposed to the risk of bankruptcy of the sub-custodians in the same manner as they are to the risk of bankruptcy of the Custodian.

A Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the Custodian will have no liability.

## 18. Smaller Companies Risk

A Fund which invests in smaller companies may fluctuate in value more than other Funds. Smaller companies may offer greater opportunities for capital appreciation than larger companies, but may also involve certain special risks. They are more likely than larger companies to have limited product lines, markets or financial resources, or to depend on a small, inexperienced management group. Securities of smaller companies may, especially during periods where markets are falling, become less liquid and experience short-term price volatility and wide spreads between dealing prices. They may also trade in the OTC market or on a regional exchange, or may otherwise have limited liquidity. Consequently investments in smaller companies may be more vulnerable to adverse developments than those in larger companies and the Fund may have more difficulty establishing or closing out its securities positions in smaller companies at prevailing market prices. Also, there may be less publicly available information about smaller companies or less market interest in the securities, and it may take longer for the prices of the securities to reflect the full value of the issuers' earning potential or assets.

## 19. Technology Related Companies Risk

Investments in the technology sector may present a greater risk and a higher volatility than investments in a broader range of securities covering different economic sectors. The equity securities of the companies in which a Fund may invest are likely to be affected by world-wide scientific or technological developments, and their products or services may rapidly fall into obsolescence. In addition, some of these companies offer products or services that are subject to governmental regulation and may, therefore, be adversely affected by governmental policies. As a result, the investments made by a Fund may drop sharply in value in response to market, research or regulatory setbacks.

## 20. Lower Rated, Higher Yielding Debt Securities Risk

A Fund may invest in lower rated, higher yielding debt securities, which are subject to greater market and credit risks than higher rated securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate investors for the higher risk. The lower ratings of such securities reflect the greater possibility that adverse changes in the financial condition of the issuer, or rising interest rates, may impair the ability of the issuer to make payments to holders of the securities. Accordingly, an investment in the Fund is accompanied by a higher degree of credit risk than is present with investments in higher rated, lower yielding securities.

## 21. Property and Real Estate Companies Securities Risk

The risks associated with investments in securities of companies principally engaged in the real estate industry include: the cyclical nature of real estate values; risks related to general and local economic conditions; overbuilding and increased competition; increases in property taxes and operating expenses; demographic trends and variations in rental income; changes in zoning laws; casualty or condemnation losses; environmental risks; regulatory limitations on rents; changes in neighbourhood values; related party risks; changes in the appeal of properties to tenants; increases in interest rates; and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of the Fund's investments.

The real estate market has, at certain times, not performed in the same manner as equity and bond markets. As the real estate market frequently performs, positively or negatively and without any correlation to the equity or bond markets, these investments may affect the performance of the Fund either in a positive or a negative manner.

## 22. Mortgage Related and Other Asset Backed Securities Risks

Mortgage-backed securities, including collateralised mortgage obligations and certain stripped mortgage-backed securities represent a participation in, or are secured by, mortgage loans. Asset-backed securities are structured like mortgage-backed securities, but instead of mortgage loans or interests in mortgage loans, the underlying assets may include such items as motor vehicles instalment sales or instalment loan contracts, leases of various types of real and personal property and receivables from credit card agreements.

Traditional debt investments typically pay a fixed rate of interest until maturity, when the entire principal amount is due. By contrast, payments on mortgage-backed and many asset-backed investments typically include both interest and partial payment of principal. Principal may also be prepaid voluntarily, or as a result of refinancing or foreclosure. A Fund may have to invest the proceeds from prepaid investments in other investments with less attractive terms and yields. As a result, these securities may have less potential for capital appreciation during periods of declining interest rates than other securities of comparable maturities, although they may have a similar risk of decline in market value during periods of rising interest rates. As the prepayment rate generally declines as interest rates rise, an increase in interest rates will likely increase the duration, and thus the volatility, of mortgage-backed and asset-backed securities. In addition to interest rate risk (as described above), investments in mortgage-backed securities composed of sub-

prime mortgages may be subject to a higher degree of credit risk, valuation risk and liquidity risk (as described above). Duration is a measure of the expected life of a fixed income security that is used to determine the sensitivity of the security's price to changes in interest rates. Unlike the maturity of a fixed income security, which measures only the time until final payment is due, duration takes into account the time until all payments of interest and principal on a security are expected to be made, including how these payments are affected by prepayments and by changes in interest rates.

The ability of an issuer of asset-backed securities to enforce its security interest in the underlying assets may be limited. Some mortgage-backed and asset backed investments receive only the interest portion or the principal portion of payments on the underlying assets. The yields and values of these investments are extremely sensitive to changes in interest rates and in the rate of principal payments on the underlying assets. Interest portions tend to decrease in value if interest rates decline and rates of repayment (including prepayment) on the underlying mortgages or assets increase; it is possible that a Fund may lose the entire amount of its investment in an interest portion due to a decrease in interest rates. Conversely, principal portions tend to decrease in value if interest rates rise and rates of repayment decrease. Moreover, the market for interest portions and principal portions may be volatile and limited, which may make them difficult for a Fund to buy or sell.

A Fund may gain investment exposure to mortgage-backed and asset-backed investments by entering into agreements with financial institutions to buy the investments at a fixed price at a future date. A Fund may or may not take delivery of the investments at the termination date of such an agreement, but will nonetheless be exposed to changes in the value of the underlying investments during the term of the agreement.

### **23. Initial Public Offerings Risk**

A Fund may invest in initial public offerings, which frequently are smaller companies. Such securities have no trading history, and information about these companies may only be available for limited periods. The prices of securities involved in initial public offerings may be subject to greater price volatility than more established securities.

### **24. Risk Associated with Debt Securities Issued Pursuant to Rule 144A under the Securities Act of 1933**

SEC Rule 144A provides a safe harbour exemption from the registration requirements of the Securities Act of 1933 for resale of restricted securities to qualified institutional buyers, as defined in the rule. The advantage for investors may be higher returns due to lower administration charges. However, dissemination of secondary market transactions in rule 144A securities is restricted and only available to qualified institutional buyers. This might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular rule 144A security.

### **25. Emerging and Less Developed Markets Securities Risk**

Investing in emerging markets and less developed markets securities poses risks different from, and/or greater than, risks of investing in the securities of developed countries. These risks include; smaller market-capitalisation of securities markets, which may suffer periods of relative illiquidity; significant price volatility; restrictions on foreign investment; and possible repatriation of investment income and capital. In addition, foreign investors may be required to register the proceeds of sales, and future economic or political crises could lead to price controls, forced mergers, expropriation or confiscatory taxation, seizure, nationalisation or the creation of government monopolies. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging and less developed countries.

Although many of the emerging and less developed market securities in which a Fund may invest are traded on securities exchanges, they may trade in limited volume and may encounter settlement systems that are less well organised than those of developed markets. Supervisory authorities may also be unable to apply standards that are comparable with those in developed markets. Thus there may be risks that settlement may be delayed and that cash or securities belonging to the relevant Fund may be in jeopardy because of failures of or defects in the systems or because of defects in the administrative operations of counterparties. Such counterparties may lack the substance or financial resources of similar counterparties in a developed market. There may also be a danger that competing claims may arise in respect of securities held by or to be transferred to the Fund and compensation schemes may be non-existent or limited or inadequate to meet the Fund's claims in any of these events.

Equity investments in Russia are currently subject to certain risks with regard to the ownership and custody of securities. This results from the fact that no physical share certificates are issued and ownership of securities is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Custodian),

other than by local regulation. No certificates representing shareholdings in Russian companies will be held by the Custodian or any of its local correspondents or in an effective central depository system.

Equity investments in Russia may also be settled using the local depository, the National Settlement Depository ("NSD"). Although NSD is legally recognised as a central securities depository ("CSD"), it is not currently operated as a CSD and may not protect finality of title. Like local custodians, the NSD still has to register the equity positions with the registrar in its own nominee name.

If concerns are raised regarding a specific investor, the whole nominee position in a depository could be frozen for a period of months until the investigation is complete. As a result, there is a risk that an investor could be restricted from trading because of another NSD account holder. At the same time should an underlying registrar be suspended, investors settling through registrars cannot trade, but settlement between two depository accounts can take place. Any discrepancies between a registrar and the NSD records may impact corporate entitlements and potentially settlement activity of underlying clients, which is mitigated by the frequent position reconciliations between the depositories and the registrars.

Securities traded on the Moscow Exchange can be treated as investment in securities dealt in on a Regulated Market.

Additional risks of emerging market securities may include: greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organised and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition taxation of interest and capital gains received by non-residents varies among emerging and less developed markets and, in some cases may be comparatively high. There may also be less well-defined tax laws and procedures and such laws may permit retroactive taxation so that the Fund could in the future become subject to local tax liabilities that had not been anticipated in conducting investment activities or valuing assets.

In particular, the taxation position of foreign investors holding Chinese shares has historically been uncertain. The Directors understand that, technically, transfers of A and B shares of People's Republic of China (PRC) resident companies by foreign corporate shareholders are subject to a 10% capital gains withholding tax. The tax has not been collected in the past, nor has guidance been issued on how the PRC authorities view the position, however the Company's professional advisers confirm that signs indicate the tax may indeed be imposed in the future. Uncertainties remain over the timing, any retrospective impact, and the calculation method. Under advice, the Directors have formed the prudent view that PRC capital gains tax should be provided for on gains realised on A and B shares of PRC resident companies, and are working with administrators to create the capability of providing the tax on unrealised gains also. This tax is provided for on gains realised since 2008. This tax is provided for in relevant Funds on gains realised since the Company's launch.

## **26. Specific Risks Linked to Securities Lending and Repurchase Transactions**

Securities lending and repurchase transactions involve certain risks. There is no assurance that a Fund will achieve the objective for which it entered into a transaction.

Repurchase transactions might expose the Fund to risks similar to those associated with optional or forward derivative financial instruments, the risks of which are described in other sections of this Prospectus. Securities loans may, in the event of a counterparty default or an operational difficulty, be recovered late and only in part, which might restrict the Fund's ability to complete the sale of securities or to meet redemption requests.

The Fund's exposure to its counterparty will be mitigated by the fact that the counterparty will forfeit its collateral if it defaults on the transaction. If the collateral is in the form of securities, there is a risk that when it is sold it will realise insufficient cash to settle the counterparty's debt to the Fund or to purchase replacements for the securities that were lent to the counterparty. In the latter case, the Fund's tri-party lending agent will indemnify the Fund against a shortfall of cash available to purchase replacement securities but there is a risk that the indemnity might be insufficient or otherwise unreliable.

In the event that the Fund reinvests cash collateral in one or more of the permitted types of investment that are described under Appendix I Investment Restrictions "5. Management of Collateral", there is a risk that the investment will earn less than the

interest that is due to the counterparty in respect of that cash and that it will return less than the amount of cash that was invested. There is also a risk that the investment will become illiquid, which would restrict the Fund's ability to recover its securities on loan, which might restrict the Fund's ability to complete the sale of securities or to meet redemption requests.

## 27. Potential Conflicts of Interest

The Investment Managers and Schroders may effect transactions in which the Investment Managers or Schroders have, directly or indirectly, an interest which may involve a potential conflict with the Investment Managers' duty to the Company. Neither the Investment Managers nor Schroders shall be liable to account to the Company for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Managers' fees, unless otherwise provided, be abated.

The Investment Managers will ensure that such transactions are effected on terms which are not less favourable to the Company than if the potential conflict had not existed.

Such potential conflicting interests or duties may arise because the Investment Managers or Schroders may have invested directly or indirectly in the Company.

## 28. Investment Funds

Some of the Funds may invest all or substantially all of their assets in Investment Funds, unless otherwise disclosed, the investment risks identified in this Appendix will apply whether a Fund invests directly, or indirectly through Investment Funds, in the assets concerned.

The investments of the Funds in Investment Funds may result in an increase of total operating, administration, custodian and management fees/expenses. However the Investment Managers will seek to negotiate a reduction in management fees and any such reduction will be for the sole benefit of the relevant Fund.

## 29. Tax efficiency for Shareholders

Post-tax returns to Shareholders are dependent on the local tax rules in the Shareholders' place of tax residence (see section 3.4 Taxation for comments on taxation generally).

In certain countries, such as Germany, Austria and the United Kingdom, tax rules exist that may lead to larger proportions of the investment return from funds of funds being taxed in the hands of Shareholders at a higher rate than would be the case for single strategy funds.

These tax rules may be activated if the investments selected by the Investment Manager for the funds of funds are regarded as not meeting certain tests laid down by the tax authorities in the Shareholders' country of residence.

If the fund of funds acquires investments which do not qualify as "white funds" or "reporting funds" for German investment tax purposes, German tax resident Shareholders of the fund of funds will be subject to disadvantageous "lump sum" taxation pro rata with the income derived from such "black funds" or "non-reporting" funds.

In the United Kingdom, returns from investments that are "non-reporting funds" may be treated as being entirely income, and therefore reportable as income by the fund of funds. Thus a greater proportion of the Shareholder's return from the fund of funds would be treated as income, rather than capital, and taxed accordingly at rates that are currently higher than for capital gains.

The Investment Manager of the fund of funds will endeavour to select investments that do qualify as "white funds" and "reporting funds", in order to minimise the impact of these local tax rules for Shareholders. However, it is possible that such investments are not available to meet certain strategic aims of the Investment Manager, and in that case it may happen that "black funds" or "non-reporting funds" have to be acquired.

The Investment Manager will undertake all necessary reporting as required under local tax rules to enable Shareholders to compute their tax liability in accordance with the rules.

## 30. RMB Hedged Share Classes Risk

Since 2005, the RMB exchange rate is no longer pegged to the USD. RMB has now moved to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the People's Republic of China. RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and repatriation restrictions imposed by the Chinese government in coordination with the Hong Kong

Monetary Authority (HKMA). The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including without limitation those foreign exchange control policies and repatriation restrictions.

Since 2005, foreign exchange control policies pursued by the Chinese government have resulted in the general appreciation of RMB (both CNH and CNY). This appreciation may or may not continue and there can be no assurance that RMB will not be subject to devaluation at some point.

The RMB Hedged Share Classes participate in the offshore RMB (CNH) market, which allows investors to freely transact CNH outside of mainland China with approved banks in the Hong Kong market (HKMA approved banks). The RMB Hedged Share Classes will have no requirement to remit CNH to onshore RMB (CNY).



# Appendix III

## Fund Details

The Company is designed to give Investors the flexibility to choose between investment portfolios with differing investment objectives and levels of risk.

The investment objectives and policies described below are binding on the Investment Manager of each Fund, although there can be no assurance that an investment objective will be met.

- (A) The specific investment objectives and policies of each of the Funds are subject to the following interpretation: a Fund will invest, in accordance with its name or when the investment policy states "primarily", at least two thirds of its total assets (excluding liquidities which are not used as backup for financial derivative instruments) either directly or through financial derivative instruments in investments corresponding to such currency, security, country, region or industry

When cash, deposits and money market instruments with maturities of up to 397 days are respectively not part of the core investment objective and policy, they will be defined as liquidities.

The remaining third of the Fund's total assets (excluding liquidities which are not used as backup for financial derivative instruments) may be invested in other currencies, securities, countries, regions or industries, either directly or through financial derivative instruments.

If a description of a Fund's investment policy is related to investments in corporations of a particular country or region, such reference means (in the absence of any further specification) investments in companies incorporated, headquartered, listed or having their principal business activities in such country or region.

- (B) The category of Funds designated as "Style Equity Funds" is comprised of Funds which invest in equity securities depending on whether they are classified as "growth" or "value" stocks. Growth stocks are those whose earnings are expected to grow faster than the average for the market, usually because they are in high growth industries. Value stocks, on the other hand, are inexpensive compared with the earnings or assets of the companies that issue them. This is often because they are in a mature or depressed industry, or because the company has suffered a setback. Value investors try to buy these stocks when they think they have become too cheap.
- (C) If a Fund bears in its name the word "Alpha", this means that, for this type of fund the Investment Manager adopts an active management strategy, by aggressively positioning the portfolio according to prevailing market conditions. This could be on the basis of particular sectors, themes or styles, or on a selected number of stocks which the Investment Manager believes have the potential to provide enhanced returns relative to the market.
- (D) The Funds categorised as "Quantitative Equity Funds" are managed on a bottom up basis. Overweight and underweight positions in securities of a given country, sector and stock are determined through the application of analytical techniques to such countries, sectors and stocks.
- (E) The Funds categorised as "Absolute Return Funds" are managed with a view to generating a positive return (i.e. greater than zero) over a period of no more than 12 months, except for Funds European Alpha Absolute Return and European Equity Absolute Return where the period is no more than 36 months. The Investment Manager will seek to generate such a return even in falling markets (or in expectation of falling markets) by either shorting (on a covered basis) the various sources of return and/or moving into cash and cash equivalents. There is no guarantee that such objective may be achieved.
- (F) To ensure eligibility for the French Plan d'Épargne en Actions (PEA), the Funds EURO Equity, European Dividend Maximiser, European Equity (Ex UK), European Equity Focus, European Large Cap, European Opportunities, UK Equity and UK Opportunities will invest at least 75% of their assets in equity securities issued by companies which have their head office in the European Union, or in an EEA state that has signed a tax agreement with France, including a clause on combating fraud and tax avoidance.

(G) The Investment Managers may invest directly in Russian securities that are traded on the Moscow Exchange. For details of the risk involved in dealing on these exchanges please refer to Appendix II. Additionally exposure to the Russian market may be achieved through investments in American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs).

(H) Expected level of leverage

Funds quantifying global exposure using a Value-at-Risk (VaR) approach disclose their expected level of leverage.

The expected level of leverage is an indicator and not a regulatory limit. The Fund's levels of leverage may be higher than this expected level as long as the Fund remains in line with its risk profile and complies with its VaR limit.

The annual report will provide the actual level of leverage over the past period and additional explanations on this figure.

The level of leverage is a measure of (i) the derivative usage and (ii) the reinvestment of collateral in relation to efficient portfolio management transactions. It does not take into account other physical assets directly held in the portfolio of the relevant Funds. It also does not represent the level of potential capital losses that a Fund may incur.

The level of leverage is calculated as (i) the sum of notionals of all financial derivative contracts entered into by the Fund expressed as a percentage of the Fund's Net Asset Value and (ii) any additional leverage generated by the reinvestment of collateral in relation to efficient portfolio management transactions.

This methodology does not:

- make a distinction between financial derivative instruments that are used for investment or hedging purposes. As a result strategies that aim to reduce risk will contribute to an increased level of leverage for the Fund.
- allow the netting of derivative positions. As a result, derivative roll-overs and strategies relying on a combination of long and short positions may contribute to a large increase of the level of leverage when they do not increase or only cause a moderate increase of the overall Fund risk.
- take into account the derivative underlying assets' volatility or make a distinction between short-dated & long-dated assets. As a result, a Fund that exhibits a high level of leverage is not necessarily riskier than a Fund that exhibits a low level of leverage.

(I) Any exposure to commodities and precious metals for a Fund may indirectly be obtained through related (i) financial derivatives instruments on indices, (ii) transferable securities and money market instruments, (iii) units of closed-ended investment companies, (iv) financial instruments linked or backed to the performance of other assets and/or (v) UCITS or other UCIs in accordance with the Grand Ducal Regulation of 8 February 2008.

(J) Financial derivatives instruments should be dealt in on a Regulated Market or OTC.

Transferable securities, money market instruments, units of closed-ended investment companies, financial instruments linked or backed to the performance of other assets should be dealt in on a Regulated Market. If not, they will be restricted to 10% of the Net Asset Value of any Fund together with UCIs not qualifying as under (v) of (I) above and any other investments made in accordance with investment restriction 1. A(9) in Appendix I.

(K) When the investment policy of a Fund refers to "Alternative Asset Classes", it will include the following: real estate, infrastructure, private equity, commodities, precious metals and Alternative Investment Funds.

**Real estate, infrastructure, private equity**

The investment in such asset classes will mainly be obtained indirectly through related (i) transferable securities and money market instruments, (ii) units of closed-ended investment funds and (iii) UCITS or other UCIs in accordance with the Grand Ducal Regulation of 8 February 2008.

**Commodity and precious metals**

The investment in such asset classes will mainly be obtained indirectly through related (i) transferable securities and money market instruments, (ii) units of closed-ended investment funds, (iii) financial instruments linked or backed to the performance of this asset class, (iv) UCITS or other UCIs in accordance with the Grand Ducal Regulation of 8 February 2008 and (v) financial indices compliant with article 9 of the Grand Ducal Regulation of 8 February 2008 and CSSF circular 13/559 relating to ESMA guidelines on ETFs and other UCITS issues.

**Alternative Investment Funds**

Alternative Investment Funds refer to the "hedge funds" strategies such as long/short, event driven, tactical trading and relative value strategies. The exposure will mainly be obtained indirectly through related (i) units of closed-ended investment funds, (ii) financial instruments linked or backed to the performance of these strategies, (iii) UCITS or other UCIs in accordance with the Grand Ducal Regulation of 8 February 2008 and (iv) financial indices compliant with article 9 of the Grand Ducal Regulation of 8 February 2008 and CSSF circular 13/559 relating to ESMA guidelines on ETFs and other UCITS issues.

Transferable securities (including units of closed-ended investment funds, financial instruments linked or backed to the performance of other assets) and, money market instruments should be dealt in on a Regulated Market. If not, they will be restricted to 10% of the Net Asset Value of any Fund.

Where a transferable security embeds a financial derivative instrument, the rules detailed in section "3. Financial Derivative Instruments" of Appendix I, apply.

The Funds bearing an asterisk (\*) next to their name are not available for subscription at the time of issue of this Prospectus. Such Funds will be launched at the Directors' discretion, at which time this Prospectus will be updated accordingly.

All the Funds may offer A, A1, AX, B, B1, C, E, D, I, IZ, J, R, S, X and Z Shares unless otherwise specified.

These Share Classes, where available, may be offered in various currencies (each a "Reference Currency") at the Directors' discretion. Where offered in a currency other than the Fund Currency, a Share Class will be designated as such. Confirmation of the Funds and currencies in which the currency denominated and hedged Share Classes are available can be obtained from the Management Company.

In respect of such additional Share Classes, the Management Company has the ability to fully hedge the Shares of such Share Classes in relation to the Fund Currency. In this instance currency exposures or currency hedging transactions within the Fund's portfolio will not be considered.

The performance of hedged share classes aims to be similar to the performance of equivalent Share Classes in Fund Currency. There is no assurance however that the hedging strategies employed will be effective in delivering performance differentials that are reflective only of interest rate differences adjusted for fees.

For the Fund QEP Global Active Value, the Investment Manager undertakes the hedging of the Shares of the hedged Share Classes by considering the relevant proportionate underlying currency exposures of the Fund. Performance of these hedged Share Classes may therefore vary significantly from equivalent Share Classes in Fund Currency.

For the Fund Global Bond, the Investment Manager undertakes the hedging of the Shares of the hedged Share Classes by considering the relevant underlying currency exposures within the benchmark of the Fund. Performance of these hedged Share Classes may therefore vary significantly from equivalent Share Classes in Fund Currency.

Where undertaken, the effects of this hedging will be reflected in the Net Asset Value and, therefore, in the performance of such additional Share Class. Similarly, any expenses arising from such hedging transactions will be borne by the Share Class in relation to which they have been incurred.

Collateral received in connection with currency hedging transactions (and in particular currency forward transactions) on behalf of currency hedged Share Classes, may be reinvested, in compliance with the applicable investment policy and restrictions of the Funds.

It should be noted that these hedging transactions may be entered into whether the Reference Currency is declining or increasing in value relative to the relevant Fund Currency and so, where such hedging is undertaken it may substantially protect Investors in the relevant Share Class against a decrease in the value of the Fund Currency relative to the Reference Currency, but it may also preclude Investors from benefiting from an increase in the value of the Fund Currency.

In addition the Investment Manager may hedge the Fund Currency against the currencies in which the underlying assets of the Fund are denominated or the underlying unhedged assets of a target fund are denominated.

There can be no assurance that the currency hedging employed will fully eliminate the currency exposure to the Reference Currency.

The Directors may decide from time to time for some or all of the Bond Funds to issue duration hedged Share Classes. Duration hedged Share Classes utilise hedging strategies that seek to reduce the Share Class' sensitivity to changes in interest rate movements. There is no assurance that these hedging strategies will be successful. Where undertaken, the effects of this hedging will be reflected in the Net Asset Value and, therefore, in the performance of the Share Class. Similarly, any expenses arising from such hedging transactions will be borne by the Duration hedged Share Class. The performance of the Duration hedged Share Classes may be more volatile than unhedged Share Classes and underperform other Share Classes in the Bond Funds depending on interest rate movements. Duration hedged Share Classes can be issued in relation to any type of available Share Classes of Bond Funds. A list of available Share Classes may be obtained, free of charge and upon request, from the registered office of the Company.

The specific investment objectives and policies of the different Funds are the following:

## 1. Mainstream Equity Funds

<b>Profile of the Typical Investor</b>	The Mainstream Equity Funds may be suitable for Investors who are seeking long term growth potential offered through investment in equities.
<b>Use of financial derivative instruments</b>	Each Mainstream Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.
<b>Fund Risk Profile and Specific Risk Considerations</b>	These Funds are medium risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".
<b>Fund Name</b>	Schroder International Selection Fund Asian Opportunities
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of Asian (ex Japan) companies.
<b>Investment Manager</b>	Schroder Investment Management (Singapore) Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund EURO Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of companies in countries participating in the EMU.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
<b>Fund Name</b>	Schroder International Selection Fund European Large Cap
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of European large cap companies. Large cap companies are companies which, at the time of purchase, are considered to form the top 80% by market capitalisation of the European market.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
<b>Fund Name</b>	Schroder International Selection Fund Global Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of companies worldwide.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Italian Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of Italian companies.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR

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<b>Fund Name</b>	Schroder International Selection Fund Japanese Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of Japanese companies.
<b>Investment Manager</b>	Schroder Investment Management (Japan) Limited
<b>Fund Currency</b>	JPY

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<b>Fund Name</b>	Schroder International Selection Fund Swiss Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of Swiss companies.
<b>Investment Manager</b>	Schroder Investment Management (Switzerland) AG
<b>Fund Currency</b>	CHF

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<b>Fund Name</b>	Schroder International Selection Fund UK Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of UK companies.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	GBP

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<b>Fund Name</b>	Schroder International Selection Fund US Large Cap
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of US large cap companies. Large cap companies are companies which, at the time of purchase, are considered to form the top 85% by market capitalisation of the US market.
<b>Investment Manager</b>	Schroder Investment Management North America Inc.
<b>Fund Currency</b>	USD

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## 2. Specialist Equity Funds

<b>Profile of the Typical Investor</b>	The Specialist Equity Funds may be suitable for Investors who are more concerned with maximising long term returns than minimising possible short term losses.
<b>Use of financial derivative instruments</b>	Each Specialist Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.
<b>Fund Risk Profile and Specific Risk Considerations</b>	These Funds are higher risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".
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<b>Fund Name</b>	Schroder International Selection Fund Asian Equity Yield
<b>Investment Objective</b>	To provide a total return primarily through investment in equity and equity related securities of Asian companies which offer attractive yields and sustainable dividend payments.
<b>Investment Manager</b>	Schroder Investment Management (Singapore) Limited
<b>Fund Currency</b>	USD
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<b>Fund Name</b>	Schroder International Selection Fund Asian Dividend Maximiser
<b>Investment Objective</b>	To provide income and capital growth.
<b>Investment Policy</b>	The Fund will invest primarily in equities or equity related securities of Asia-Pacific (ex Japan) companies. The Fund will also selectively enter into option contracts to generate additional income, as more fully described below.  To enhance the yield of the Fund the Investment Manager will selectively sell short dated call options over individual securities held by the Fund, to generate extra income by agreeing strike prices above which potential upside is sold.
<b>Specific Risk Consideration</b>	This Fund makes use of financial derivative instruments in a way that is fundamental to its investment objective. It is possible that this will lead to the erosion of performance or capital value.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
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<b>Fund Name</b>	Schroder International Selection Fund Asian Smaller Companies
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of Asian (ex Japan) smaller-sized companies. Smaller-sized companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the Asian (ex Japan) market.
<b>Investment Manager</b>	Schroder Investment Management (Singapore) Limited
<b>Fund Currency</b>	USD
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<b>Fund Name</b>	Schroder International Selection Fund Asia Pacific Property Securities
<b>Investment Objective</b>	To provide a total return primarily through investment in equity securities of Asia Pacific property companies including Japan and Australasia.
<b>Investment Manager</b>	Schroder Investment Management (Hong Kong) Limited

<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Asian Total Return
<b>Investment Objective</b>	To provide a total return of capital growth and income primarily through investment in equity and equity related securities of Asia Pacific companies. The Fund also aims to offer a degree of capital preservation through the tactical use of financial derivative instruments.
<b>Investment Policy</b>	The Fund may buy or sell equity index futures and buy and sell index options on indices or individual stocks. To obtain exposure to equity indices and individual stocks, the Fund may also enter into contracts for difference where the underlying investments are not delivered and settlement is made in cash.
<b>Specific Risk Consideration</b>	The associated risks involved in investing in financial derivative instruments are highlighted in Appendix II. Furthermore the use of financial derivative instruments has the overall objective of reducing the Fund's volatility, however no guarantee can be given that this will be achieved.
<b>Investment Manager</b>	Schroder Investment Management (Singapore) Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund BRIC (Brazil, Russia, India, China)
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of Brazilian, Russian, Indian and Chinese companies.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund China Opportunities
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of companies which are headquartered and/or listed in or have a substantial business exposure to the People's Republic of China.
<b>Investment Manager</b>	Schroder Investment Management (Hong Kong) Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Emerging Asia
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of companies in the emerging economies of Asia.
<b>Investment Manager</b>	Schroder Investment Management (Hong Kong) Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Emerging Europe
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of Central and Eastern European companies including the markets of the former Soviet Union and the Mediterranean emerging markets. The portfolio may, to a limited extent, seek exposure to the markets of Northern Africa and the Middle East.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR



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<b>Fund Name</b>	Schroder International Selection Fund Emerging Markets
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of emerging markets companies.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund European Dividend Maximiser
<b>Investment Objective</b>	<p>To provide income and capital growth primarily through investment in equity and equity related securities of European companies. The Fund will also selectively enter into option contracts to generate additional income, as more fully described below.</p> <p>To enhance the yield of the Fund, the Investment Manager will selectively sell short dated call options over individual securities held by the Fund, in order to generate extra income by effectively agreeing target 'strike' prices at which those securities will be sold in the future. The Investment Manager is also permitted to sell put options on securities to be bought in the future, at target prices that are pre-set below the current market level.</p>
<b>Specific Risk Consideration</b>	This Fund makes use of financial derivative instruments in a way that is fundamental to its investment objective. It is possible that this will lead to a higher volatility in the price of Shares.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR

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<b>Fund Name</b>	Schroder International Selection Fund European Equity (Ex UK)
<b>Investment Objective</b>	To provide long term capital growth.
<b>Investment Policy</b>	The Fund will invest primarily in equity and equity related securities of large or mid-sized companies incorporated in Europe (excluding the United Kingdom), or companies which derive a significant proportion of their revenues or profits from, or which are predominantly operating within this geographical region.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR

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<b>Fund Name</b>	Schroder International Selection Fund European Equity Focus
<b>Investment Objective</b>	To provide capital growth.
<b>Investment Policy</b>	The Fund will invest in European equities and equity related securities. The portfolio will normally be concentrated with up to 35 securities. They will not be restricted by size or sector.
<b>Specific Risk Consideration</b>	This Fund makes use of financial derivative instruments in a way that is fundamental to its investment objective. It is possible that this will lead to a higher volatility in the price of Shares.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR

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<b>Fund Name</b>	Schroder International Selection Fund European Equity Yield
<b>Investment Objective</b>	To provide a total return primarily through investment in equity and equity related securities of European companies which offer attractive yields and sustainable dividend payments.

<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
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<b>Fund Name</b>	Schroder International Selection Fund European Opportunities
<b>Investment Objective</b>	To provide long term capital growth.
<b>Investment Policy</b>	The Fund will invest primarily in equity and equity related securities of large or mid-sized companies incorporated in Europe, or companies which derive a significant proportion of their revenues or profits from, or which are predominantly operating within this geographic region.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
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<b>Fund Name</b>	Schroder International Selection Fund European Smaller Companies
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of smaller European companies. Smaller European companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of each European market.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
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<b>Fund Name</b>	Schroder International Selection Fund European Special Situations
<b>Investment Objective</b>	To provide capital growth through investment in equity securities of European companies. In order to achieve the objective of the Fund, the Investment Manager will invest in a select portfolio of securities in special situations, where the Investment Manager believes a special situation to be a company whose future prospects are not fully reflected in its valuation.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
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<b>Fund Name</b>	Schroder International Selection Fund European Total Return
<b>Investment Objective</b>	To provide a total return of capital growth and income. The Fund also aims to offer a degree of capital preservation through the tactical use of financial derivative instruments and liquidities.
<b>Investment Policy</b>	<p>The Fund will invest primarily in equity and equity related securities of European companies. However, at times for defensive purposes, the Fund may hold 100% of its assets in liquidities.</p> <p>The Fund may use financial derivative instruments such as but not limited to futures, options and contracts for difference on indices or individual companies to create indirect long and short exposures.</p>
<b>Specific Risk Consideration</b>	The associated risks involved in investing in financial derivative instruments are highlighted in Appendix II. Furthermore the use of financial derivative instruments has the overall objective of reducing the Fund's volatility, however no guarantee can be given that this will be achieved.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
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<b>Fund Name</b>	Schroder International Selection Fund Frontier Markets Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of frontier markets companies.
<b>Additional Information</b>	Frontier markets are countries included in the MSCI Frontier Markets Index or any other recognised Frontier Markets financial index.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Climate Change Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equities securities of worldwide issuers which will benefit from efforts to accommodate or limit the impact of global climate change.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Demographic Opportunities
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of worldwide issuers who may benefit from the positive economic impact of demographic trends of the global economy and global companies, such as an ageing population and new consumer and industrial trends.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Dividend Maximiser
<b>Investment Objective</b>	<p>To provide income and capital growth primarily through investment in equities or equity related securities worldwide. The Fund will also selectively enter into option contracts to generate additional income, as more fully described below.</p> <p>To enhance the yield of the Fund the Investment Manager will selectively sell short dated call options over individual securities held by the Fund, in order to generate extra income by effectively agreeing target 'strike' prices at which those securities will be sold in the future. The Investment Manager is also permitted to sell put options on securities to be bought in the future, at target prices that are pre-set below the current market level.</p>
<b>Specific Risk Consideration</b>	This Fund makes use of financial derivative instruments in a way that is fundamental to its investment objective. It is possible that this will lead to a higher volatility in the price of Shares.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Emerging Market Opportunities
<b>Investment Objective:</b>	To provide a total return.
<b>Investment Policy:</b>	The Fund may invest in equity and equity related securities of emerging market countries worldwide. The Fund may also invest in fixed income securities worldwide and liquidities for defensive purposes.
<b>Investment Manager:</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Emerging Markets Income*
<b>Investment Objective</b>	To provide income and capital growth.
<b>Investment Policy</b>	The Fund will invest primarily in equity and equity related securities of emerging market companies worldwide that offer attractive dividend yields with the potential for long term capital appreciation.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Emerging Markets Smaller Companies
<b>Investment Objective</b>	To provide capital growth.
<b>Investment Policy</b>	The Fund will invest primarily in equity and equity related securities of smaller companies of global emerging market countries. It may also invest in smaller companies, outside these countries, which have a substantial business exposure to global emerging markets. The Fund will invest in a select portfolio of securities, which the Investment Manager believes offer the best opportunities for future returns. Smaller companies are considered those which, at the time of purchase, are among the smallest 30% of global emerging market companies by market capitalisation.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Energy
<b>Investment Objective</b>	To provide capital growth primarily through investment in securities of companies active in the energy sector.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Equity Yield
<b>Investment Objective</b>	To provide a total return primarily through investment in equity and equity related securities of companies worldwide which offer attractive yields and sustainable dividend payments.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Property Dividend Maximiser*
<b>Investment Objective</b>	To provide income and capital growth.
<b>Investment Policy</b>	<p>The Fund will invest primarily in REITS, equity and equity-related securities of property companies worldwide including emerging markets. The Fund will also selectively enter into option contracts to generate additional income, as more fully described below.</p> <p>To enhance the yield of the Fund the Investment Manager will selectively sell short dated call options over individual securities held by the Fund, in order to generate extra income by agreeing strike prices above which potential upside is sold.</p>
<b>Specific Risk Considerations</b>	This Fund makes use of financial derivative instruments in a way that is fundamental to its investment objective. It is possible that this will lead to the erosion of performance or capital value.
<b>Investment Manager</b>	Schroder Investment Management Limited

<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Global Property Securities
<b>Investment Objective</b>	To provide a total return primarily through investment in equity securities of property companies worldwide.
<b>Investment Manager</b>	EII Capital Management Inc., to be changed to Schroder Investment Management Limited on 15 August 2014
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Global Recovery
<b>Investment Objective</b>	To provide capital growth.
<b>Investment Policy</b>	The Fund will invest primarily in equity and equity related securities of companies worldwide that have suffered a severe set back in either share price or profitability, but where long term prospects are believed to be good. The Investment Manager will invest in a select portfolio of securities and will not be restricted by size or sector.
<b>Specific Risk Consideration</b>	The portfolio will exhibit a strongly contrarian investment style and look to take maximum advantage of behavioural biases in global investment markets, and will likely exhibit higher investment volatility than global equity market indices. However, a recovery style is believed to exhibit a lower than average investment risk due to the supportive valuations of the stocks in the portfolio.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Global Small Cap Energy
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of junior energy and energy-related companies worldwide.
<b>Investment Policy</b>	In order to achieve the objective, the Investment Manager will take exposure to a selected portfolio of equity securities, which it believes offer the best potential for future growth. The Investment Manager may use a wide range of assets including Investment Funds, financial derivative instruments and warrants. The Investment Manager may also invest in deposits with credit institutions and money market instruments.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Global Smaller Companies
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of smaller-sized companies worldwide.  Smaller-sized companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of each individual market.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Greater China
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of People's Republic of China, Hong Kong SAR and Taiwan companies.
<b>Investment Manager</b>	Schroder Investment Management (Hong Kong) Limited

<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Hong Kong Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of Hong Kong SAR companies.
<b>Investment Manager</b>	Schroder Investment Management (Hong Kong) Limited
<b>Fund Currency</b>	HKD
<b>Fund Name</b>	Schroder International Selection Fund Indian Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of Indian companies.
<b>Investment Manager</b>	Schroder Investment Management (Singapore) Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Indian Opportunities
<b>Investment Objective</b>	To provide capital growth.
<b>Investment Policy</b>	The Fund will invest primarily in equity and equity related securities of Indian companies or companies which have a substantial business exposure to India. The Fund will invest in a select portfolio of securities, which the Investment Manager believes offer the best opportunities for future growth. There are no market capitalisation restrictions on the securities that can be held.
<b>Investment Manager</b>	Schroder Investment Management (Singapore) Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund Japanese Opportunities
<b>Investment Objective</b>	To provide capital growth.
<b>Investment Policy</b>	The Fund may invest primarily in equity securities of Japanese companies. The Fund seeks to identify and invest in significantly undervalued stocks by estimating fair value of a stock based on mid to long term earnings outlook and qualitative factors (sustainability of above average earnings growth, quality of earnings, management capability, and degree of shareholder focus). It will keep holding the position for a long time until the market reflects the value of a stock. The Fund has a long term smaller cap bias.
<b>Investment Manager</b>	Schroder Investment Management (Japan) Limited
<b>Fund Currency</b>	JPY
<b>Fund Name</b>	Schroder International Selection Fund Japanese Smaller Companies
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of smaller Japanese companies. Smaller Japanese companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the Japanese market.
<b>Investment Manager</b>	Schroder Investment Management (Japan) Limited
<b>Fund Currency</b>	JPY

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<b>Fund Name</b>	Schroder International Selection Fund Korean Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of Korean companies.
<b>Investment Manager</b>	Schroder Investment Management (Singapore) Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Latin American
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of Latin American companies.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Middle East
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of Middle Eastern companies including companies in emerging Mediterranean markets. The portfolio may also, to a limited extent, seek exposure to the markets of Northern Africa.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Swiss Equity Opportunities
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of Swiss companies. In order to achieve the objective the Investment Manager will invest in a select portfolio of securities, which it believes offer the best opportunities for future growth.
<b>Investment Manager</b>	Schroder Investment Management (Switzerland) AG
<b>Fund Currency</b>	CHF

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<b>Fund Name</b>	Schroder International Selection Fund Swiss Small & Mid Cap Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of smaller and medium-sized Swiss companies. Smaller and medium-sized Swiss companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the Swiss market.
<b>Investment Manager</b>	Schroder Investment Management (Switzerland) AG
<b>Fund Currency</b>	CHF

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<b>Fund Name</b>	Schroder International Selection Fund Taiwanese Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of Taiwanese companies.
<b>Investment Manager</b>	Schroder Investment Management (Hong Kong) Limited.
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund UK Opportunities
<b>Investment Objective</b>	To provide a total return of capital growth and income.
<b>Investment Policy</b>	The Fund will invest primarily in equity and equity related securities of large or mid-sized companies incorporated in the United Kingdom, or companies which derive a significant proportion of their revenues or profits from, or which are predominantly operating, within the United Kingdom.
<b>Investment Manager</b>	Schroder Investment Management Limited.
<b>Fund Currency</b>	GBP

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<b>Fund Name</b>	Schroder International Selection Fund US Small & Mid Cap Equity
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of smaller and medium-sized US companies. Smaller and medium-sized US companies are considered companies which, at the time of purchase, form the bottom 40% by market capitalisation of the US market.
<b>Investment Manager</b>	Schroder Investment Management North America Inc.
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund US Smaller Companies
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of smaller US companies. Smaller US companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the US market.
<b>Investment Manager</b>	Schroder Investment Management North America Inc.
<b>Fund Currency</b>	USD

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### 3. Style Equity Funds

#### Profile of the Typical Investor

The Style Equity Funds may be suitable for Investors who are more concerned with maximising long term returns than minimising possible short term losses.

#### Use of financial derivative instruments

Each Style Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.

#### Fund Risk Profile and Specific Risk Considerations

These Funds are higher risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

#### Fund Name

Schroder International Selection Fund European Small & Mid-Cap Value

#### Investment Objective

To provide capital growth primarily through active investment in a value style biased portfolio of equity securities of European smaller and medium sized companies. Smaller and medium sized European companies are considered companies which, at the time of purchase, form the bottom 40% by market capitalisation of the European market.

#### Investment Manager

Schroder Investment Management (Switzerland) AG

#### Fund Currency

EUR

#### A Dealing Day

By derogation to the definition of Dealing Day in the "Definition" section of this Prospectus, a Dealing Day for this Fund is each Wednesday (or the next following Business Day if Wednesday is not a Business Day) and the last Business Day in a month.

## 4. Alpha Equity Funds

### Profile of the Typical Investor

The Alpha Equity Funds may be suitable for Investors who are more concerned with maximising long term returns than minimising possible short term losses.

### Use of financial derivative instruments

Each Alpha Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Funds are higher risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

#### Fund Name

Schroder International Selection Fund European Equity Alpha

#### Investment Objective

To provide capital growth primarily through investment in equity securities of European companies. In order to achieve the objective the Investment Manager will invest in a select portfolio of securities, which it believes offer the best potential for future growth.

#### Investment Manager

Schroder Investment Management Limited

#### Fund Currency

EUR

#### Fund Name

Schroder International Selection Fund Global Equity Alpha

#### Investment Objective

To provide capital growth primarily through investment in equity and equity related securities of companies worldwide. In order to achieve the objective the Investment Manager will invest in a select portfolio of securities, which it believes offer the best potential for future growth.

#### Investment Manager

Schroder Investment Management Limited

#### Fund Currency

USD

#### Fund Name

Schroder International Selection Fund Japanese Equity Alpha

#### Investment Objective

To provide capital growth primarily through investment in equity securities of Japanese companies. In order to achieve the objective the Investment Manager will invest in a select portfolio of securities, which it believes offer the best potential for future growth.

#### Investment Manager

Schroder Investment Management (Japan) Limited

#### Fund Currency

JPY

## 5. Quantitative Equity Funds

<b>Profile of the Typical Investor</b>	The Quantitative Equity Funds may be suitable for Investors who are seeking long term growth potential offered through investment in equities.
<b>Use of financial derivative instruments</b>	Each Quantitative Equity Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments and include over-the-counter and/or exchange traded options, futures, contracts for difference, warrants, swaps, forward contracts and/or a combination of the above.
<b>Fund Risk Profile and Specific Risk Considerations</b>	These Funds are medium to higher risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

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<b>Fund Name</b>	Schroder International Selection Fund QEP Global Core
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity securities of companies worldwide. In order to achieve the objective, the Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<b>Share Classes</b>	C and I only

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<b>Fund Name</b>	Schroder International Selection Fund QEP Global Active Value
<b>Investment Objective</b>	To provide a total return primarily through active investment in a diversified value style biased portfolio of equity and equity related securities of companies worldwide.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund QEP Global Blend
<b>Investment Objective</b>	To provide capital growth primarily through investment in equity and equity related securities of companies worldwide.
<b>Investment Policy</b>	In order to achieve the objective, the Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques that aim to achieve an optimal allocation between value style biased and quality style biased companies.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund QEP Global Emerging Markets
<b>Investment Objective</b>	To provide capital growth.
<b>Investment Policy</b>	The Fund may primarily invest in equity and equity related securities of companies in emerging markets countries.  The Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques that aim to achieve an optimal allocation between value style biased and quality style biased companies.
<b>Investment Manager</b>	Schroder Investment Management Limited

<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund QEP Global Value Plus
<b>Investment Objective</b>	To provide a total return primarily through active investment directly or indirectly in a diversified value style biased portfolio of equity and equity related securities of companies worldwide.
<b>Investment Policy</b>	<p>In order to achieve the objective, the Fund will invest directly or indirectly through the use of financial derivative instruments and Investment Funds in equity and equity related securities of companies worldwide selected through the application of both fundamental and analytical techniques.</p> <p>The Fund has the flexibility so that its long positions could be up to 150% (with any additional exposure achieved via financial derivative instruments, typically equity portfolio swaps), whilst the short positions can be up to 50% (achieved entirely through financial derivative instruments, typically equity portfolio swaps). The Investment Manager also has the flexibility to hold asymmetric long/short positions that give rise to a combined net exposure which may be greater or lesser than 100%, the maximum being 150% and the minimum being 50%. A significant proportion of the Fund's long positions will be sufficiently liquid to cover at all times the Fund's obligations arising from its derivative positions.</p> <p>Financial derivative instruments may include, but are not limited to options, forwards, futures, contracts for difference and equity portfolio swaps.</p>
<b>Global Risk Exposure</b>	The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>VaR benchmark</b>	MSCI All Country World Net Dividends Reinvested Index. The MSCI All Country World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets across 44 country indices.
<b>Expected leverage</b>	<p>150% of the total net assets.</p> <p>The expected level of leverage may be higher when markets are more volatile, impacting the value of the derivative positions held by the Fund.</p>
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<b>Fund Name</b>	Schroder International Selection Fund QEP Global Quality
<b>Investment Objective</b>	To provide a total return primarily through investment in equity and equity related securities of companies worldwide whose financial characteristics show a high quality bias. In order to achieve the objective, the Investment Manager will invest in a broadly diversified portfolio of securities selected through the application of analytical techniques that apply a quality screen, including factors such as low leverage and stable profitability.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

## 6. Asset Allocation Funds

### Profile of the Typical Investor

The Asset Allocation Funds may be suitable for Investors who are seeking long term growth potential offered through investment in a diversified range of assets and markets.

### Use of financial derivative instruments

Each Asset Allocation Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional exposure through long or covered short positions to asset classes such as, but not limited to, equity, fixed income, credit, currencies as well as property and commodity indices. They can be used to generate additional income through inflation or volatility linked financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

The Funds are medium to higher risk vehicles. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility and may imply increased counterparty risk, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

### Fund Name

Schroder International Selection Fund Global Tactical Asset Allocation

### Investment Objective

To provide a positive return above cash over the market cycle through active allocation to a diversified range of assets and markets worldwide.

### Investment Policy

In order to achieve the objective, the Fund will utilise a global tactical asset management strategy designed to capture relative value opportunities across and within asset classes including equities, government bonds, corporate bonds, commodities, currencies and volatility. These strategies may include synthetic long and short positions. These types of strategies aim to benefit from valuation anomalies that can appear between the long and the short assets in the relevant strategy. Examples of strategies include, but are not limited to, the following:

- value v. growth equities
- small cap v. large cap equities
- equities from different regions, for example Japanese v European
- equities from different sectors, for example financials v, utilities
- long duration bonds v. short duration bonds
- corporate bonds v. government bonds
- bonds from different regions, for example Australia v. UK
- relative value strategies between different currencies
- relative value strategies between different commodities

The Fund may also invest in long only or short only positions where a particular equity, bond or commodity market or sector appears to be under-valued or over-valued on an absolute basis. The investment process is designed to identify these anomalies and is based on research that analyses valuation, sentiment and macroeconomic factors. The portfolio construction process uses a proprietary risk system designed to ensure that the Fund has exposure to a well-diversified mix of these strategies and has an expected risk level consistent with the Fund's investment objective.

The Fund will be managed to maintain a balanced exposure between long and short positions. The Fund's holdings will be sufficiently liquid at all times to cover the Fund's obligations arising from its derivative long and short positions. The investment strategy of the Fund and the use of financial derivative instruments may lead to situations where it is considered appropriate that prudent levels of cash, cash equivalent liquidity will be maintained, which may be substantial or even represent (exceptionally) 100% of the Fund's assets. The Fund may invest in transferable securities (such as equities or debt securities), financial derivative instruments (including total return swaps), Investment

Funds, deposits and money market instruments. The exposure to commodities will be taken through eligible assets as described under the definition of "Alternative Asset Classes" in Appendix III of this Prospectus. Where the Fund uses total return swaps, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Policy.

**Specific Risk Consideration**

Long and short positions gained through index, commodity, and equity total return swaps may increase exposure to credit-related risks.

**Global Risk Exposure**

The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.

**Expected leverage**

800% of the total net assets

In order to implement an efficiently diversified set of strategies and to achieve the risk target that is consistent with the Fund's risk profile, the Fund will rely extensively on financial derivative instruments that may generate a high level of leverage. The Fund uses derivatives such as interest rate and equity futures, forward foreign exchange contracts, total return swaps and options for investment purposes, which can increase the Fund's level of risk. These derivatives are also used to invest in strategies that can improve the diversification characteristics of the Fund and manage its risk. This can contribute to enhancing the Fund's return while seeking to maintain its risk within the target range. Strategies that contain a long and short position in the same asset class are expected to have lower volatility than a long only position in the same asset class. As a result, some of the strategies will create a substantial level of gross leverage, but are expected to improve the portfolio's diversification characteristics.

**Investment Manager**

Schroder Investment Management Limited

**Fund Currency**

USD

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## 7. Multi-Asset Funds

### Profile of the Typical Investor

This is detailed in the relevant section for each Fund.

### Use of financial derivative instruments

Each Multi-Asset Fund may employ financial derivative instruments for hedging and investment purposes. These financial derivative instruments may be used to gain exposure to a wide range of asset classes including, but not limited to, currencies, real estate, infrastructure and commodities. Such financial derivative instruments include, but are not limited to, over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Consideration

These Funds are medium-high risk vehicles unless otherwise indicated in the Fund's specific investment policy. In particular the use of financial derivative instruments for investment purposes may increase the Shares price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

### Fund Name

Schroder International Selection Fund Asian Diversified Growth

### Investment Objective

To provide a total return, primarily through investment in Investment Funds (including Exchange Traded Funds and Funds of the Company) investing in equity, debt securities and liquidities, as well as investment directly in those types of assets and/or through financial derivative instruments.

In addition, the Fund may seek exposure to each of real estate, commodities and other real assets mainly through, but not limited to, investment in real estate and commodity related transferable securities (including REITs), financial derivative instruments on financial indices and Investment Funds, ETFs and Investment Trusts which invest in such asset classes.

### Profile of the Typical Investor

The Fund will be suitable for Investors who are more concerned with maximising long-term returns than minimising possible short-term losses.

### Investment Manager

Schroder Investment Management (Hong Kong) Limited

### Fund Currency:

USD

### Fund Name

Schroder International Selection Fund Global Conservative

### Investment Objective

The Fund will have a low-medium risk profile aiming to provide a total return in Euro terms, with the majority of the portfolio invested in Investment Funds, Exchange Traded Funds and Funds of the Company investing in fixed income securities and in securities. The Fund may also gain up to 30% exposure to equities and Alternative Asset Classes.

### Profile of the Typical Investor

The Fund will be suitable for Investors who desire a cautious portfolio with some limited exposure to the growth opportunities offered through investment in a range of asset classes.

### Investment Manager

Schroder Investment Management (Switzerland) AG

### Fund Currency

EUR

### Fund Name

Schroder International Selection Fund Global Diversified Growth

### Investment Objective

To provide long term capital growth and income, through investment in Investment Funds, Exchange Traded Funds and Funds of the Company investing in equity and debt securities traded world-wide and liquidities, as well as investment directly in those types of assets and/or through financial derivative instruments (including total return swaps), to either hedge or increase, the Fund's market exposure, in taking either net long or net short financial derivative positions. Where the Fund uses total return swaps, the underlying consists of instruments in which the Fund may invest according to its investment Objective.

Specific Risk Consideration

Long and short positions gained through index and equity total return swaps may increase exposure to credit-related risks.

The Fund may seek exposure to each of real estate, private equity and commodities through investment in transferable securities, Investment Trusts and REITs, financial derivative instruments on financial indices, Investment Funds and ETFs which invest in such asset classes. The exposure to commodities will be taken through eligible assets as described under the definition of "Alternative Asset Classes" in Appendix III of this Prospectus.

**Profile of the Typical Investor**

The Fund will be suitable for Investors who are more concerned with maximising long-term returns than minimising possible short-term losses.

**Investment Manager**

Schroder Investment Management Limited

**Fund Currency**

EUR

**Fund Name**

Schroder International Selection Fund Global Dynamic Balanced

**Investment Objective**

To provide a total return in Euro by investing directly, or indirectly through financial derivatives and Investment Funds, Exchange Traded Funds and Funds of the Company, in equity and debt securities traded worldwide, and liquidities. The Fund may also seek exposure to currencies and alternative assets classes such as real estate and commodities via eligible derivative transactions or through instruments such as REITs and ETFs. The combination of asset classes will be varied from time to time in response to changing market conditions. The Investment Manager may take positions across a range of opportunities including asset classes, sub-asset classes, sectors and regions. The Fund will not invest more than 10% of its net assets into Investment Funds.

**Profile of the Typical Investor**

The Fund is a medium risk vehicle that will be suitable for Investors who are seeking long term growth potential through investment in a diversified portfolio offering exposure to a range of asset classes.

**Investment Manager**

Schroder Investment Management (Switzerland) AG

**Fund Currency**

EUR

**Fund Name**

Schroder International Selection Fund Global Multi-Asset Allocation

**Investment Objective**

To provide a total return over the medium to longer term.

**Investment Policy**

The Fund will invest primarily in global equities and global fixed income securities directly or indirectly through the use of Investment Funds (including Funds of the Company) or financial derivative instruments. The Fund may also gain exposure to Alternative Asset Classes.

**Profile of the Typical Investor**

The Fund is a medium risk vehicle that will be suitable for Investors who are seeking long term growth potential through investment in a diversified portfolio offering exposure to a range of asset classes.

**Investment Manager**

Schroder Investment Management Limited

**Fund Currency**

USD

**Fund Name**

Schroder International Selection Fund Global Multi-Asset Income

**Investment Objective**

To provide income and capital growth over the medium to longer term by investing primarily in global equities and global fixed income securities directly or indirectly through the use of Investment Funds or financial derivative instruments (including, but not limited to, futures, options and credit default swaps).

**Investment Policy:**

The Fund will seek to achieve the investment objective by actively allocating between equity securities of companies globally, which offer attractive yields and sustainable dividend payments, global bonds and other fixed or floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities), issued by governments, government agencies, supra-national or corporate issuers, which offer



attractive yields, cash (which will be treated as a separate asset class and will be deployed if necessary to limit downside risk during adverse market conditions) and Alternative Asset Classes indirectly through ETFs, REITs and/or eligible derivative transactions.

Asset-backed securities and mortgage-backed securities will not exceed 20% of the net assets of the Fund. The Fund will not invest more than 10% into open ended Investment Funds. As part of its primary objective, the Fund also has the flexibility to implement active currency positions either via currency forwards or via the above instruments. The Fund may substantially invest in non-investment grade and unrated securities.

**Profile of the Typical Investor**

The Fund will be suitable for Investors who desire a sustainable level of income with some capital growth, offered through investment in a range of asset classes.

**Investment Manager**

Schroder Investment Management Limited

**Fund Currency**

USD

**Fund Name**

Schroder International Selection Fund Japan DGF<sup>1</sup>

**Investment Objective**

To provide a total return, primarily through investment in Investment Funds Exchange Traded Funds and Funds of the Company investing in equity, debt securities and liquidities, as well as investment directly in those types of assets and/or through financial derivative instruments.

In addition, the Fund may seek exposure to each of real estate and commodities through investment in real estate and commodity related transferable securities (including REITs), financial derivative instruments on financial indices and Investment Funds, ETFs and Investment Trusts which invest in such asset classes.

**Profile of the Typical Investor**

The Fund will be suitable for Investors who are more concerned with maximising long-term returns than minimising possible short-term losses.

**Investment Manager**

Schroder Investment Management (Hong Kong) Limited

**Fund Currency**

JPY

**Share Classes:**

C, I and X Shares only

**Fund Name**

Schroder International Selection Fund Strategic Beta 10

**Investment Objective**

To provide a total return of capital growth and income.

**Investment Policy**

The Fund aims to provide cost-effective access to broad based beta in order to build an efficient long term portfolio which seeks to achieve a positive and stable return. The Fund will target a volatility level rather than a set return although there is an expected return associated with that volatility. The Fund will be actively managed and will focus on risk rather than capital allocation, using forward-looking estimates to diversify across a wide range of different risk premia. The exposures to risk premia will vary over time in response to expected changes in market conditions.

The Fund will invest in a broad range of multi-asset class strategies. The Fund may invest directly and indirectly (through Investment Funds or financial derivative instruments) in global fixed income, global equity, currency and volatility. The exposure to commodities will be taken through eligible assets as described under the definition of "Alternative Asset Classes" in Appendix III of this Prospectus. The Fund intends to use financial derivative instruments related to the above investments and asset classes to create long and short exposures. The Fund will use financial derivative instruments (including total return swaps) for investment purposes as well as for efficient portfolio management purposes. Where the Fund uses total return swaps, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Policy.

**Profile of the Typical Investor**

The Fund will be suitable for Investors who are more concerned with maximising long-term returns than minimising possible short-term losses.

<sup>1</sup> DGF means Diversified Growth Fund

<b>Specific Risk Consideration</b>	Long and short positions gained through index, commodity, bond and equity total return swaps may increase exposure to credit-related risks.
<b>Global Risk Exposure</b>	The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>Expected leverage</b>	500% of the total net assets  In order to implement an efficiently diversified set of strategies and to achieve the risk target that is consistent with the Fund's risk profile, the Fund will rely extensively on financial derivative instruments that may generate a high level of leverage.  The Fund uses derivatives such as interest rate and equity futures, forward foreign exchange contracts, total return swaps and options for investment purposes, which can increase the Fund's level of risk. These derivatives are also used to invest in diversifying strategies and to manage tail risk, and this can contribute to reducing the Fund's level of risk.  Some of the strategies will create a substantial level of gross leverage (but a lower level of net leverage), and are expected to improve the portfolio's diversification characteristics.  The expected level of leverage may be higher when market volatility decreases sustainably.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<hr/>	
<b>Fund Name</b>	Schroder International Selection Fund Wealth Preservation EUR
<b>Investment Objective</b>	To preserve and enhance real value, as measured in euro terms after adjusting for inflation, over 3-5 years.
<b>Investment Policy</b>	The Fund may invest globally in equity and equity related securities, a broad range of fixed income instruments, Investment Funds, Investment Trusts, ETFs, money market instruments, cash, deposits and Alternative Asset Classes in any currency.  The Fund may also invest in financial derivative instruments, including forwards and futures. The Fund may, at times, be substantially invested in cash and money market instruments when necessary to preserve capital.
<b>Profile of the Typical Investor</b>	The Fund will be suitable for investors who seek real value (a positive rate of return after inflation) offered through investment in a range of asset classes.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
<hr/>	
<b>Fund Name</b>	Schroder International Selection Fund Wealth Preservation USD
<b>Investment Objective</b>	To preserve and enhance real value, as measured in US dollar terms after adjusting for inflation, over 3-5 years.
<b>Investment Policy</b>	The Fund may invest globally in equity and equity related securities, a broad range of fixed income instruments, Investment Funds, Investment Trusts, ETFs, money market instruments, cash, deposits and Alternative Asset Classes in any currency.  The Fund may also invest in financial derivative instruments, including forwards and futures. The Fund may, at times, be substantially invested in cash and money market instruments when necessary to preserve capital.
<b>Profile of the Typical Investor</b>	The Fund will be suitable for investors who seek real value (a positive rate of return after inflation) offered through investment in a range of asset classes.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD
<hr/>	

## 8. Multi-Manager Funds

<b>Profile of the Typical Investor</b>	This is detailed in the relevant section for each Fund.
<b>Use of financial derivative instruments</b>	Each Multi-Manager Fund may employ financial derivative instruments to gain exposure to a wide range of asset classes including Alternative Asset Classes.
<b>Fund Risk Profile and Specific Risk Consideration</b>	The risk profile for these Funds is indicated in the Fund's specific investment policy. The use of financial derivative instruments for investment purposes may increase the Shares price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

<b>Fund Name</b>	Schroder International Selection Fund Multi-Manager Global Diversity
<b>Investment Objective</b>	To provide long-term capital growth and preservation of capital.
<b>Investment Policy</b>	The Fund will invest primarily in Investment Funds (including Funds of the Company), Investment Trusts, ETFs and REITs to gain exposure to a range of asset classes including global equity, debt securities and Alternative Asset Classes, without any specific country or industry restrictions. The Fund may also invest in these asset classes directly (except for Alternative Asset Classes) or indirectly through the use of financial derivative instruments. The Fund may, at times, hold up to 40% in cash and money market instruments when necessary to preserve capital.
<b>Profile of the Typical Investor</b>	The Fund is a low-medium risk vehicle that will be suitable for Investors who want to preserve their capital in falling markets whilst also participating in the upside when markets are rising.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

## 9. Absolute Return Funds

### Profile of the Typical Investor

The Absolute Return Funds may be suitable for Investors who are seeking long term growth potential offered through investment in equities, debt securities, liquidities and/or currency markets and UCIs.

### Use of financial derivative instruments

Each Absolute Return Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional income from exposure to credit risk in purchasing or selling protection through credit default swaps, adjusting the Fund's duration through the tactical use of interest related financial derivative instruments, generating additional income through inflation or volatility linked financial derivative instruments or increasing its currency exposure through the use of currency related financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Funds are low to medium risk vehicles unless otherwise indicated in the Fund's specific investment policy. In particular the use of financial derivative instruments for investment purposes may increase the Share price volatility, which may result in higher losses for the Investor. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

### Fund Name

Schroder International Selection Fund Asian Bond Absolute Return

### Investment Objective

To provide an absolute return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by governments, government agencies, supra-national and corporate issuers in Asia excluding Japan and financial derivative instruments (including total return swaps). Where the Fund uses total return swaps, the underlying consists of instruments in which the Fund may invest according to its Investment Objective. As part of its primary objective, the Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

### Specific Risk Consideration

Long and short positions gained through bond total return swaps may increase exposure to credit-related risks.

### Global Risk Exposure

The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.

### Expected leverage

150% of the total net assets

The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

### Investment Manager

Schroder Investment Management (Singapore) Limited

### Fund Currency

USD

### Fund Name

Schroder International Selection Fund Emerging Markets Debt Absolute Return

### Investment Objective

To provide an absolute return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by governments, government agencies, supra-national and corporate issuers in emerging markets.

### Investment Manager

Schroder Investment Management Limited

### Fund Currency

USD

### Fund Name

Schroder International Selection Fund European Alpha Absolute Return

### Investment Objective

To provide an absolute return.

<b>Investment Policy</b>	<p>The Fund will primarily invest directly, or indirectly through the use of financial derivative instruments, in equity and equity related securities of companies incorporated in Europe, or companies which derive a significant proportion of their revenues or profits from, or which are predominantly operating within this geographic region. The Investment Manager will take exposure to a select portfolio of securities, which it believes offer the best potential for future returns. 'Alpha' funds invest in companies in which the Investment Manager has a high conviction that the current share price does not reflect the future prospects for that business. The Fund will normally be concentrated and has no bias to any particular industry.</p> <p>The Fund may employ financial derivative instruments for hedging and investment purposes. The Fund may have synthetic long and short positions and may be net long or short when long and short positions are combined.</p> <p>The investment strategy of the Fund and the use of financial derivative instruments may lead to situations where it is considered appropriate that prudent levels of cash, or cash equivalent liquidity will be maintained, which may be substantial or even represent (exceptionally) 100% of the Fund's assets.</p>
<b>Global Risk Exposure</b>	The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>Expected leverage:</b>	<p>150% of the total net assets</p> <p>The expected level of leverage may be higher when volatility decreases sustainably, or when bearish markets are expected.</p>
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
<hr/>	
<b>Fund Name</b>	Schroder International Selection Fund European Equity Absolute Return
<b>Investment Objective</b>	To provide an absolute return.
<b>Investment Policy</b>	<p>The Fund will primarily invest directly, or indirectly through the use of financial derivative instruments, in equity and equity related securities of companies incorporated in Europe, or companies which derive a significant proportion of their revenues or profits from, or which are predominantly operating within this geographic region. The Fund seeks to take advantage of investment opportunities created by the fluctuations in economic activity in the European market. Investments are made based on the merits of individual companies with the aim of generating fund returns that are independent of movements in the market as a whole.</p> <p>The Fund may employ financial derivative instruments for hedging and investment purposes. The Fund may have synthetic long and short positions and may be net long or short when long and short positions are combined.</p> <p>The investment strategy of the Fund and the use of financial derivative instruments may lead to situations where it is considered appropriate that prudent levels of cash, or cash equivalent liquidity will be maintained, which may be substantial or even represent (exceptionally) 100% of the Fund's assets.</p>
<b>Global Risk Exposure</b>	The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>Expected leverage</b>	<p>150% of the total net assets</p> <p>The expected level of leverage may be higher when volatility decreases sustainably, or when bearish markets are expected.</p>
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR
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## 10. Mainstream Bond Funds

### Profile of the Typical Investor

The Mainstream Bond Funds may be suitable for Investors who are seeking to combine capital growth opportunities with income in the relative stability of the debt markets over the long term.

### Use of financial derivative instruments

Each Mainstream Bond Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional income from exposure to credit risk in purchasing or selling protection through credit default swaps, adjusting the Fund's duration through the tactical use of interest related financial derivative instruments, generating additional income through inflation or volatility linked financial derivative instruments or increasing its currency exposure through the use of currency related financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Funds are low to medium risk vehicles. However, the use of financial derivative instruments may lead to a higher volatility in the price of Shares and may increase the Fund's counterparty risk. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

### Fund Name

Schroder International Selection Fund EURO Bond

### Investment Objective

To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in Euro and issued by governments, government agencies, supra-national and corporate issuers worldwide. The Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

### Global Risk Exposure

The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.

### VaR benchmark

Barclays Capital EURO Aggregate index. This index tracks fixed-rate, investment-grade Euro-denominated securities.

### Expected leverage

200% of the total net assets

The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

### Investment Manager

Schroder Investment Management Limited

### Fund Currency

EUR

### Fund Name

Schroder International Selection Fund EURO Short Term Bond

### Investment Objective

To provide a return of capital growth and income primarily through investment in a portfolio of short term bonds and other fixed and floating rate securities denominated in Euro and issued by governments, government agencies, supra-national and corporate issuers worldwide. The average maturity of the securities held in the portfolio must not exceed three years, whereas the residual maturity of any such security must not exceed five years. The Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

### Global Risk Exposure

The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.

### VaR benchmark

Citigroup 1-3yr EURO Government Bond Index TR. This index is composed of fixed-rate euro-zone government bonds with a residual maturity comprised between 1 and 3 years.

### Expected leverage

150% of the total net assets

The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

**Investment Manager** Schroder Investment Management Limited

**Fund Currency** EUR

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**Fund Name** Schroder International Selection Fund EURO Government Bond

**Investment Objective** To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by Eurozone governments. The Fund also has the flexibility to implement active currency positions either via currency forwards or via the above instruments.

**Global Risk Exposure** The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.

**VaR benchmark** Bank of America Merrill Lynch Euro Government Index. This index tracks the performance of EUR denominated sovereign debt publicly issued by Euro member countries in either the Eurobond or the issuer's own domestic market.

**Expected leverage** 150% of the total net assets

The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

**Investment Manager** Schroder Investment Management Limited

**Fund Currency** EUR

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**Fund Name** Schroder International Selection Fund Global Bond

**Investment Objective** To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide. The Fund also has the flexibility to implement active currency positions through currency forwards, or via the above instruments. A maximum of 20% of the net assets of the Fund can be invested in securities with a credit rating below investment grade (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).

**Global Risk Exposure** The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.

**VaR benchmark** Barclays Capital Global Aggregate Bond Index. This USD un-hedged index provides a broad-based measure of the global investment grade fixed-rate debt markets.

**Expected leverage** 400% of the total net assets

The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

**Investment Manager** Schroder Investment Management Limited

**Fund Currency** USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Inflation Linked Bond
<b>Investment Objective</b>	To provide a combination of capital growth and income primarily through investment in a portfolio of inflation-linked debt securities issued by governments, government agencies, supra-national and corporate issuers worldwide. The Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.
<b>Global Risk Exposure</b>	The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>VaR benchmark</b>	Bank of America Merrill Lynch Global Inflation-Linked Government EUR hedged Index. This EUR hedged index tracks the performance of investment grade inflation-linked sovereign debt publicly issued and denominated in the issuer's own domestic market and currency.
<b>Expected leverage</b>	150% of the total net assets  The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR

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<b>Fund Name</b>	Schroder International Selection Fund Hong Kong Dollar Bond
<b>Investment Objective</b>	To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in HKD and issued by governments, government agencies, supra-national and corporate issuers worldwide.
<b>Investment Manager</b>	Schroder Investment Management (Hong Kong) Limited
<b>Fund Currency</b>	HKD

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<b>Fund Name</b>	Schroder International Selection Fund US Dollar Bond
<b>Investment Objective</b>	To provide a return of capital growth and income primarily through investment in a portfolio of bonds and fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in USD and issued by governments, government agencies, supra-national and corporate issuers worldwide. The Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.
<b>Global Risk Exposure</b>	The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>VaR benchmark</b>	Barclays Capital US Aggregate Bond Index. This index measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS and CMBS.
<b>Expected leverage</b>	200% of the total net assets  The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.
<b>Investment Manager</b>	Schroder Investment Management North America Inc.
<b>Fund Currency</b>	USD

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## 11. Specialist Bond Funds

### Profile of the Typical Investor

The Specialist Bond Funds may be suitable for Investors who are seeking to combine capital growth opportunities with income in the relative stability of the debt markets over the long term.

### Use of financial derivative instruments

Each Specialist Bond Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional income from exposure to credit risk in purchasing or selling protection through credit default swaps, adjusting the Fund's duration through the tactical use of interest related financial derivative instruments, generating additional income through inflation or volatility linked financial derivative instruments or increasing its currency exposure through the use of currency related financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Funds are medium risk vehicles. However, the use of financial derivative instruments may lead to a higher volatility in the price of Shares and may increase the Fund's counterparty risk. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

### Fund Name

Schroder International Selection Fund Asian Local Currency Bond

### Investment Objective

To provide long term return of capital growth and income by seeking out opportunities in Asian local fixed income and currency markets. As part of its primary objective, the Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.

### Investment Policy

Investment will primarily be in local currency bonds issued by government, quasi-government and corporate issuers in Asia ex Japan and financial derivative instruments (including total return swaps). Where the Fund uses total return swaps, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Policy.

### Specific Risk Consideration

Long and short positions gained through bond total return swaps may increase exposure to credit-related risks.

### Global Risk Exposure

The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.

### VaR benchmark

HSBC Asian Local Bond Index. This index tracks the total return performance of a bond portfolio which consists of local-currency denominated, high quality and liquid bonds in Asia ex-Japan. The ALBI includes bonds from the following countries/regions: Korea, Hong Kong SAR, India, Singapore, Taiwan, Malaysia, Thailand, the Philippines, Indonesia and China.

### Expected leverage

150% of the total net assets

The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

### Investment Manager

Schroder Investment Management (Singapore) Limited

### Fund Currency

USD

### Fund Name

Schroder International Selection Fund EURO Corporate Bond

### Investment Objective

To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in Euro issued by governments, government agencies, supra-national and corporate issuers. A maximum of 20% of the net assets of the Fund will be held in securities issued by governments.

<b>Global Risk Exposure</b>	The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>VaR benchmark</b>	Bank of America Merrill Lynch EMU Corporate index. This index tracks the performance of EUR denominated investment grade corporate debt publicly issued in the Eurobond or Euro member domestic markets.
<b>Expected leverage</b>	150% of the total net assets  The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR

<b>Fund Name</b>	Schroder International Selection Fund EURO Credit Conviction
<b>Investment Objective</b>	To provide a return of capital growth and income.
<b>Investment Policy</b>	The Fund will invest primarily in a portfolio of bonds and other fixed and floating rate securities denominated in Euro and issued by corporate issuers, governments, government agencies, and supra-national issuers worldwide. A maximum of 20% of the net assets of the Fund will be held in securities issued by governments and government agencies. The Fund may also invest in financial derivatives instruments, including but not limited to forwards, futures, swaps and options and may create long or short exposure to the underlying assets of these derivatives. Derivatives will be used to hedge and obtain active risk.
<b>Global Risk Exposure</b>	The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>VaR benchmark</b>	iBoxx Euro Corporate Bond BBB index. This index tracks the performance of EUR denominated investment grade corporate debt publicly issued in the Eurobond or Euro member domestic markets.
<b>Expected leverage</b>	150% of the total net assets  The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR

<b>Fund Name</b>	Schroder International Selection Fund EURO High Yield
<b>Investment Objective</b>	The Fund aims to provide a return of capital growth and income.
<b>Investment Policy</b>	The Fund will invest primarily in a portfolio of bonds and other fixed and floating rate securities denominated in Euro and issued by corporate issuers, governments, government agencies, and supra-national issuers worldwide. A minimum of 70% of the net assets of the Fund will be invested in securities with a credit rating below investment grade (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	EUR

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<b>Fund Name</b>	Schroder International Selection Fund Global Corporate Bond
<b>Investment Objective</b>	To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers worldwide. A maximum of 20% of the net assets of the Fund will be held in securities issued by governments.
<b>Global Risk Exposure</b>	The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>VaR benchmark</b>	Barclays Capital Global Aggregate Credit Component USD hedged Index. This USD hedged index provides a broad-based measure of the global investment-grade fixed income markets. This index excludes sovereign and securitised securities.
<b>Expected leverage</b>	200% of the total net assets  The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.
<b>Investment Manager</b>	Schroder Investment Management North America Inc.
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global High Income Bond
<b>Investment Objective</b>	To provide a high income return primarily through investment in a portfolio of bonds and other fixed and floating rate debt securities denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide.
<b>Investment Policy</b>	The Fund may invest in the full spectrum of available securities, including asset-backed and mortgage-backed securities and non-investment grade securities. Asset-backed securities and mortgage-backed securities will not exceed 20% of the net assets of the Fund. The Fund also has the flexibility to implement active currency positions through currency forwards or via the above instruments.
<b>Investment Manager</b>	Schroder Investment Management North America Inc.
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global High Yield
<b>Investment Objective</b>	To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers worldwide. A minimum of 70% of the net assets of the Fund will be invested in securities with a credit rating below investment grade (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).
<b>Global Risk Exposure</b>	The Fund employs the relative Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>VaR benchmark</b>	Barclays Capital Global High Yield ex CMBS ex EMG 2% Cap Index USD hedged. This USD hedged index provides a broad-based measure of the global non-investment grade debt market, caps issuers at 2% and excludes emerging markets as well as CMBS.
<b>Expected leverage</b>	100% of the total net assets  The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.
<b>Investment Manager</b>	Schroder Investment Management North America Inc.
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Global Unconstrained Bond
<b>Investment Objective</b>	To provide a total return.
<b>Investment Policy</b>	<p>The Fund will implement a set of strategies (such as duration, country, yield curve, credit and currency strategies) using financial derivative instruments, debt instruments, other fixed and floating rate securities as well as cash, deposits, money market instruments, convertibles and Investment Funds investing in such instruments.</p> <p>Financial derivative instruments will actively be used to take long or short exposures to credit markets, interest rates, foreign exchange and volatility contracts and to various sectors within these markets.</p> <p>Debt instruments and other fixed and floating rate securities may be denominated in various currencies, issued by governments, government agencies, supra-national or corporate issuers worldwide and may include non-investment grade instruments. The Fund has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.</p> <p>The Fund may also invest a majority of its assets in asset-backed and mortgage-backed securities.</p> <p>The Fund may, at times, for defensive purposes, hold 100% of its assets in liquidities.</p>
<b>Global Risk Exposure</b>	The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>Expected leverage</b>	<p>500% of the total net assets</p> <p>The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.</p>
<b>Investment Manager</b>	Schroder Investment Management Limited
<b>Fund Currency</b>	USD

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<b>Fund Name</b>	Schroder International Selection Fund Strategic Credit
<b>Investment Objective</b>	To provide a total return.
<b>Investment Policy</b>	<p>The Fund will invest primarily in credit and credit related instruments and other fixed and floating rate securities, cash and financial derivative instruments that together provide exposure to global credit markets.</p> <p>The Fund may have exposure to investment grade and sub-investment grade debt at any time. Whilst credit and credit related instruments of companies or sovereign issuers will form the majority of assets held, securities issued by governments, government agencies and supranational issuers may also be held from time to time.</p> <p>The financial derivative instruments of the Fund will include, inter alia, credit default swaps. In this context, the Fund acts as protection buyer to hedge the specific credit risk of some of the issuers it holds in its portfolio. The Fund may however also sell protection to acquire a specific credit exposure and/or buy protection without holding the underlying issue.</p> <p>In an aim to manage interest rate and credit risks and non base currency exposure, the Fund may make use of interest rate futures and options and of foreign exchange forward and swap contracts, respectively.</p>
<b>Specific Risk Consideration</b>	The Fund will make use of credit derivative instruments to seek exposure to global credit markets. This may lead to a higher volatility in the price of the Shares and may imply increased counterparty risk.
<b>Global Risk Exposure</b>	The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>Expected leverage</b>	150% of the total net assets

The expected level of leverage may be higher when there is unusually high or low volatility.

**Investment Manager** Schroder Investment Management Limited

**Fund Currency** GBP

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**Fund Name** Schroder International Selection Fund Strategic Bond

**Investment Objective** To provide a total return primarily through investment in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide. As part of its primary objective, the Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments. The full spectrum of available securities, including non-investment grade, may be utilised.

**Global Risk Exposure** The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.

**Expected leverage** 900% of the total net assets

In order to implement an efficiently diversified set of strategies (such as country, yield curve, credit and currency strategies) and to achieve a risk target that is consistent with the Fund's risk profile, the Fund will use financial derivative instruments that may generate a higher level of leverage.

Although the Fund uses derivatives for investment purposes, which can increase the Fund's level of risk, it also uses derivatives within a portfolio construction process that is focused on diversifying strategies and managing risk correlation, which can contribute to reducing the Fund's level of risk. In general the Fund uses derivatives for investment purposes and managing risk correlation, in equal measure.

Some of the strategies will rely on instruments that require a substantial level of gross leverage to generate a limited amount of risk, such as short-dated interest rate contracts. Also, derivatives used within the long and short strategies may generate a high level of gross leverage but a reduced level of net leverage.

The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

**Investment Manager** Schroder Investment Management Limited

**Fund Currency** USD

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## 12. Specialist Bond Funds (Medium-higher Risk)

### Profile of the Typical Investor

The Specialist Bond Funds may be suitable for Investors who are seeking to combine capital growth opportunities with income in the debt markets over the long term.

### Use of financial derivative instruments

Each Specialist Bond Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile as disclosed below. Financial derivative instruments may be employed for instance to generate additional income from exposure to credit risk in purchasing or selling protection through credit default swaps, adjusting the Fund's duration through the tactical use of interest related financial derivative instruments, generating additional income through inflation or volatility linked financial derivative instruments or increasing its currency exposure through the use of currency related financial derivative instruments. Financial derivative instruments could also be employed to create synthetic instruments. Such financial derivative instruments include over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above.

### Fund Risk Profile and Specific Risk Considerations

These Funds are medium to higher risk vehicles. However, the use of financial derivative instruments may lead to a higher volatility in the price of Shares and may increase the Fund's counterparty risk. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

### Fund Name

Schroder International Selection Fund Asian Convertible Bond <sup>1</sup>

### Investment Objective

To provide a return of capital growth primarily through investment in a portfolio of convertible securities and other similar transferable securities, such as convertible preference securities, exchangeable bonds or exchangeable medium term notes, issued by corporate issuers in Asia excluding Japan. The portfolio may also, to a limited extent, seek exposure to fixed and floating rate securities, equity securities and equity linked notes.

### Investment Manager

Schroder Investment Management (Switzerland) AG

### Fund Currency

USD

### Fund Name

Schroder International Selection Fund Emerging Market Bond

### Investment Objective

To provide a return of capital growth and income

### Investment Policy

To achieve the investment objective, the Fund will invest primarily in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers from the emerging markets. Asset-backed securities and mortgage-backed securities will not exceed 20% of the net assets of the Fund.

### Investment Manager

Schroder Investment Management North America Inc.

### Fund Currency

USD

### Fund Name

Schroder International Selection Fund Emerging Market Corporate Bond

### Investment Objective

To provide a return of capital growth and income

### Investment Policy

To achieve the investment objective, the Fund will invest primarily in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers from the emerging markets. Asset-backed securities and mortgage-backed securities will not exceed 20% of the net assets of the Fund. A maximum of 20% of the net assets of the Fund will be held in securities issued by governments.

<sup>1</sup> This Fund may not be available for distribution through Schroders' global network of distributors as exclusive distribution rights may be reserved for certain territories. For any question in this regard, please enquire with the Management Company.

<b>Investment Manager</b>	Schroder Investment Management (Singapore) Limited
<b>Fund Currency</b>	USD
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<b>Fund Name</b>	Schroder International Selection Fund Emerging Market Local Currency Bond
<b>Investment Objective</b>	To provide a return of capital growth and income
<b>Investment Policy</b>	To achieve the investment objective, the Fund will invest primarily in a portfolio of bonds and other fixed and floating rate securities (including, but not limited to, asset-backed securities and mortgage-backed securities) denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers in emerging markets. Asset-backed securities and mortgage-backed securities will not exceed 20% of the net assets of the Fund.
<b>Investment Manager</b>	Schroder Investment Management North America Inc.
<b>Fund Currency</b>	USD
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<b>Fund Name</b>	Schroder International Selection Fund Global Convertible Bond <sup>2</sup>
<b>Investment Objective</b>	To provide a return of capital growth primarily through investment in a portfolio of convertible securities and other similar transferable securities, such as convertible preference securities, exchangeable bonds or exchangeable medium term notes, issued by corporate issuers worldwide. The portfolio may also, to a limited extent, seek exposure to fixed and floating rate securities, equity securities and equity linked notes.
<b>Investment Manager</b>	Schroder Investment Management (Switzerland) AG
<b>Fund Currency</b>	USD
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<b>Fund Name</b>	Schroder International Selection Fund Global Credit Duration Hedged
<b>Investment Objective</b>	To provide total return primarily through investment in credit and credit related instruments and other fixed and floating rate securities, cash and financial derivative instruments that together provide exposure to global credit markets.  The Fund may have exposure to investment grade and sub-investment grade debt at any time. Whilst credit and credit related instruments of companies or sovereign issuers will form the majority of assets held, securities issued by governments, government agencies and supranational issuers may also be held from time to time.
<b>Investment Policy</b>	The financial derivative instruments of the Fund will include, inter alia, credit default swaps. In this context, the Fund acts as protection buyer to hedge the specific credit risk of some of the issuers it holds in its portfolio. The Fund may however also sell protection to acquire a specific credit exposure and/or buy protection without holding the underlying issue.  In an aim to manage interest rate and credit risks and non base currency exposure, the Fund may make use of interest rate futures and options and of foreign exchange forward and swap contracts, respectively.
<b>Specific Risk Consideration</b>	The Fund will make use of credit derivative instruments to seek exposure to global credit markets. This may lead to a higher volatility in the price of the Shares and may imply increased counterparty risk.
<b>Global Risk Exposure</b>	The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure.
<b>Expected leverage</b>	300% of the total net assets

<sup>2</sup> This Fund may not be available for distribution through Schroders' global network of distributors as exclusive distribution rights may be reserved for certain territories. For any question in this regard, please enquire with the Management Company.

The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

**Investment Manager**

Schroder Investment Management North America Inc.

**Fund Currency**

EUR

**Fund Name**

Schroder International Selection Fund RMB Fixed Income

**Investment Objective**

To provide a long term return of capital growth and income in RMB terms.

**Investment Policy**

The Fund will invest primarily in a portfolio of bonds, fixed and floating rate securities, convertible bonds, money market instruments and deposits denominated or hedged back to onshore or offshore RMB.

These instruments may be issued outside or inside of mainland China by governments, government agencies, supra-national and corporate issuers which may or may not be established or incorporated in mainland China.

The Fund may invest in instruments traded on the RMB Bond market in Hong Kong and in instruments denominated in RMB traded on other Regulated Markets.

Investments in mainland China Regulated Markets and interbank bond markets may be performed indirectly through notes, certificates or other instruments (which qualify as transferable securities and do not embed a derivative element), Investment Funds and eligible derivative transactions.

Direct investments in Regulated Markets of mainland China are currently limited to 35% of the Fund's assets but may be increased in the future if adequate liquidity is guaranteed.

Within this 35% limit and until such time that they become Regulated Markets, the Fund will limit any direct investment in securities traded on the mainland China interbank bond markets to 10% of its assets (together with any other investments made in accordance with investment restriction 1. A(9) in Appendix I).

The Fund will not invest in mainland China through RQFII schemes or QFII related schemes supervised by the China Securities Regulatory Commission until investment restriction 1.(A) (5) (I) of Appendix I is complied with and/or until they qualify as Investment Funds.

The Fund may invest in instruments denominated in currencies other than RMB and in investment grade, sub-investment grade and non-rated instruments.

**Specific Risk Consideration**

It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies of the People's Republic of China government. As a result of the People's Republic of China government restrictions on cross-border RMB fund flows, the availability of offshore RMB may be limited.

Commencing 2005, the exchange rate of the RMB was no longer pegged to the US dollar. The RMB has now moved to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. As the exchange rates are based primarily on market forces, the exchange rates for RMB against other currencies, including US dollar and Hong Kong dollar, are susceptible to movements based on external factors.

The possibility that the appreciation of the RMB will be accelerated cannot be excluded. On the other hand, there can be no assurance that the RMB will not be subject to devaluation. Any devaluation of the RMB could adversely affect the value of investor's investments in the Fund. Investors whose base currency is not the RMB may be adversely affected by changes in the exchange rates of the RMB. Further, the Chinese government's imposition of restrictions on the RMB out of China may limit the depth of the RMB market in Hong Kong and reduce the liquidity in the Fund. The Chinese government's policies on exchange control and repatriation restrictions are subject to change, and the Fund's position may be adversely affected.



Investors are also subject to risks specific to the China market. Any significant change in mainland China's political, social or economic policies may have a negative impact on investments in the China market. The regulatory and legal framework for capital markets in mainland China may not be as well developed as those of developed countries. Chinese accounting standards and practices may deviate significantly from international accounting standards. The settlement and clearing systems of the Chinese securities markets may not be well tested and may be subject to increased risks of error or inefficiency. Investors should also be aware that changes in mainland China's taxation legislation could affect the amount of income which may be derived, and the amount of capital returned, from the investments in the Fund.

**Investment Manager**

Schroder Investment Management (Hong Kong) Limited

**Fund Currency**RMB

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### 13. Liquidity Funds

#### Profile of the Typical Investor

The Liquidity Funds are low risk vehicles aiming to provide preservation of capital in terms of its own base currency. They may be suitable for Investors who are conservative risk averse, where income and preservation of principal are their primary objectives over the long term. Investors should be aware however that preservation of capital is not guaranteed. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

The Liquidity Funds do not operate as money market funds or short-term money market funds within the meaning of CESR (the new ESMA) Guidelines 10-049.

#### Use of financial derivative instruments

Liquidity Funds may use financial derivative instruments for hedging purposes only.

#### Fund Name

Schroder International Selection Fund EURO Liquidity

#### Investment Objective

To provide liquidity and current income, to the extent consistent with the preservation of capital, through investment in high quality short-term fixed income securities that are denominated in Euro, provided that (i) at the time of acquisition, the average initial or residual maturity of all such securities held in the portfolio does not exceed 12 months, taking into account any financial instruments connected therewith, or (ii) the terms and conditions governing those securities provide that the applicable interest rate is adjusted at least annually on the basis of market conditions.

#### Investment Manager

Schroder Investment Management Limited

#### Fund Currency

EUR

#### Fund Name

Schroder International Selection Fund US Dollar Liquidity

#### Investment Objective

To provide liquidity and current income, to the extent consistent with the preservation of capital, through investment in high quality short-term debt securities that are denominated in USD, provided that (i) at the time of acquisition, the average initial or residual maturity of all such securities held in the portfolio does not exceed 12 months, taking into account any financial instruments connected therewith, or (ii) the terms and conditions governing those securities provide that the applicable interest rate is adjusted at least annually on the basis of market conditions.

#### Investment Manager

Schroder Investment Management North America Inc.

#### Fund Currency

USD

## 14. Currency Funds

### Profile of the Typical Investor

The Currency Funds are low-medium risk vehicles aiming to protect global purchasing power as described in the relevant investment objectives. They may be suitable for investors who are managing their longer term cash positions and are seeking active currency management. For full details of the risks applicable to investing in these Funds, please refer to Appendix II, "Risks of Investment".

### Use of financial derivative instruments

Each Currency Fund may, for investment purposes, employ financial derivative instruments in order to achieve its investment objective. The financial derivative instruments may be over-the-counter, which may imply increased counterparty risk. It is not the intention of the Investment Manager to create leverage effect as a result of the use of financial derivative instruments.

### Fund Name

Schroder International Selection Fund Global Managed Currency

### Investment Objective

The Fund invests in a basket of world currencies with the aim of providing capital growth and/or the opportunity to diversify portfolio currency risk.

### Investment Policy

The Fund may invest in cash, deposits and fixed income instruments in any currency, provided that (i) at the time of acquisition, the average initial or residual maturity of all such securities held in the portfolio does not exceed 12 months, taking into account any financial instruments connected therewith, or (ii) the terms and conditions governing those securities provide that the applicable interest rate is adjusted at least annually on the basis of market conditions.

The Fund may also invest in currency related derivatives including but not limited to forwards, futures, swaps and options.

### Investment Manager

Schroder Investment Management Limited

### Fund Currency

USD

# Appendix IV

## Other Information

(A) A list of all Funds and Share Classes may be obtained, free of charge and upon request, from the registered office of the Company.

(B) MSCI disclaimer (Source: MSCI):

The information obtained from MSCI and other data providers, included in this Prospectus, may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used to create any financial instruments or products or any indices. The MSCI information and that of other data providers is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling or creating any MSCI information (collectively, the "MSCI Parties") and other data providers, expressly disclaim all warranties (including, without limitation any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party or other data provider have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages.



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