

Important Information:

1. The fund invests primarily in fixed and floating rate securities issued by governments and companies worldwide.
2. For share classes with a general dividend policy, expenses will be paid out of capital rather than out of gross income. The amount of distributable income therefore increases and the amount so increased may be considered to be dividend paid out of capital. Share classes with a fixed dividend policy may pay out both income and capital in distributions. Where distributions are paid out of capital, this amounts to a return or withdrawal of part of your original investment or capital gains attributable to that and may result in an immediate decrease in the net asset value of shares.
3. The fund invests in debt securities which may be subject to credit and counterparty risk, interest rate risks, credit ratings risk, credit downgrading risk, liquidity and volatility risk and valuation risk. The fund may invest in unrated and non-investment grade securities which are exposed to greater credit risks.
4. Investment in sovereign debt obligations issued or guaranteed by governments or their agencies of certain developing countries and certain developed countries may expose the fund to political, social and economic risks. The fund may suffer significant losses upon defaults by government entities.
5. The fund may invest in emerging markets which are subject to political and economic, legal and regulatory, market and settlement, execution and counterparty and currency risks.
6. The fund may use derivatives to meet its specific investment objective. Derivative exposures may involve credit risk and counterparty risk, liquidity risk, valuation risk, volatility risk, over-the-counter transaction risks and hedging risk. In adverse situations, the use of hedging instruments may become ineffective in hedging and the fund may suffer significant losses.

You should not make any investment decision solely based on this document. Please read the relevant offering document carefully for further fund details including risk factors.

Schroders

Schroder ISF Global Credit Income

Blending the right mix for changing investment climates

30 April 2019



Schroder ISF Global Credit Income aims to deliver a stable stream of income in all market environments by investing dynamically across the global bond market. The fund also focuses on managing risk to mitigate volatility.

Why invest in the Schroder ISF Global Credit Income?

Fixed payout of 5.25%* p.a (Applicable to A Dis USD and HKD classes. Dividend may be paid out of capital pay attention to important information 2)^

Bonds are popular investments for people seeking income. While interest rates are still at low levels, by investing across the global bond market, the fund can combine various types of bonds to provide a relatively attractive level of income with a sensible balance of risks. The fund's primary objective is to maintain sustainable and attractive distribution payments, and intends to make a fixed payout of 5.25%* per annum^.



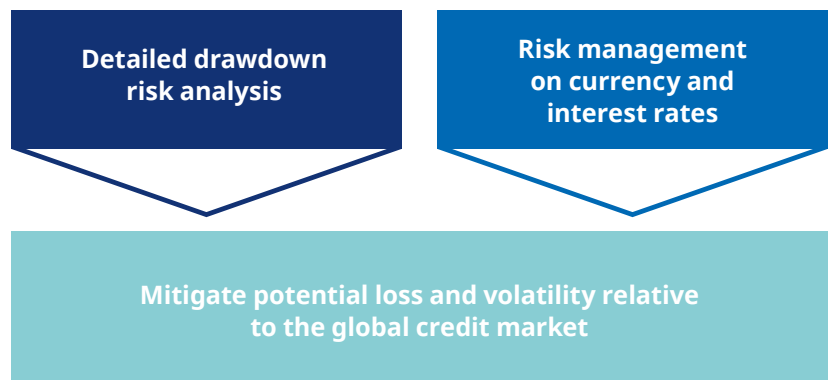
Flexibility in investing across a wide range of bonds and credits

Managed with a benchmark-unconstrained approach, the fund is not tied down to an index and therefore not limited to what bonds it can invest in. Bonds of different types and regions offer different levels of potential return. We can invest across the global bond market wherever we find attractive income opportunities. We aim to deliver a consistent and attractive level of income in all market environments by investing freely across the global bond spectrum, including investment grade, high yield, and emerging market sovereign and municipal bonds, asset-backed securities, and so on. Having a broad investment universe also helps us diversify risk effectively.



Rigorous risk management to mitigate volatility

We recognise that investors seeking income can be more sensitive to capital loss. Dynamic asset allocation informed by scenario correlation analysis allows the fund to reduce risk during market downturns by building a well-diversified bond portfolio. Detailed drawdown risk analysis as well as risk management on currency and interest rates are incorporated with an aim to help the fund mitigate potential loss and volatility relative to the global credit market.



Schroder ISF Global Credit Income

Fund features

- A Distribution share class offers a fixed payout[^] (for details refer to the table below)
- Flexible allocation across a broad range of bonds and credits to adapt to different market environments
- Active risk management to mitigate volatility

Available share classes and distribution policy & frequency

Share classes	ISIN code	Bloomberg ticker	Distribution policy	Distribution frequency
A Dis – USD	LU1514167136	SCGCAIU LX	Fixed, 5.25%* p.a.	Monthly
A Dis – HKD	LU1514167649	SCGCAIH LX	Fixed, 5.25%* p.a.	Monthly
A Dis – GBP Hedged	LU1514168530	SCGAIGH LX	Fixed, 4.0% p.a.	Monthly
A Dis – AUD Hedged	LU1514168969	SCGAIAH LX	Variable	Monthly
A Dis – RMB Hedged	LU1514169009	SCGAIRH LX	Variable	Monthly
A Dis – EUR Hedged	LU1514168027	SCGAIEH LX	Fixed, 3.5% p.a.	Quarterly
A Acc – USD	LU1737068558	SCGCAAU LX	N/A	N/A
A Acc – EUR Hedged	LU1514167722	SCGAAEH LX	N/A	N/A

Dividend distribution record[^]

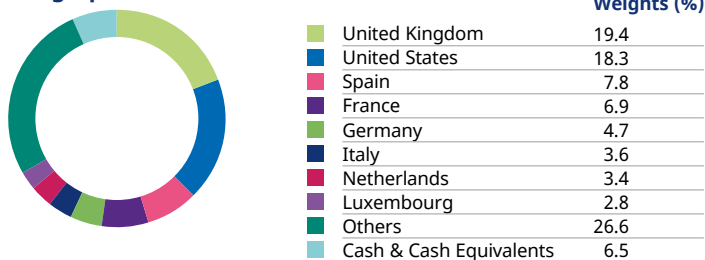
Share classes	Distribution per share	Price on record date	Last record date
A Dis – USD	0.444737	101.6543	24/04/2019
A Dis – HKD	3.602195	823.3589	24/04/2019
A Dis – GBP Hedged	0.332230	99.6691	24/04/2019
A Dis – AUD Hedged	0.543583	142.6454	24/04/2019
A Dis – RMB Hedged	2.983932	714.2595	24/04/2019
A Dis – EUR Hedged	0.856032	97.8322	27/03/2019

Upcoming distribution record date of distribution share classes

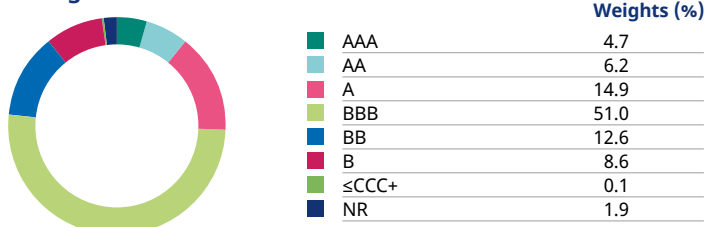
29/05/2019	26/06/2019	24/07/2019
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Note: The distribution record date may subject to change.

Geographical breakdown



Rating breakdown



Schroder International Selection Fund is referred to as Schroder ISF.

* The fixed payout of share classes A Distribution – USD and A Distribution HKD has been changed from 4.5% p.a. to 5.25% p.a., this change will come into effect for the distribution due to be paid in February 2019 and will apply to all distributions going forward.

[^] The manager will make distributions in respect of distribution units. The manager has the sole and absolute discretion to vary the rate and/or frequency of distributions, subject to one month's prior notice to the relevant unitholders. Distribution yield is not indicative of the return of the fund. Distributions may be paid from capital of the fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units. For details of the distribution policy and frequency of all share classes, please refer to the Distribution Policy & Frequency table.

All fund information as at 30/04/2019. Source: Schroders. Fund performance based on Class A Acc; NAV-NAV in USD with net income re-invested. The fund size quoted includes all classes of the fund. *Performance is calculated from the fund's since launch date 30/11/2016.

Investment involves risks. Past performance is not indicative of future performance. Please refer to the relevant offering documents for fund details including risk factors. This material, including the website, is issued by Schroder Investment Management (Hong Kong) Limited and has not been reviewed by the SFC.

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Supervisory Authority: Commission de Surveillance du Secteur Financier, 110, route d'Arlon, L-2991 Luxembourg

Top holdings

	Weights (%)
Santander UK 1.4362% 12/02/2024	1.6
Spain Government Bond 0.35% 30/07/2023	1.4
TSB Bank 0% 15/02/2024	0.9
Eurofins Scientific 3.375% 30/01/2023	0.9
Banco de Sabadell 1.625% 07/03/2024	0.8
Zimmer Biomet Holdings 1.414% 13/12/2022	0.8
Banque Federative du Credit Mutuel 0.75% 08/06/2026	0.8
Western Power Distribution 3.5% 16/10/2026	0.8
Gtlk Europe Capital 5.95% 17/04/2025	0.7
Blackstone Property Partners Europe 2.2% 24/07/2025	0.7

Fund performance

Cumulative performance (%)	YTD	3-mth	1Yr	3Yrs	5Yrs	Since Launch
Fund	5.6	3.5	4.3	N/A	N/A	13.2

Annual return (%)	2018	2017	2016*
Fund	-1.6	7.8	1.1

Key information

Fund objective	The Fund aims to provide income and capital growth by investing in fixed and floating rate securities issued by governments and companies worldwide. The Fund aims to mitigate losses in falling markets. The mitigation of losses cannot be guaranteed.
NAV per share (class A Acc)	USD 114.8304
Hi/Lo (past 12 mths, class A Acc)	USD 115.1495/108.3346
Fund manager	Patrick Vogel & Team
Launch date	30/11/2016
Fund size (million)	USD 1,196.33
Initial charge up to (class A)	3%
Management fee (class A)	1.1% p.a.
Dealing frequency	Daily
Financial year end	31/12

The fund offers an investment choice for investors who

- wish to enjoy a fixed payout[^]
- look for active asset management that aims to maximise yield over an economic cycle
- are positive on the potential growth around the world

Note: Investors should consider your own investment objective and risk tolerance level and seek independent professional advice.