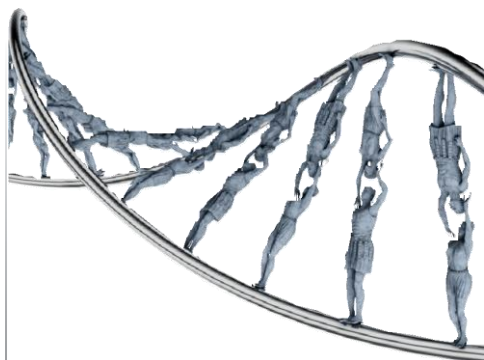


Schroder International Selection Fund

QEP Global Active Value



Asset class

 Bonds

 Equities 

 Alternatives

 Property

Fund ratings



Source for ratings: Morningstar, as at 28 February 2017, awarded to the C Acc share class.

Schroder ISF¹ QEP Global Active Value follows an index-unconstrained strategy, designed to exploit the long-term premium available to investors in value stocks. It aims to deliver above-market returns over the long run.

Why invest?

- Designed to seek out attractively valued companies in order to harvest the long-term value premium, while maintaining an awareness of business quality
- Exploits a wide opportunity set, tapping into all sectors and regions, including the emerging markets, and investing across the market cap spectrum
- Innovative approach to portfolio construction combining high conviction with broad diversification
- Highly experienced and well-resourced team managing over €39 billion of global and emerging equity strategies.

Source: Schroders, as at 31 December 2016.

Key characteristics

Long-term value premium is the fundamental driver

Attractively priced companies outperform in the long term and we aim to exploit this long-term value premium. Value strategies experience some volatility, in particular they tend to struggle in market environments when stock prices become detached from fundamentals, but over the long run they reward investors who stick by their convictions. In addition, in order to help minimise exposure to 'value traps', stocks which are cheap for good reason, we also incorporate an awareness of the quality of companies in our analysis.

Exploiting genuine breadth of opportunity

We maximise the opportunity set by looking beyond the index² to an investment universe of more than 15,000 stocks globally. The fund is highly diversified, typically investing in over 500 stocks, which enables us to gain exposure to many more potential return opportunities in a risk-controlled way. More stocks does not mean compromising on conviction and the fund's active share³ is typically higher than 70% – the fund looks very different to the index.

Intelligent portfolio construction

Our process is focused on delivering returns through stock selection and does not impose any index-based sector or region constraints, enabling us to invest wherever we find the best opportunities. Moreover, by weighting stocks based on their fundamentals and not their size, our portfolios express genuine conviction and are not forced to hold higher weightings in more expensive stocks. Our portfolio construction tools allow us to manage the risk-return trade-off efficiently and we also focus on cost-effective implementation.

²The MSCI AC World (NDR) is used for performance comparison purposes only as the strategy is index unconstrained.

³Active share is a measure of the proportion of a portfolio's holdings that are different to the benchmark; an indexed portfolio identical to the benchmark would have a 0% active share, and a portfolio with no overlap at all with the benchmark would have an active share of 100%

Fund management team

The QEP Investment Team was established in 1996 and has managed assets since 2000. The team, led by Justin Abercrombie, consists of 25 members based in London, Sydney and New York. It manages over €39 billion in a comprehensive range of global and emerging market equity strategies on behalf of clients all over the world.

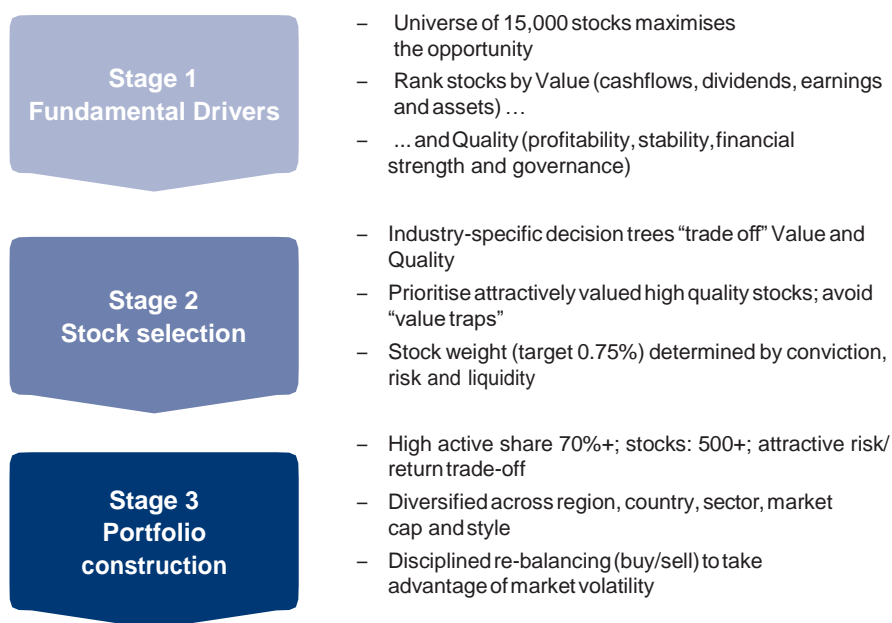
Source: Schroders, team as at 28 February 2017, AUM as at 31 December 2016.



Schroders

Investment process

The investment process for the fund can be summarised in three stages:



Risk considerations

- The capital is not guaranteed
- Investments denominated in a currency other than that of the share-class may not be hedged
The market movements between those currencies will impact the share-class
- 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
- The fund will not hedge its market risk in a down cycle. The value of the fund will move similarly to the markets
- Emerging equity markets may be more volatile than equity markets of well established economies. Investments into foreign currencies entail exchange risks.
- Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund

Key information

| | |
|---|--|
| ISIN code | LU0203346498 |
| Bloomberg code | SCHGVCA:LX |
| Date of inception | 29 October 2004 |
| Fund currency | USD |
| Reference index | MSCI AC World (NDR) ¹ |
| Ongoing charges (latest available)² | 0.96% |
| Entry charge | Up to 1.00% of gross investment amount |

Information in the table above is for the C Accumulation share class, for further share class information please see the Prospectus.

¹This index is used for performance comparison purposes only as the strategy is index-unconstrained.

²The ongoing charges figure is based on the last year's expenses for the year ending December 2016 and may vary from year to year.

Schroders' awards



Source: Global Investor ISF 'Asset Manager of the Year' awarded July 2016; International Adviser Product & Service Awards 2016, International Retirement Provider of the Year.

To learn more about **Schroder ISF QEP Global Active Value**, please visit:

www.schroders.com/qep

About Schroders



€465.2bn of assets under management and administration.



An extensive global network of 4,100+ employees.



41 offices in 27 countries across Europe, the Americas, Asia, Africa and the Middle East.



Over 200 years' experience of investment markets.

Source: Schroders, as at 31 December 2016.



Source: Fitch, as at 27 April 2016.

Important information: This document does not constitute an offer to anyone, or a solicitation by anyone, to subscribe for shares of Schroder International Selection Fund (the "Company"). Nothing in this document should be construed as advice and is therefore not a recommendation to buy or sell shares. Subscriptions for shares of the Company can only be made on the basis of its latest Key Investor Information Document and prospectus, together with the latest audited annual report (and subsequent unaudited semi-annual report, if published), copies of which can be obtained, free of charge, from Schroder Investment Management (Luxembourg) S.A. The Company is a Luxembourg-registered UCITS recognised in the UK under Section 264 of the Financial Services and Markets Act 2000. There will be no right to cancel any agreement to purchase shares under section 6.7 of the UK Financial Services Conduct of Business Sourcebook. All or most of the protection provided by the UK regulatory system does not apply to investments in the Company and compensation will not be available under the UK Financial Services Compensation Scheme. An investment in the Company entails risks, which are fully described in the prospectus. **Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get the amount originally invested.** Schroders has expressed its own views and opinions in this document and these may change. This document is issued by Schroder Investment Management Limited, 31, Gresham Street, EC2V 7QA, who is authorised and regulated by the Financial Conduct Authority. For your security, communications may be taped or monitored. w47310. EU04190.