

Schroder International Selection Fund Global Multi-Asset Income

June 2018

Schroder ISF* Global Multi-Asset Income

is designed to help investors generate a regular income stream by investing across a range of asset classes. We aim to provide an attractive and sustainable income without an increased exposure to risk.



Delivering sustainable income

The fund targets an annual yield of 5%***, which investors can either receive as income on a regular basis or have it reinvested back into the fund. Alongside generating a regular income stream, we also aim to generate capital growth with a low level of volatility.



Taking advantage of global opportunities

The fund harvests income from a range of asset classes, including global equities, investment grade bonds, high yield bonds, emerging market debt and alternatives. We cast our net as widely as possible in order to identify income opportunities across asset classes, regions and sectors.



Focus on quality

We prioritise the consistency and sustainability of income. We therefore focus on identifying securities where the yield is supported by strong fundamentals. We will not compromise on the quality of our investments in order to achieve a higher yield.



Risk management

We operate a robust risk management process, pursuing a diversified approach and monitoring risk at both a portfolio and security level. As such, the fund is coherently managed as a single entity rather than simply 'packaging' together disparate strategies.



Expertise and resource

The fund is managed by the Multi-Asset investment team, which is responsible for overall asset allocation and risk management. Individual security selection is carried out by security specialists: the Schroders' Quantitative Equity Product (QEP) team and the Multi-Asset Advanced Beta team for equities, and the global Fixed Income team for bonds.

Source: Schroders, as at June 2018.

**The fund offers fixed and variable distribution share classes. The distribution is reviewed annually by the manager to ensure that it is still suitable given the fund's focus on sustainable income. For fixed distribution share classes, if the income is insufficient to cover the payments, the payments may reduce the fund's capital. The target 5% distribution is gross of fees, a target only and not guaranteed.

Asset class

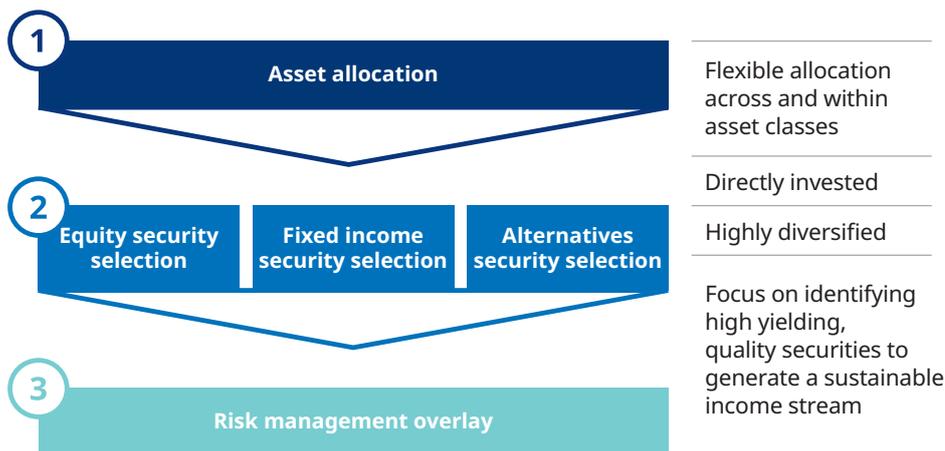
- ⊗ Bonds
- ⊗ Alternatives
- ⊗ Equities
- ⊗ Property

Investment Team

Our Multi-Asset Investment team is well resourced, with over 90 professionals globally. We have Multi-Asset professionals located in key financial locations across the globe including London, New York, Zurich, Hong Kong, Singapore and Sydney, managing over \$93 billion in multi-asset mandates. Our team is dedicated to working closely with our clients to provide portfolios that are structured in line with their long-term performance objectives.

Source: Schroders, as at 31 March 2018.

A robust and coherent investment process



Risk considerations

- The capital is not guaranteed
- The fund intends to make regular fixed distributions to investors and, if its income is insufficient to cover these payments, these payments may reduce the fund's capital
- 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
- 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
- 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
- Investment in bonds and other debt instruments including related derivatives is subject to interest rate risk. The value of the fund may go down if interest rate rise and vice versa
- The issuer of Mortgage or Asset backed securities may have a limited ability to recover amounts due if the underlying borrowers become insolvent or their collateral drops in value
- A financial model may provide a technique to identify and manage the risks of the fund. The model's assumptions, calibration and programming may not deliver the expected results
- The fund may hold indirect short exposure in anticipation of a decline of prices of these exposures or increase of interest rate
- The fund may be leveraged by trading in a high volume of derivatives to achieve a risk target consistent with its risk profile
- Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund.

Key information

ISIN code LU0757359368	Date of inception 18 April 2012	Ongoing charge (latest available)¹ 1.60%	Entry charge 5.00% of gross investment amount
Bloomberg code SCHGMAA:LX	Fund currency USD		

¹The ongoing charge figure is based on the last year's expenses for the year ending December 2017 and may vary from year to year.

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

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. SCH29797

Schroders' awards



Source: Investment Europe Fund Manager of the Year Awards 2017.

About Schroders



€503.6bn of assets under management and administration.



An extensive global network of 4,600+ employees.



Presence in 29 countries across Europe, the Americas, Asia, Middle East and Africa.



Over 200 years' experience of investment markets.

Source: Schroders, as at 31 December 2017.



Source: Fitch Ratings, as at 10 July 2017.

To learn more about Schroders' Luxembourg domiciled funds, visit:

schroders.lu