

*This statement provides you with key information about this product.*

*This statement is a part of the offering document.*

*You should not invest in this product based on this statement alone.*

*<sup>A</sup>In Hong Kong, the fund is not authorized as money market fund under the SFC's Code of Unit Trusts and Mutual Funds. The remaining maturity of the instruments purchased by the fund and the weighted average maturity/life of the fund's portfolio do not meet the limits applicable to money market fund in Hong Kong. The fund may be more negatively impacted by changes in interest rates and subject to higher credit and liquidity risks.*

### Quick facts

**Management company:** Schroder Investment Management (Europe) S.A.

**Investment manager:** Schroder Investment Management North America Inc., located in the United States of America, internal delegation

**Sub-investment manager(s) and sub-delegate(s), if any:** Internal delegation to one or more sub-investment manager(s) (if any) and sub-delegate(s) (if any) as described in the section headed "Sub-Investment Managers and Sub-Delegates" in the Hong Kong Covering Document. The list of the latest sub-investment manager(s) and sub-delegate(s) of the fund will be provided on request and shall be further disclosed in the periodic reports of Schroder International Selection Fund.

**Depository:** J.P. Morgan SE – Luxembourg Branch

<b>Ongoing charges over a year*:</b>	Class A1 USD Acc	0.30%	Class A USD Acc	0.30%
	Class A EUR Acc	0.30%		

**Dealing frequency:** Daily

**Base currency:** USD

**Dividend policy:** A and A1 Accumulation share classes – Dividend will not be distributed but will be reinvested into the fund.

**Financial year end of this fund:** 31 December

**Minimum investment:** A and A1 share classes: Initial – EUR1,000 or USD1,000 (or equivalent); Subsequent investment – EUR1,000 or USD1,000 (or equivalent)

\* The ongoing charges figure is based on the expenses for the year ended 31 December 2022. This figure may vary from year to year.

### What is this product?

This is a sub-fund of Schroder International Selection Fund, a mutual fund domiciled in Luxembourg and its home regulator is Commission de Surveillance du Secteur Financier.

## Objectives and investment strategy

### Investment Objective

The fund aims to provide income by investing in money market instruments denominated in US Dollar. The fund is designed to provide liquidity and aims to preserve the value of the investment in falling markets. The preservation of value or provision of liquidity cannot be guaranteed.

### Investment Policy

The fund is actively managed and invests in money market instruments (rated at least investment grade as measured by Standard & Poor's or any equivalent grade of other credit rating agencies in addition to receiving a favourable assessment of their credit quality pursuant to the management company's internal credit quality assessment procedure) that are denominated in US Dollar and issued by government, government agencies and companies worldwide provided that (i) at the time of acquisition, the 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 and the residual maturity of all such securities does not exceed 2 years. The fund invests at least two-thirds of its assets in such money market instruments.

The investment manager will assess credit risks of money market instruments based on quantitative and qualitative fundamentals, including without limitation the issuer's leverage, operating margin, return on capital, interest coverage, operating cash flows, industry outlook, firm's competitive position and corporate governance issue. For this purpose, if the relevant security does not itself have a credit rating, then reference can be made to the rating of the issuer of the security. If both the security and the relevant issuer are not rated, then the security will be classified as unrated.

The fund is not subject to any limitation on the portion of its net asset value that may be invested in any country (including emerging market countries), region or sector.

The fund may also hold cash and make deposits with a credit institution.

The fund may invest up to 5% of its net asset value in debt instruments issued by financial institutions with loss-absorption features (e.g. contingent convertible bonds, Additional Tier 1, Tier 1 and Tier 2 capital notes, senior non-preferred notes, senior and subordinated bonds issued by holding companies of a financial institution). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.

The fund may invest up to 10% of its net asset value in insurance-linked securities ("ILS"), such as catastrophe bonds, issued outside Hong Kong and/or any ILS-related products, such as derivatives or structured products whose returns are linked to the performance of any ILS and collective investment schemes whose investment objective or principal investment strategy is investing in ILS. For the avoidance of doubt, the fund will not invest in ILS issued in Hong Kong and their repackaged products and derivatives.

Under exceptional circumstances (e.g. market crash or major crisis), the fund may be invested temporarily up to 100% of its net asset value in liquid assets such as bank deposits, certificates of deposit, commercial paper and treasury bills for cash flow management.

The fund may use derivatives with the aim of hedging currency and interest rate risk.

### Benchmark

The fund does not have a target benchmark. The fund's performance should be compared against the ICE BofA Merrill Lynch US Treasury Bill (0-3m) index. The comparator benchmark is only included for performance comparison purposes and does not determine how the investment manager invests the fund's assets. The fund's investment universe is expected to overlap materially with the components of the comparator benchmark.

**Use of derivatives / investment in derivatives**

The fund's net derivative exposure may be up to 50% of the fund's net asset value.

**What are the key risks?**

**Investment involves risk. Please refer to the offering document for details including the risk factors.**

**1. Risk relating to investment in debt securities**

- **Credit and counterparty risk**— Investment in debt securities is subject to the credit/default risk of the issuer which may also adversely affect the settlement of the securities.
- **Interest rate risks**— Investment in the fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
- **Credit ratings risk**— Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
- **Credit downgrading risk**— The credit rating of debt securities or their issuers may subsequently be downgraded. In the event of such downgrading, the value of the fund may be adversely affected. The investment manager may not dispose of such securities immediately and the fund may therefore be subject to additional risk of loss.
- **Valuation risk**— Valuation of the fund's investment may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the fund.

**2. Liquidity and defensive funds**

The fund is not a money market fund and is not the same as placing funds on deposit with bank or deposit-taking company. Investors should be aware that this fund does not guarantee principal.

**3. Derivatives**

There is no guarantee that the performance of derivatives will result in a positive effect for the fund. Derivative exposure may lead to a high risk of significant capital loss. Risks associated with derivatives include credit risk and counterparty risk, liquidity risk, valuation risk, volatility risk, over-the-counter transaction risks and hedging risk. The leverage element/component of derivatives can result in a loss significantly greater than the amount invested in the derivatives by the fund. There is no guarantee that the desired hedging instruments will be available or hedging techniques will achieve their desired result. In adverse situations, the use of hedging instruments may become ineffective in hedging and the fund may suffer significant losses.

**4. Concentrated geographical locations**

The fund investing in concentrated geographical locations may be subject to a higher level of risks comparing to a fund investing in a more diversified portfolio/strategy. The value of the fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the relevant geographical locations.

**5. Emerging and less developed markets**

The fund may invest in emerging and less developed markets. Investing in emerging and less developed markets is subject to greater risks than investing in securities of developed countries such as ownership and custody risks, political and economic risks, market and settlement risks, liquidity and volatility risk, legal and regulatory risks, execution and counterparty risk, and currency risk, which may adversely affect the net asset value per share of the fund and investors may as a result suffer losses.

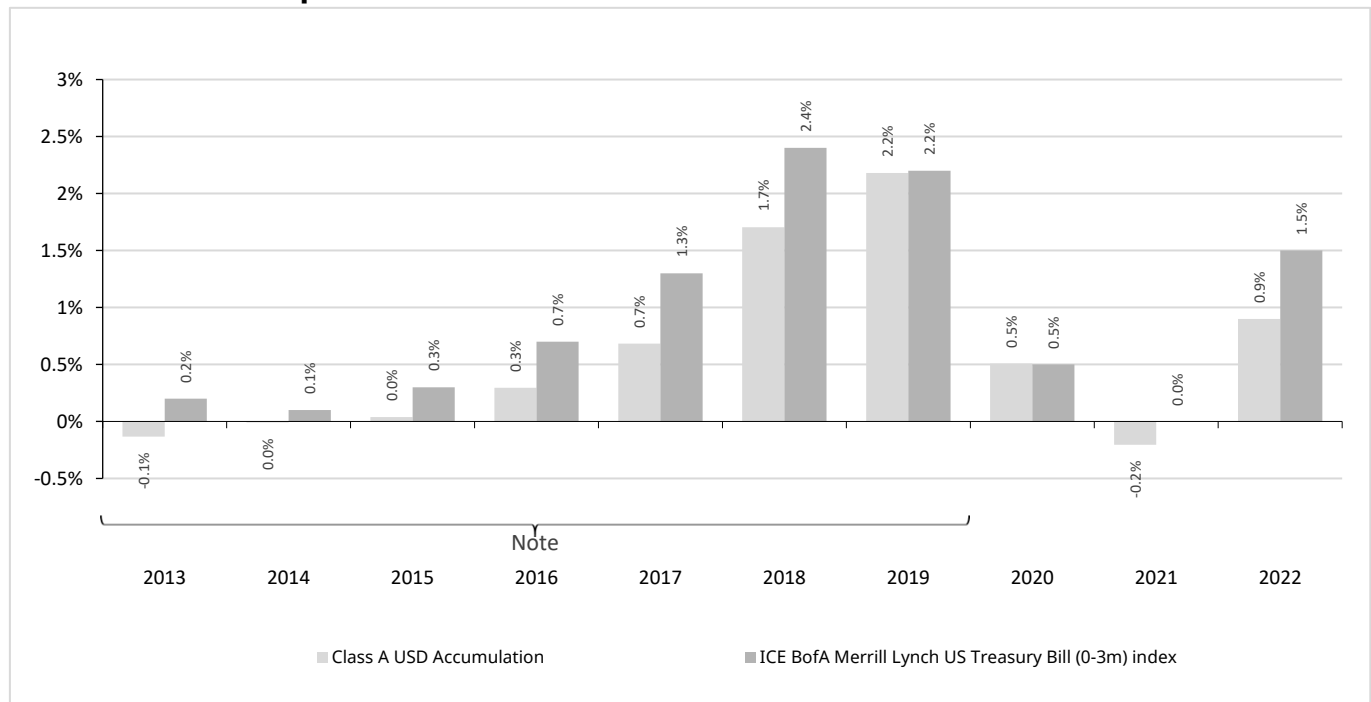
**6. Risks relating to distributions**

- For distribution 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; capital growth will be reduced and in periods of low growth capital erosion may occur.
- Distribution share classes with a fixed dividend policy will distribute the dividends based on a fixed amount or fixed percentage of the net asset value per share. This may result in share classes with fixed distributions either paying out both income and capital in distribution payments, or not substantially distributing all the investment income which a share class has earned.
- **You should note that in the circumstances 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 net asset value per share.**

**7. Currency risks**

Assets and share classes may be denominated in currencies other than USD and some may not be freely convertible. The fund may be adversely affected by changes in foreign exchange rates and exchange rate controls of the currencies in which securities are held, the reference currencies of the share classes and the US Dollar. This exposes all share classes of the fund to exchange rate fluctuations and currency risk. It may not be practicable or possible to hedge against such foreign exchange/currency risk exposure.

## How has the fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the fund's Class A USD Accumulation increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Comparator Benchmark: ICE BofA Merrill Lynch US Treasury Bill (0-3m) index
- Fund launch date: 2001
- Class A USD Accumulation launch date: 2001
- The management company views the Class A USD Accumulation, being the retail share class denominated in the base currency of the fund, as the most appropriate representative share class of the fund.

Note: The performance of these years was achieved under circumstances that no longer apply. During these years, there were material changes to the fund, namely, changes of investment policy and reduction of fee(s).

## Is there any guarantee?

This fund does not have any guarantees. You may not get back the full amount of money you invest.

**What are the fees and charges?****Charges which may be payable by you**

You may have to pay the following fees when dealing in the shares of the fund.

<b>Fee</b>	<b>What you pay</b>	
<b>Share class</b>	A	A1
<b>Subscription fee (Initial charge)</b>	Nil	
<b>Switching fee (Switching charge)</b>	Up to 1.00% of the value of the shares to be switched	
<b>Redemption fee (Redemption charge)</b>	Nil	

**Ongoing fees payable by the fund**

The following expenses will be paid out of the fund. They affect you because they reduce the return you get on your investments.

	<b>Annual rate (as a % of the fund's value)</b>	
<b>Share class</b>	A	A1
<b>Management fee (Annual Management Charge)</b>	0.20%	
<b>Depositary fee</b>	Up to 0.005%	
<b>Performance fee</b>	Nil	
<b>Administration fee</b>	Up to 0.25%	
<b>Distribution charge (Annual Distribution Charge)</b>	Nil	
<b>Custody safekeeping fee</b>	Up to 0.3%	
<b>Transaction fees (charged by the Depositary)</b>	Up to USD75 per transaction	
<b>Fund accounting and valuation fees</b>	Up to 0.0083%	

**Other fees**

You may have to pay other fees when dealing in the shares of the fund. Please refer to the offering document for fees payable by the fund.

### **Additional information**

- You generally buy and redeem shares at the fund's relevant net asset value ("NAV") after Schroder Investment Management (Hong Kong) Limited receives your request, directly or via a distributor, in good order at or before 5pm HK time, being the fund's dealing cut-off time on each dealing day of the fund. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the fund's dealing cut-off time).
- A dividend calendar including details on the distribution frequency and the dividend calculation basis for all available distribution share classes and a composition of the dividend payments (i.e. the percentages of distribution being paid out of capital and net distributable income) for the last twelve months for each of these distribution share classes (i) with a variable distribution policy or (ii) with a fixed dividend policy and paying dividends out of capital are also available from the Schroder Investment Management (Hong Kong) Limited on request and from the Schroders' Internet site ([www.schroders.com.hk](http://www.schroders.com.hk)). This website has not been reviewed by the SFC.
- Past performance information of other share classes offered to Hong Kong investors is available online at [www.schroders.com.hk](http://www.schroders.com.hk). This website has not been reviewed by the SFC.
- The net asset value of this fund is calculated and the price of shares is published on each dealing day. They are available online at [www.schroders.com.hk](http://www.schroders.com.hk). This website has not been reviewed by the SFC.

### **Important**

If you are in doubt, you should seek professional advice. The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.