

Prospectus Update June 2024 – Schroder International Selection Fund

Summary of Changes

The Fund, together with its sub-funds, underwent an update, approved by its home regulator Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg, which is reflected in the new prospectus dated June 2024.

1. New Funds

- **SISF Global Social Growth - Launch date: September 2024 (exact date TBC)**

2. Changes to existing funds

Changes are effective immediately unless dated.

- **All SFDR Article 8 & 9 funds**
 - Update to the Pre-Contractual Disclosures (PCD) section question “does this financial product consider principal adverse impacts (PAIs) on sustainability factors” to more clearly outline how the funds consider PAIs.
- **SISF Asian Convertible Bond**
 - Change of benchmark name from *Thomson Reuters Asia ex Japan Hedged Convertible Bond index (USD)* to *FTSE Asia ex Japan Hedged Convertible Index (USD)*. Branding only, no change.
- **SISF Asian Credit Opportunities**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Asian Local Currency Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF BlueOrchard Emerging Markets Climate Bond**
 - Increase of minimum commitment to sustainable investments from 75% to 80%
- **SISF BlueOrchard Emerging Markets Impact Bond**
 - Increase of minimum commitment to sustainable investments from 75% to 80%
- **SISF Carbon Neutral Credit**
 - Increase of minimum commitment to sustainable investments from 75% to 80%
- **SISF Carbon Neutral Credit 2040**

- Increase of minimum commitment to sustainable investments from 75% to 80%
- **SISF China Local Currency Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Cross Asset Momentum**
 - Change to the investment objective target from “3-month USD T-Bills +3% per annum” to “positive return after fees have been deducted over a three year period”;
 - Change the investment policy to:
 - Increase the expected leverage figure from 250% to 400% of the total net assets
 - Increase the permitted total return swaps / contracts for difference from 250% to 400%
 - Increase the expected range from 20% to 70% to 30% to 120%
 - Update to the “profile of a typical investor” section to allow the fund to be sold to advised retail investors
 - Reduce the annual management fee of the IZ share classes from up to 1% to 0.70%
 - Increase the annual management fee of the C share classes from 0.60% to 0.70%
- **SISF Dynamic Income**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
 - Rebranding of Thomson Reuters component of benchmark to FTSE. Rebrand only, no change.
- **SISF Emerging Europe**
 - Conversion from SFDR Article 6 to Article 8
 - **Effective Date: 15 August 2024**
- **SISF Emerging Market Debt Total Return**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Emerging Markets ex China**
 - Change of target benchmark from MSCI Emerging Markets ex China (Net TR) Index to MSCI Emerging Markets ex China 10/40 (Net TR) Index
- **SISF Emerging Markets Local Currency Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Emerging Markets Multi Asset**

- Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF EURO Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF EURO Corporate Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF EURO Credit Conviction**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF EURO Credit Conviction Short Duration**
 - Change of i) risk management basis from Absolute VaR to Relative VaR and ii) expected leverage from 300% to 150%.
 - **Effective Date: 15 August 2024**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF EURO Government Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF EURO High Yield**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF EURO Short Term Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF European Alpha Absolute Return**
 - Update to PCD wording to clarify that exclusions only apply to long exposures.
- **SISF European Special Situations**
 - Update to the PCD question headed "what are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product"

to add the correct "non-significantly engaging" French AMF wording (the significantly engaging wording was showing).

- **SISF Global Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Global Cities**
 - Update to the PCD question 'What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?' in response to CSSF observations in 2023
- **SISF Global Convertible Bond**
 - Change of benchmark name from *Thomson Reuters Global Focus Hedged Convertible Bond index (USD)* to *FTSE Global Focus Hedged Convertible Index*. Branding only, no change.
- **SISF Global Corporate Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Global Credit Income**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Global Credit High Income**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Global Diversified Growth**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
 - Change of component of benchmark's name from *Thomson Reuters Global Convertible Bonds Index (hedged to EUR)* to *FTSE Global Convertible Bonds Index (hedged to EUR)*. Branding only, no change.
- **SISF Global Energy**
 - Removal of the ability of the Fund to use derivatives for investment purposes
 - **Effective date: 15 August 2024**
- **SISF Global Credit High Yield**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.

- **SISF Global Inflation Linked Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Global Multi Asset Balanced**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Global Diversified Growth**
 - Change of comparator benchmark from *Morningstar EUR Cautious Allocation – Global Category Median* to *Morningstar EUR Cautious Allocation – Global Category*.
 - Change of component of benchmark's name from *Thomson Reuters Global Convertible Bonds Index (hedged to EUR)* to *FTSE Global Convertible Bonds Index (hedged to EUR)*. Branding only, no change.
- **SISF Global Multi Asset Income**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Global Sustainable Convertible Bond**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
 - Change of component of benchmark's name from *1/3 Thomson Reuters Global Focus Investment Hedged Grade index (EUR)* to *1/3 FTSE Global Focus Investment Hedged Grade index (EUR)*. Branding only, no change.
 - Deletion of the PCD wording: "*in exceptional circumstances a derogation may be applied in order to allow the Fund to continue to hold a company on Schroders' 'global norms' breach list, for example where the stated investment strategy of the Fund may otherwise be compromised. Any such company cannot be categorised as a sustainable investment*" and "*under the CRS Law, the first exchange of information was applied by 30 September 2017 for information related to the calendar year 2016*" from the questions "*how do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?*" and "*what are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?*" Tidy up only, no change.
- **SISF Global Sustainable Growth**
 - Deletion of the PCD wording: "*in exceptional circumstances a derogation may be applied in order to allow the Fund to continue to hold a company on Schroders' 'global norms' breach list, for example where the stated investment strategy of the Fund may otherwise be compromised. Any such company cannot be categorised as a sustainable investment*" and "*under the CRS Law, the first exchange of information was applied by 30 September*"

2017 for information related to the calendar year 2016" from the questions "how do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?" and "what are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" Tidy up only, no change.

- **SISF Global Sustainable Value**

- Deletion of the PCD wording: "in exceptional circumstances a derogation may be applied in order to allow the Fund to continue to hold a company on Schroders' 'global norms' breach list, for example where the stated investment strategy of the Fund may otherwise be compromised. Any such company cannot be categorised as a sustainable investment" and "under the CRS Law, the first exchange of information was applied by 30 September 2017 for information related to the calendar year 2016" from the questions "how do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?" and "what are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" Tidy up only, no change.

- **SISF Global Target Return**

- Change of component of benchmark's name from *Barclays Global Aggregate Corporate Bond Index (hedged to USD) & Barclays Global High Yield excl. CMBS & EMD 2% Index (hedged to USD)* to *Bloomberg Global Aggregate Corporate Bond Index (hedged to USD) & Bloomberg Global High Yield excl. CMBS & EMD 2% Index (hedged to USD)*. Branding only, no change.

- **SISF Healthcare Innovation**

- Deletion of the PCD wording: "in exceptional circumstances a derogation may be applied in order to allow the Fund to continue to hold a company on Schroders' 'global norms' breach list, for example where the stated investment strategy of the Fund may otherwise be compromised. Any such company cannot be categorised as a sustainable investment" and "under the CRS Law, the first exchange of information was applied by 30 September 2017 for information related to the calendar year 2016" from the questions "how do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?" and "what are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" Tidy up only, no change.

- **SISF Italian Equity**

- Update to the PIR footnote from "the Fund complies with the conditions of eligibility allowing its shares to be held in a "Piano Individual di Risparmio a lungo termine" (PIR) under the Italian 2017 Budget Law (Law No 232 of 11 December 2016)" to "the fund is an eligible investment suitable to be held

within an Italian "Piano Individuale di Risparmio a lungo termine" (PIR) under the law 232/2016 and the law 157/2019 and subsequent amendments ." Update to latest language only, no change.

- **SISF Multi Asset Growth and Income**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
 - Change of component of benchmark's name from *Thomson Reuters Convertible Global Focus index (USD)* to *FTSE Global Convertible Bonds Index (hedged to USD)*. Branding only, no change.

- **SISF Multi Asset Total Return**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
 - Change of component of benchmark's name from *Thomson Reuters Global Convertible Bonds Index (hedged to USD)* to *FTSE Global Convertible Bonds Index (hedged to USD)*. Branding only, no change.

- **SISF Social Impact Credit**
 - Increase of minimum commitment to sustainable investments from 75% to 80%

- **SISF Strategic Credit**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.

- **SISF Sustainable EURO Credit**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
 - Increase of minimum commitment to sustainable investments from 50% to 55%
 - Increase of minimum aligned with E/S characteristics from 60% to 80%

- **SISF Sustainable Future Trends**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
 - Increase of minimum aligned with E/S characteristics from 60% to 80%

- **SISF Sustainable Global Credit Income Short Duration**
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
 - Increase of minimum aligned with E/S characteristics from 60% to 80%
 - Increase of minimum commitment to SIs from 10% to 40%
 - Deletion of the PCD wording: "in exceptional circumstances a derogation may be applied in order to allow the Fund to continue to hold a company on

Schroders' 'global norms' breach list, for example where the stated investment strategy of the Fund may otherwise be compromised. Any such company cannot be categorised as a sustainable investment" and "under the CRS Law, the first exchange of information was applied by 30 September 2017 for information related to the calendar year 2016" from the questions "how do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?" and "what are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" Tidy up only, no change.

- Update to the PCD question "*what is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?*" the current response has been removed and replaced with "*this question is not applicable for the Fund.*"

- **SISF Sustainable Global Multi Credit**

- Increase of minimum aligned with E/S characteristics from 60% to 80%
- Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.

- **SISF Sustainable Global Sovereign Bond**

- Increase of minimum aligned with E/S characteristics from 60% to 80%
- Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.

- **SISF Sustainable Infrastructure**

- Update to the PCD question 'What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?' in response to CSSF observations in 2023

- **SISF Sustainable Multi Asset Income**

- Increase of minimum aligned with E/S characteristics from 70% to 80%
- Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.

- **SISF Sustainable Swiss Equity**

- Deletion of the Fund's details following its merger into SISF Swiss Equity on 15 May 2024

- **SISF Sustainable US Dollar Bond**

- Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.

- **SISF Sustainable US Dollar Corporate Bond**

- Increase of minimum aligned with E/S characteristics from 60% to 80%

- Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Sustainable US Dollar High Yield**
 - Increase of minimum aligned with E/S characteristics from 60% to 80%
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.
- **SISF Sustainable US Dollar Short Duration**
 - Increase of minimum aligned with E/S characteristics from 60% to 80%
 - Addition of the ability to invest in Green, Social and Sustainability Bonds (GSS bonds). GSS bonds are now considered sustainable investments in the E/S calculation monitoring purposes.

NOTE – all changes noted above have also been reflected in the funds’ Pre-Contractual Details sections as relevant.

General Changes

- **Appendix III**
 - **Derivatives**
 - General wording refresh
 - **Share Dealing**
 - Update to section headed "Investment restrictions applying to Dubai International Financial Centre (DIFC) Investors" to add disclosures focusing on United Arab Emirates (UAE) investors.
 - **Share Classes**
 - Addition of IS share class to permit for institutional Cazenove investors
 - F share classes: deletion of the line “no Annual Distribution Charge will be payable by an Investor on the acquisition of F Shares of any Fund. Initial charge for F Shares will be up to 1.5% of the total subscription price (equivalent to 1.52284% of the Net Asset Value per Share). No initial fee will be payable from 1 October 2020” and replace with “no Annual Distribution Charge or initial charge will be payable by any Investor on the acquisition of F Shares of any Fund.”
 - Update to section headed “Restrictions on Subscriptions and Switches into Certain Funds or Share Classes” – addition of the line "investors who have not submitted an EOI form will not (while CRD remains in effect) be permitted to invest in the Fund or Share Class should capacity become available" to include the latest range wording.
 - Taxation – deletion of obsolete wording "under the CRS Law, the first exchange of information was applied by 30 September 2017 for information related to the calendar year 2016"