

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus (the “Prospectus”)¹.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

Schroder International Selection Fund Emerging Markets Debt Absolute Return (the “Fund”)

Product Type	Open-ended investment company	Inception Date	USD (base currency) Class A Acc: 17/01/2000 Class A Dis QF: 29/08/1997 EUR Hedged Class A Acc: 30/09/2003 SGD Hedged Class A Dis QF: 11/07/2008
Management Company	Schroder Investment Management (Europe) S.A.	Depository	J.P. Morgan Bank Luxembourg S.A.
Investment Manager	Schroder Investment Management Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2017	USD Class A Acc: 1.87% Class A Dis QF: 1.87% EUR Hedged Class A Acc: 1.87% SGD Hedged Class A Dis QF: 1.87%
Name of Guarantor	Not Applicable		

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and
- understand the risks of investing in emerging market fixed and floating rate securities and currencies.

*Further Information
Refer to Para 4 of the Prospectus for further information on product suitability.*

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in a sub-fund of Schroder International Selection Fund (the “Company”). The Company is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended from time to time.

Refer to the “Important Information” section and Para 1, 2.2 and 4 of the Prospectus for further information on features of the product.

The Fund aims to provide an absolute return of capital growth and income by investing in fixed and floating rate securities in emerging markets.

Absolute return means the Fund seeks to provide a positive return over a 12 month period in all market conditions.

If you are a holder of Distribution Shares, you may receive dividends in the form of cash in the relevant Class currency.

Accumulation Shares accumulate net income received from the Fund’s investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares.

¹ The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its appointed distributors during usual office hours.

Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.

Investment Strategy

The Fund invests at least two-thirds of its assets in fixed and floating rate securities, currencies and money market instruments in emerging markets. The fixed and floating rate securities are issued by governments, government agencies, supra-nationals and companies. The Fund may also hold cash. In aiming to deliver an absolute return, the Fund may hold up to 40% of its assets in cash and money market instruments in developed markets. As the Fund is unconstrained it is managed without reference to an index. The Fund may invest in excess of 50% of its assets in fixed and floating rate securities that have a below investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).

Refer to Para 4 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may invest in mainland China through Regulated Markets (including the China Interbank Bond Market via the Bond Connect).

The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently.

Parties Involved

WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Selection Fund.
- The Management Company is Schroder Investment Management (Europe) S.A..
- The Investment Manager is Schroder Investment Management Limited.
- The Depositary is J.P. Morgan Bank Luxembourg S.A..
- The Singapore Representative is Schroder Investment Management (Singapore) Ltd.

Refer to Para 1 and 3 of the Prospectus for further information on the role and responsibilities of these entities.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:

Refer to Para 7 of the Prospectus for further information on risks of the product.

Market and Credit Risks

You are exposed to market risk.

- The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 7.1 of the Prospectus for further information.

You are exposed to credit risk.

- A decline in the financial health of an issuer could cause the value of its bonds to fall or become worthless.

Liquidity Risks

You are exposed to liquidity risk.

- There is no secondary market for the Fund. All redemption requests should be made to the distributor of the Fund through whom you had originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests in a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity. In difficult market conditions, the Fund may not be able to sell a security for full value or at all. This could affect performance and could cause the Fund to defer or suspend redemptions of its Shares.

Refer to the "Important Information" section and Para 7.1 and 10.1 of the Prospectus for further information.

Product-Specific Risks

You are exposed to counterparty risk.

- The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the Fund, potentially creating a partial or total loss for the Fund.

Refer to Para 7.1 of the Prospectus for further information.

You are exposed to money market and deposit risk.

- A failure of a deposit institution or an issuer of a money market instrument could create losses.

You are exposed to currency risk.

- The Fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.

You are exposed to high yield bond risk.

- High yield bonds (normally lower rated or unrated) generally carry greater market, credit and liquidity risk.

You are exposed to interest rate risk.

- A rise in interest rates generally causes bond prices to fall.

You are exposed to leverage risk.

- The Fund uses derivatives for leverage, which makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.

You are exposed to emerging and frontier markets risk.

- Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk.

You are exposed to negative yields risk.

- When interest rates are very low or negative, the Fund's yield may be zero or negative, and you may not get back all of your investment.

You are exposed to China country risk.

- Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the Fund.

You are exposed to distribution policy risk (only applicable to Distribution Classes).

- In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount.
- In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur.
- Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.

You are exposed to derivatives risk.

- The Fund may use derivatives as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the derivatives do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.

You are exposed to operational risk.

- Failures at service providers could lead to disruptions of fund operations or losses.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?**Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Charge	Class A – Up to 3%
Switching Charge	– Up to 1%
Redemption Charge	– None

Refer to Para 6 of the Prospectus for further information on the fees and charges.

Some distributors may charge other fees which are not listed in the Prospectus, and you should check with the relevant distributor if there are any other fees payable to the distributor.

Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Management Company and other parties:

Annual Management Fee	Class A – 1.50% per annum
Performance Fee	– Not Applicable
Custody Fee	– Up to a maximum of 0.3% per annum and US\$75 per transaction
Administration Fee	– Up to 0.25% per annum
Accounting and valuation fee	– Up to 0.0083% per annum
Distribution Charge	Class A – None
Share Class Hedging Charge (to be borne by the Hedged Classes)	– Up to 0.03%

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Singapore Representative's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day and is also available directly from the Singapore Representative.

Refer to Para 10, 12 and 13 of the Prospectus for further information on valuation and exiting from the product.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may redeem Shares by completing a share redemption form ("Redemption Request") and submitting it to the relevant distributor through whom you originally purchased the Shares.

The directors of the Company reserve the right not to accept instructions to redeem (or switch) of more than 10% of the total value of the Shares in issue of the Fund on a Dealing Day. In these circumstances, the redemption of part or all Shares in excess of 10% will be deferred until the next Dealing Day.

The redemption proceeds are usually paid to you within 6 Business Days following the receipt of the Redemption Request by the Company or its administrative agent provided that the directors of the Company reserve the right to extend the period of payment of the redemption proceeds to such period, not exceeding 30 calendar days.

Your exit price is determined as follows:

- If you submit the Redemption Request by 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the relevant Dealing Day, you will be paid a price based on the net asset value per Share on that Dealing Day.
- If you submit the Redemption Request after 5 pm Singapore time on a Singapore Business Day and such Redemption Request is accepted by the Management Company or its administrative agent by 1 pm Luxembourg time of the next relevant Dealing Day, you will be paid a price based on the net asset value per Share on the next relevant Dealing Day.

The redemption proceeds that you will receive will be the exit price multiplied by the number of Shares redeemed. An example is as follows:

1000	x	\$11.0000	=	\$11,000.00
(Number of Shares)		(Net Asset Value per Share)		(Redemption Proceeds)

No cancellation period is available, and you cannot cancel your subscription for Shares of any Class of the Fund.

CONTACT INFORMATION

HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management
(Singapore) Ltd**

138 Market Street, #23-01, CapitaGreen
Singapore 048946

Tel: +65 6534 4288

Website: www.schroders.com.sg

Distributor

The Singapore Representative

APPENDIX: GLOSSARY OF TERMS

Accumulation Shares: Shares which accumulate their net income so that the income is included in the price of the Shares.

Business Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day.

Class: a class of Shares with a specific fee structure.

Dealing Day: unless otherwise provided in the Fund's details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or Regulated Markets are closed for trading and settlement, and may elect to treat such closures as non-Dealing Days for sub-funds of the Company which invest a substantial amount of their portfolio on these closed stock exchanges and/or Regulated Markets. A list of non-Dealing Days for the Fund is available from the Singapore Representative on request and is also available on the internet site www.schroders.lu.

Distribution Shares: Shares which distribute their income. Distribution Classes may be issued with different distribution frequencies or attributes within the Sub-Fund, designated as follows:

Distribution frequency: **M** = monthly, **Q** = quarterly, **S** = semi-annual, **A** = annual

Distribution type: **F** = fixed or **V** = variable

Currency carry: **C**

Fixed Distribution Rates: A numerical suffix will differentiate fixed distribution rates (e.g. 2, 3). The actual fixed percentage or amount will not be displayed in the Class name.

Luxembourg Prospectus: the Luxembourg Prospectus of the Company (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

Regulated Market: a market within the meaning of Article 4 (1) (21) of the Directive 2014/65/EC of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments or another regulated market, which operates regularly and is recognised and open to the public in an Eligible State.

Shares: shares in the Fund.

Singapore Business Day: means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for normal banking business.