

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

# Global Credit High Income

a sub-fund of Schroder International Selection Fund SICAV

Class A1 Distribution EUR Hedged (LU0671501715)

This fund is managed by Schroder Investment Management (Europe) S.A., which is a member of the Schroders Group.

## Objectives and investment policy

### Objectives

The fund aims to provide capital growth and income by investing in bonds issued by governments and companies worldwide. The Fund aims to mitigate losses in falling markets. The mitigation of losses cannot be guaranteed.

### Investment policy

The fund is actively managed and invests at least two-thirds of its assets in investment grade and high yield bonds issued by governments, government agencies, supra-nationals and companies worldwide, including emerging market countries.

The fund may invest:

- in excess of 50% of its assets in bonds that have a below investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies for rated bonds and implied Schroders ratings for non-rated bonds);
- up to 20% of its assets in asset-backed securities and mortgage-backed securities;
- up to 10% of its assets in convertible bonds (including contingent convertible bonds);
- up to 10% of its assets in open-ended investment funds; and
- in money market investments and hold cash.

The investment manager aims to mitigate losses by diversifying the fund's asset allocation away from areas of the market identified as having a high risk of material negative return.

The fund may also invest up to one-third of its assets directly or indirectly in other securities (including other asset classes), countries, regions, industries or currencies, and warrants (subject to the restrictions provided in the prospectus).

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

### Benchmark

The fund does not have a target benchmark. The fund's performance should be compared against the Bloomberg Multiverse ex Treasury BBB to CCC USD, EUR, GBP index, the Bloomberg Global High Yield USD index, and the JP Morgan EMBI Global Total Return index. The comparator benchmarks are only included for performance comparison purposes and do not have any bearing on how the investment manager invests the fund's assets. The fund's investment universe is expected to overlap to a limited extent with the components of the comparator benchmarks. However, the fund will likely reflect certain features of the comparator benchmark (namely credit quality/duration, currency exposure/ exposure to particular issuers). The investment manager invests on a discretionary basis and there are no restrictions on the extent to which the fund's portfolio and performance may deviate from the comparator benchmarks. The investment manager will invest in companies or sectors not included in the comparator benchmarks. Any comparator benchmark has been selected because the investment manager believes that the benchmark is a suitable comparison for performance purposes given the fund's investment objective and policy. The benchmark(s) does/do not take into account the environmental and social characteristics or sustainable objective (as relevant) of the fund. The performance of this share class is compared against the performance of the equivalent unhedged currency share class.

### Other Information

The fund maintains a higher overall sustainability score than the Bloomberg Multiverse ex Treasury BBB+ to CCC+ USD, EUR, GBP index based on the investment manager's rating criteria.

The fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under "Sustainability Information" on the fund's webpage, accessed via [www.schroders.com/en/lu/private-investor/gfc](http://www.schroders.com/en/lu/private-investor/gfc).

### Dealing frequency

You may redeem your investment upon demand. This fund deals daily.

### Distribution policy

This share class pays a quarterly distribution at a fixed rate of 5% per annum of the value per share. The distribution policy is kept under review.

## Risk and reward profile

### Lower risk

Potentially lower reward

### Higher risk

Potentially higher reward



### The risk and reward indicator

The risk category was calculated using historical performance data and may not be a reliable indicator of the fund's future risk profile.

The fund's risk category is not guaranteed to remain fixed and may change over time.

A fund in the lowest category does not mean a risk-free investment.

The fund is in this category because it can take higher risks in search of higher rewards and its price may rise and fall accordingly.

### Risk factors

**ABS and MBS risk:** The fund may invest in mortgage or asset-backed securities. The underlying borrowers of these securities may not be able to pay back the full amount that they owe, which may result in losses to the fund.

**Contingent convertible bonds:** The fund may invest in contingent convertible bonds. A reduction in the financial strength of the issuer of such bonds may result in losses to the fund.

**Capital risk / Distribution policy:** As the fund intends to pay dividends regardless of its performance, a dividend may represent a return of part of the amount you invested.

**Sustainability risk:** The fund has environmental and/or social characteristics. This means it may have limited exposure to some companies, industries or sectors and may forego certain investment opportunities, or dispose of certain holdings, that do not align with its sustainability criteria chosen by the investment manager. The fund may invest in companies that do not reflect the beliefs and values of any particular investor.

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

**Currency risk:** The fund may lose value as a result of movements in foreign

exchange rates.

**Currency risk / hedged shareclass:** The hedging of the share class may not be fully effective and residual currency exposure may remain. The cost associated with hedging may impact performance and potential gains may be more limited than for unhedged share classes.

**Emerging Markets & Frontier risk:** Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty, operational and liquidity risk than developed markets.

**Event risk:** The fund will take significant positions on companies involved in mergers, acquisitions, reorganisations and other corporate events. These may not turn out as expected and may result in losses to the fund.

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

**Interest rate risk:** The fund may lose value as a direct result of interest rate changes.

**Liquidity risk:** 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.

**Operational risk:** Operational processes, including those related to the safekeeping of assets, may fail. This may result in losses to the fund.

**Performance risk:** Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro economic environment, investment objectives may become more difficult to achieve.

**IBOR:** The transition of the financial markets away from the use of interbank offered rates (IBORs) to alternative reference rates may impact the valuation of certain holdings and disrupt liquidity in certain instruments. This may impact the investment performance of the fund.

**Derivatives risk:** Derivatives may be used to manage the portfolio efficiently. The fund may also materially invest in derivatives including using short selling and leverage techniques with the aim of making a return. A derivative may not perform as expected, may create losses greater than the cost of the derivative and may result in losses to the fund.

## Charges

### One-off charges taken before or after you invest

**Entry charge** 2.00%

**Exit charge** None

This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.

### Charges taken from the fund over a year

**Ongoing charges** 2.04%

### Charges taken from the fund under certain specific conditions

#### Performance fee

None

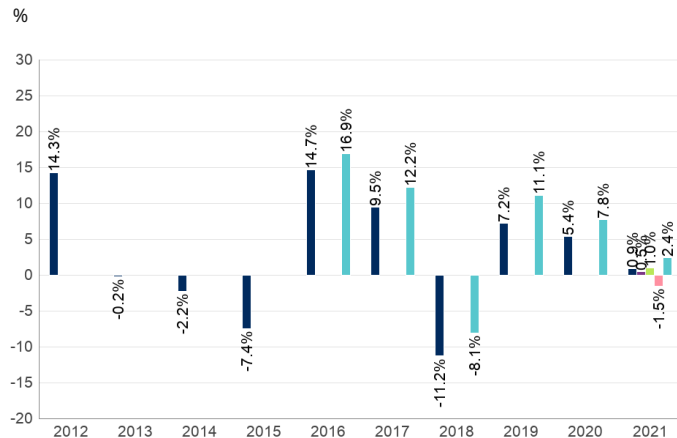
The charges you pay are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

The entry and exit charges shown are maximum figures and in some cases you might pay less. You can find out the actual entry and exit charges from your financial advisor.

The ongoing charges figure is based on the last year's expenses for the year ending December 2021 and may vary from year to year.

You can find more information about the charges in Section 3 of the fund's prospectus.

## Past performance



Performance achieved between 2011 and 2019 was achieved in circumstances that no longer apply. The fund's objectives and investment policy were changed on 26 February 2020.

- A1 Distribution EUR Hedged (LU0671501715)
- Bloomberg Mv ex Treasury BBB to CCC USD, EUR, GBP Ind.
- Bloomberg Global High Yield USD Index
- JP Morgan EMBI Global Total Return Index
- A Distribution USD (LU0575582704)

Past performance is not a guide to future performance and may not be repeated. The value of investments may go down as well as up and you may not get back the amount you originally invested.

The chart shows performance in euro after the ongoing charges and the portfolio transaction costs have been paid. Entry charges are excluded from calculations of past performance.

The fund was launched on 25/01/2011.

The shareclass was launched on 21/09/2011.

## Practical information

**Depository:** J.P. Morgan SE.

**Further information:** You can get further information about this fund, including the prospectus, latest annual report, any subsequent half-yearly report and the latest price of shares from the fund's management company at 5, rue Höhenhof, L-1736 Senningerberg, Luxembourg, and from [www.schroders.lu/kiids](http://www.schroders.lu/kiids). They are available free of charge in Bulgarian, English, French, German, Greek, Hungarian, Italian, Polish, Flemish, Dutch, Finnish, Portuguese and Spanish.

**Tax legislation:** The fund is subject to Luxembourg tax legislation which may have an impact on your personal tax position.

**Liability:** Schroder Investment Management (Europe) S.A. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the fund's prospectus.

**Umbrella fund:** This fund is a compartment of an umbrella fund, the name of which is at the top of this document. The prospectus and periodic reports are prepared for the entire umbrella fund. To protect investors, the assets and liabilities of each compartment are segregated by law from those of other compartments.

**Switches:** Subject to conditions, you may apply to switch your investment into another share class within this fund or in another Schroder fund. Please see the prospectus for more details.

**Remuneration policy:** A summary of Schroders' remuneration policy and related disclosures is at [www.schroders.com/remuneration-disclosures](http://www.schroders.com/remuneration-disclosures). A paper copy is available free of charge upon request.

The policy includes a description of how remuneration and benefits are calculated & the identities of persons responsible for awarding the remuneration and benefits.

**Glossary:** You can find an explanation of some of the terms used in this document at [www.schroders.lu/kiid/glossary](http://www.schroders.lu/kiid/glossary)

**Distribution costs:** The level of distribution costs in certain jurisdictions may impact the ability of the investment manager to meet the fund's investment objective across all share classes after fees have been deducted.

**Information for Switzerland:** Representative: Schroder Investment Management (Switzerland) AG, Central 2, CH-8001 Zurich. Paying Agent: Schroder & Co Bank AG, Central 2, CH-8001 Zurich. The prospectus for Switzerland, the key investor information, the articles of incorporation and the annual and semi-annual reports are available free of charge from the Representative.