

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 High Yield

a sub-fund of Schroder International Selection Fund SICAV

Class C Distribution GBP Hedged (LU0441868451)

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 income and capital growth by investing in below investment grade bonds issued worldwide.

### Investment Policy

The fund invests at least two-thirds 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). The bonds may be denominated in various currencies and issued by governments, government agencies, supra-nationals and companies worldwide.

The fund may invest up to 10% of its assets in contingent convertible bonds.

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

efficiently. The fund may use leverage and take short positions. The fund may also hold cash.

### Benchmark

This share class is managed with reference to the Bloomberg Barclays Global HYxCMBSxEMG GBP Hedged 2% Cap. The manager invests on a discretionary basis and is not limited to investing in accordance with the composition of this benchmark.

### Dealing Frequency

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

### Distribution Policy

This share class pays a quarterly distribution at a variable rate based on gross investment income.

## Risk and Reward Profile



### 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 seeks to provide rewards whilst limiting price volatility.

### Risk factors

The following risks may affect fund performance.

**Capital risk / distribution policy:** the expenses of this share class 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.

**Capital risk / negative yields:** 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.

**Capital risk / contingent convertible bonds:** The fund may be significantly invested in contingent convertible bonds. If the financial strength of a bond's issuer (typically a bank or an insurance firm) falls in a prescribed way the bond may suffer substantial or total losses of capital.

**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.

**Counterparty risk / money market & deposit:** A failure of a deposit institution or an issuer of a money market instrument could create losses.

**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 can be exposed to different currencies. Changes in foreign exchange rates could create losses.

**Currency risk / hedged share class:** Changes in exchange rates will affect the returns on your investment. The aim of this British pound hedged share class is to provide you with the performance returns of the fund's investments by reducing the effects of exchange rate fluctuations between British pound and the fund's base currency US dollar.

**Derivatives risk:** A derivative may not perform as expected, and may create losses greater than the cost of the derivative.

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

**Interest rate risk:** A rise in interest rates generally causes bond prices to fall.

**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.

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

## Charges

One-off charges taken before or after you invest	
Entry charge	1.00%
Exit charge	None
This is the maximum that might be taken out of your money before it is invested.	
Charges taken from the fund over a year	
Ongoing Charge	0.83%
Charges taken from the fund under certain specific conditions	
Performance fee:	None

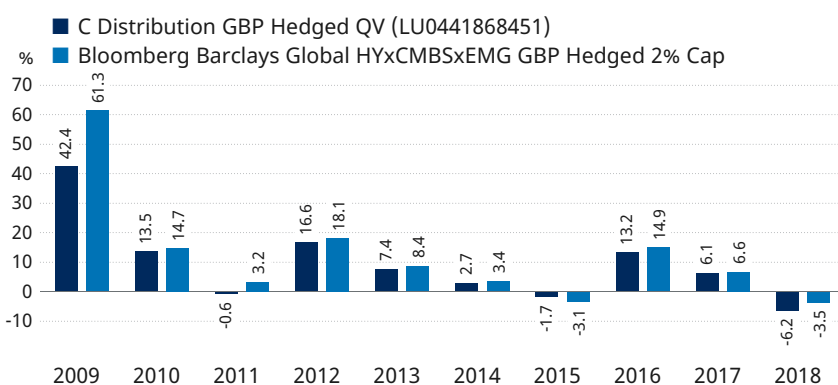
The charges you pay are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

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 2018 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



1 Performance shown during this period predates the launch of this share class and has been simulated using the history of a similar share class within the fund.

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 British pound 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 16 April 2004.

## Practical Information

**Depository:** J. P. Morgan Bank Luxembourg S.A.

**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/kid](http://www.schroders.lu/kid). 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.

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