

檔 號：

保存年限：

# 施羅德證券投資信託股份有限公司 函



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受文者：第一金人壽保險股份有限公司

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密等及解密條件或保密期限：

附件：(110P000063\_110000006430\_110D2000097-01.pdf)

主旨：謹通知本公司總代理之「施羅德環球基金系列-環球股債收息」(「本基金」)之各項變更及部分級別配息政策變更事宜，詳後說明，請 查照。

說明：

- 一、依據境外基金公司通知，本基金將自西元(下同)2021年10月29日(「生效日」)起變更投資目標、投資政策、基準及納入歐盟永續金融揭露規則(「SFDR」)第8條涵義中之具約束力的環境及/或社會特色，並變更本基金部分級別之配息政策。
- 二、本基金之新配息政策將自2021年12月份配息(預計付款日為2022年1月6日)開始適用。
- 三、有關本基金之詳細變更內容、各級別ISIN Code、新配息政策及受配息政策變更影響之級別資訊，請詳附件「境外基金公司致股東通知信函」。
- 四、如投資人無意於生效日後繼續持有本基金，可於2021年10月28日下午5時正交易截止時間前進行贖回或轉換，境外基金管理公司將依據公開說明書條款免費執行投資人之贖





回或轉換指示。

五、謹請 查照轉知。

正本：第一金人壽保險股份有限公司

副本：2021/09/28 15:57:23 電子公文章

裝

訂



線

本信函為境外基金公司致股東通知信之中文摘要，文義如與英文版股東通知信有任何差異或不一致的地方，請以英文版本為準。

此乃重要函件，務請閣下垂閱。閣下如對本函件的內容有任何疑問，應尋找獨立專業顧問的意見。施羅德環球基金系列的管理公司 Schroder Investment Management (Europe) S.A.就本函件所載資料之準確性承擔全部責任，並在作出一切合理查詢後確認，盡其所知所信，本函件並無遺漏足以令本函件的任何陳述具誤導成分的其他事實。

親愛的股東：

## 施羅德環球基金系列 - 環球股債收息（「本基金」）

我們茲致函通知閣下，本基金將於2021年10月29日（「生效日」）作出以下更改：

- 本基金的投資目標的收入目標將由每年5%更改為每年 3% - 5%。
- 波動目標將自本基金的投資目標移除；
- 投資政策將作出更改，以規定本基金根據投資經理的評分系統將比比較基準維持較高的整體永續評分；
- 將新增由以下指數組成的新比較基準：30% MSCI AC World Index (USD)、40% Barclays Global Aggregate Corporate Bond Index (USD)及30% Barclays Global High Yield excl CMBS & EMG 2% index (USD)；
- 本基金將納入具約束力的環境及／或社會特色（永續金融揭露規則（「SFDR」）第 8 條的涵義）。本基金的環境及／或社會特色及達致有關特色的方法之詳情將於本基金的投資政策及發行章程基金特色一節下「永續標準」的新一節內予以披露；及
- 部分股份類別的配息政策將作出更改。

## 原因

透過更改收入目標，投資經理將於市場狀況稍遜的情況下能夠集中於提供永續收入流及產生收入。

移除每年5% - 7%波動範圍並取而代之使用以市場為基礎的比較基準作風險分析可更清楚說明預期風險概況。我們認為，以市場為基礎的比較基準相比絕對百分比範圍可提供更多資料。

選擇新的比較基準是由於投資經理認為基於本基金的投資目標及政策，該基準適合用作比較波動性，而有關投資政策將作出相應修訂，以包含新的比較基準。

我們認為，本基金的策略納入永續性因素可與投資者將其金錢投放至可清晰展示其永續性憑證格的投資的意願符合一致。

### **投資目標更改**

本基金載於施羅德環球基金系列（「本公司」）香港發售文件（包括發行章程、香港說明文件及產品資料概要）內的投資目標將由：

#### **「投資目標**

本基金旨在通過投資於一系列多元化的環球資產和市場，以提供每年 5%的配息收入和在三年至五年期<sup>註</sup>內扣除費用後的資本增值。本基金旨在提供每年 5-7%的波動性（計算一年內本基金回報可變化多少）。」

更改為：

#### **「投資目標**

本基金旨在通過投資於多元化資產系列和環球市場，以提供每年 3-5%的收入和在三年至五年期<sup>註</sup>內扣除費用後的資本增值。」

<sup>註</sup>為清晰說明，三年至五年期被視為中長期，亦為投資者評估本基金表現的期間。

### **投資政策更改**

由生效日起，本基金的投資政策將新增以下段落：

「根據投資經理的評分系統，本基金比 30% MSCI AC World Index (USD)、40% Barclays Global Aggregate Corporate Bond Index (USD)及 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD)維持較高的整體永續評分。有關達致此目的所使用的投資過程，詳情請見基金特色一節。

本基金不會直接投資於超過本基金網頁「永續資訊」中所列限制之若干活動、行業或某類發行人，詳見本基金網頁 [www.schroders.com/en/lu/private-investor/gfc](http://www.schroders.com/en/lu/private-investor/gfc)<sup>1</sup>。」

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<sup>1</sup> 香港投資者請參閱網站：<https://www.schroders.com/zh-hk/hk/retail-investors/funds/fund-centre/>（此網站未經證監會審閱）。

## **基準更改**

由生效日起，本基金載於本公司發行章程內的基準一節將由：

### **「基準**

本基金的表現應按其目標基準評估，即提供每年5% 的收入和資本增值，及每年5%-7% 之間的波動目標。

選擇收益和波動基準是由於投資經理部署策略以提供投資目標所述的收益水平為目標。」

更改為：

### **「基準**

本基金的表現應按每年3-5%的收入目標評估。本基金的波動性應與30% MSCI AC World Index (USD)、40% Barclays Global Aggregate Corporate Bond Index (USD)及30% Barclays Global High Yield excl CMBS & EMG 2% index (USD)作比較。比較基準只作比較波動性的用途，並不影響投資經理如何投資本基金資產。本基金的投資領域預期與比較基準的成份有有限範圍的重疊。投資經理可以全權作出投資，本基金的組合及表現偏離比較基準的程度沒有限制。投資經理將投資於不包括在比較基準內的公司或界別。

選擇比較基準是由於投資經理認為基於本基金的投資目標及政策，該基準適合用作比較波動性。基準不會考慮本基金的環境及社會特色或永續目標（如相關）。」

## **SFDR永續標準**

由生效日起，本基金發行章程內的本基金詳情將新增以下一節，以詳述本基金將永續因素融合至其投資政策的方法：

### **「永續標準**

投資經理在為本基金選擇投資時採用公司治理及永續標準。可投資領域是運用數個專屬工具，以及外部評級服務進行評估。

投資經理將根據一系列環境、社會及公司治理指標評估公司，考慮諸如氣候變化、環境表現、勞工標準及董事會架構等議題。投資經理將考慮整體 ESG 評分，以決定某項投資是否具有被納入基金投資的資格。本基金的多元資產性質指投資經理將分析跨資產類別的 ESG 評分，作為本基金資

產分配的參考數據。投資經理可選擇其認為有助於達致一個或多個環境或社會目標的投資，惟有關投資不得對任何其他環境或社會目標造成重大損害。

用於執行分析的資訊來源包括各公司所提供的資訊，例如：公司永續報告及其他相關公司資料，以及施羅德專屬永續工具及第三方資料。

有關投資經理對永續性所採取的方法，以及其與各公司交流的詳情，請參閱網站 [www.schroders.com/en/lu/private-investor/strategic-capabilities/sustainability/disclosures](http://www.schroders.com/en/lu/private-investor/strategic-capabilities/sustainability/disclosures)<sup>2</sup>。

投資經理確保本基金的投資組合中，至少下述的投資將按照永續標準評級：

- 90%之於已發展國家註冊之大型公司所發行的股票；具投資級別信貸評級的定息或浮息證券及貨幣市場工具；及已發展國家所發行的主權債務；及
- 75%之於新興國家註冊之大型公司所發行的股票；中小型公司所發行的股票；具高收益信貸評級的定息或浮息證券及貨幣市場工具；新興國家所發行的主權債務。

此處所稱小型公司是指市值低於 50 億歐元的公司，中型公司是指市值在 50 億歐元至 100 億歐元間的公司，大型公司是指市值在 100 億歐元以上公司。」

### **配息政策更改**

受配息政策更改影響的股份類別列於本函件的附錄。該更改將對生效日後應付的配息具有效力，並將適用於往後所有配息。股份類別的配息次數不會變更。

我們定期檢討股份類別的配息率，並保留權利作出更改，例如當扣除支出後的投資收入較目標配息率為高，我們可宣佈派發較高的金額。同樣地，我們如認為合適，可宣佈派發較目標配息率為低的股息。根據我們對配息率的檢討，我們已決定更改本函件附錄所列股份類別的配息率。

有關股息組成成份的資料將可繼續向香港代表人索取及瀏覽施羅德網站（[www.schroders.com.hk](http://www.schroders.com.hk)<sup>3</sup>）。

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<sup>2</sup> 香港投資者請參閱網站：<https://www.schroders.com/zh-hk/hk/retail-investors/sustainability/making-an-impact-through-sustainability/>（此網站未經證監會審閱）。

<sup>3</sup> 此網站未經證監會審閱。

### **建議更改的影響**

作出SFDR更改後，本基金可能受限於與具環境及／或社會特色（具SFDR第8條的涵義）的投資相關的額外風險考慮，而特別風險考慮將新增至發行章程內。然而，該等風險將不予考慮作為適用於本基金的主要風險。

除上文所披露者外，本基金的所有其他主要特點（包括如香港發售文件所述應就本基金收取的費用）將維持不變，且適用於本基金的風險亦不會因上述更改而有任何變更。投資經理認為本基金的更改不會導致本基金的風險概況有所變更，因為移除波動範圍並取代之使用以市場為基礎的比較基準作風險分析可更清楚說明預期風險概況。本基金的營運及／或管理方式亦不會有任何重大變更。預期有關更改不會對現有投資者的權利或權益造成重大損害。

本公司的香港發售文件將作出修訂，以反映上述變更，並將可於[www.schroders.com.hk](http://www.schroders.com.hk)<sup>4</sup> 免費查閱或向本公司香港代表人施羅德投資管理（香港）有限公司索取。

### **有關更改的費用及開支**

因作出有關更改而直接招致的任何費用及開支，將由本公司的管理公司 Schroder Investment Management (Europe) S.A. 承擔。

### **將閣下的股份贖回或轉換至其他施羅德基金**

我們希望在此等更改後，閣下仍將選擇投資於本基金，但如閣下有意在更改生效前將閣下在本基金的持股贖回或轉換至本公司其他獲證券及期貨事務監察委員會（「證監會」）認可<sup>5</sup>的子基金，則閣下可於**2021 年 10 月 28 日**（包括該日在內）下午 5 時正（香港時間）交易截止時間前任何時間進行有關贖回或轉換。請確保閣下的贖回或轉換指示於此截止日期前送抵香港代表人。我們將根據本公司的香港發售文件的條款免費執行閣下的贖回或轉換指示，惟在某些國家，當地付款代理人、往來銀行或類似代理人可收取交易費用。當地代理人亦可實施一個較上述時間為早的當地交易截止時間，故請與該等代理人確定，以確保閣下的指示可於**2021 年 10 月 28 日**下午 5 時正（香港時間）交易截止時間前送抵香港代表人。

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<sup>4</sup> 此網站未經證監會審閱。

<sup>5</sup> 證監會的認可並非對計劃作出推薦或認許，亦非對計劃的商業利弊或其業績表現的保證。證監會的認可不表示計劃適合所有投資者，或認許計劃適合任何特定投資者或某類別投資者。

## **查詢**

閣下如有任何疑問或需要更多資料，請聯絡閣下常用的專業顧問或香港代表人（地址為香港金鐘道 88 號太古廣場二座 33 字樓）或致電施羅德投資熱線電話(+852) 2869 6968 查詢。

董事會

2021 年 9 月 27 日



## 附錄

### 各級別 ISIN Code 資訊

基金級別	ISIN
施羅德環球基金系列－環球股債收息基金(美元)A-累積	LU0757359368
施羅德環球基金系列－環球股債收息基金(美元)C-累積	LU0757359871
施羅德環球基金系列－環球股債收息基金(美元)A-月配固定	LU0757359954
施羅德環球基金系列－環球股債收息基金(美元)C-月配固定	LU0757360374
施羅德環球基金系列－環球股債收息基金(歐元避險)A-累積	LU0757360457
施羅德環球基金系列－環球股債收息基金(歐元避險)C-累積	LU0757360705
施羅德環球基金系列－環球股債收息基金(歐元避險)A-季配浮動	LU0757360960
施羅德環球基金系列－環球股債收息基金(歐元避險)C-季配浮動	LU0757361265
施羅德環球基金系列－環球股債收息基金(澳幣避險)A-月配固定(C)	LU0911024122

### 新配息政策及受影響之級別資訊

基金級別	原配息政策	新配息政策	ISIN
施羅德環球基金系列－環球股債收息基金(澳幣避險)A-月配固定(C)	每月配發 5.00%±貨幣利差*	每月配發 4.50%±貨幣利差*	LU0911024122
施羅德環球基金系列－環球股債收息基金(美元)A-月配固定	每月配發 5.00%	每月配發 4.50%	LU0757359954
施羅德環球基金系列－環球股債收息基金(美元)C-月配固定	每月配發 5.00%	每月配發 4.50%	LU0757360374

\*指適用於配息的溢價或扣減。當某基金之貨幣避險級別的利率較該基金基礎貨幣的利率為高，配息可能包括一個溢價。因此，當貨幣避險級別的利率較基金基礎貨幣的利率為低，配息可能會扣減。溢價或扣減的金額將基於利率之差別來決定，不屬基金投資目標或投資政策的一部份。

**IMPORTANT: This letter is important and requires your immediate attention. If you have any questions about the content of this letter, you should seek independent professional advice. Schroder Investment Management (Europe) S.A., as the Management Company to Schroder International Selection Fund, accepts full responsibility for the accuracy of the information contained in this letter and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.**

**27 September 2021**

Dear Shareholder,

### **Schroder International Selection Fund – Global Multi-Asset Income (the “Fund”)**

We are writing to inform you that on 29 October 2021 (the “Effective Date”) the following changes will be made to the Fund:

- The income target in the Fund’s investment objective will change from 5% per annum to a range of 3% - 5% per annum;
- The volatility target will be removed from the Fund’s investment objective;
- The investment policy will change to provide that the Fund will maintain a higher overall sustainability score than the comparator benchmark, based on the Investment Manager’s rating system;
- A new comparator benchmark made up of the following will be added: 30% MSCI AC World Index (USD), 40% Barclays Global Aggregate Corporate Bond Index (USD) and 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD);
- The Fund will incorporate binding environmental and/or social characteristic(s), within the meaning of Article 8 of the Sustainable Finance Disclosure Regulation (“SFDR”). Details of the Fund’s environmental and/or social characteristics and how it seeks to achieve them will be disclosed in the Fund’s investment policy and under a new section called “Sustainability Criteria” in the Fund Characteristics section of the prospectus; and
- The distribution policy for some of the share classes will change.

### **Rationale**

By changing the income target, the investment manager will be able to focus on providing a sustainable income stream and generating income in less favourable market conditions.

Removing the volatility range of 5% - 7% per annum and instead using a market-based comparator for risk analysis provides greater clarity around the expected risk profile. We believe that market-based comparators provide more context compared to an absolute percentage range.

The new comparator benchmark is selected because the investment manager believes that the benchmark is a suitable comparison for volatility purposes given the Fund's investment objective and policy and the investment policy will be revised accordingly to include the new comparator benchmark.

We believe that incorporating sustainability factors into the Fund's strategy aligns with the increasing desire among investors to put their money into investments that can clearly demonstrate their sustainability credentials.

### **Investment Objective Change**

The investment objective of the Fund, which is contained in Schroder International Selection Fund's (the "Company") Hong Kong offering documents (comprising the prospectus, Hong Kong Covering Document and Product Key Facts Statement of the Fund), will change from:

#### **"Investment Objective**

The Fund aims to provide an income distribution of 5% per annum and capital growth over a three to five year period <sup>Note</sup> after fees have been deducted by investing in a diversified range of assets and markets worldwide. The Fund aims to provide a volatility (a measure of how much the Fund's returns may vary over a year) of between 5-7% per annum."

To:

#### **"Investment Objective**

The Fund aims to deliver an income of 3-5% per annum and capital growth over a three to five year period <sup>Note</sup> after fees have been deducted by investing in a diversified range of assets and markets worldwide."

<sup>Note</sup> For clarification purpose, the three to five year period is considered as a medium to long term period, and is the period over which an investor should assess the Fund's performance.

### **Investment Policy Change**

From the Effective Date the following paragraph will be added to the Fund's investment policy:

"The Fund maintains a higher overall sustainability score than 30% MSCI AC World Index (USD), 40% Barclays Global Aggregate Corporate Bond Index (USD) and 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD) based on the Investment Manager's rating system. More details on the investment process used to achieve this can be found in the Fund Characteristics section.

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)<sup>1</sup>."

### **Benchmark Change**

As from the Effective Date the Benchmark section of the Fund, which is contained in the Company's prospectus, will change from:

#### **"Benchmark**

The Fund's performance should be assessed against its target benchmark, being to provide income of 5% per year and capital growth and the volatility target of 5%-7% per year.

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<sup>1</sup> For Hong Kong investors, please refer to the following website: <https://www.schroders.com/en/hk/retail-investors/funds/fund-centre> (this website has not been reviewed by the SFC).

The income and volatility targets have been selected because the Investment Manager deploys strategies that aim to deliver the level of income stated in the investment objective."

**To:**

**"Benchmark**

The Fund's performance should be assessed against the income target of 3-5% per year. The Fund's volatility should be compared against 30% MSCI AC World Index (USD), 40% Barclays Global Aggregate Corporate Bond Index (USD) and 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD). The comparator benchmark is only included for volatility comparison purposes and does not have any bearing on how the Investment Manager invests the Fund's assets. The Fund's investment universe is expected to have limited overlap with the components of the comparator benchmark. 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 benchmark. The Investment Manager will invest in companies or sectors not included in the comparator benchmark.

The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for volatility 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."

**SFDR Sustainability Criteria**

From the Effective Date the following section will be added to the Fund's details in the Company's prospectus to detail how it will integrate sustainability factors into its investment policy:

**"Sustainability Criteria**

The Investment Manager applies governance and sustainability criteria when selecting investments for the Fund. The investable universe is assessed using a number of proprietary tools, as well as external rating services.

The Investment Manager will assess companies against a variety of environmental, social and governance metrics, taking into account issues such as climate change, environmental performance, labour standards and board composition. The Investment Manager will decide whether an investment is eligible for inclusion taking into account the overall ESG score. The multi-asset nature of the Fund means that the Investment Manager will analyse the ESG scores across asset classes as an input into the asset allocation of the Fund. The Investment Manager may select investments, which it deems to contribute to one or more environmental or social objectives, provided that they do no significant harm to any other environmental or social objectives.

The sources of information used to perform the analysis include information provided by the companies, such as company sustainability reports and other relevant company material, as well as Schroders' proprietary sustainability tools and third-party data.

More details on the Investment Manager's approach to sustainability and its engagement with companies are available on the website [www.schroders.com/en/lu/private-investor/strategic-capabilities/sustainability/disclosures](https://www.schroders.com/en/lu/private-investor/strategic-capabilities/sustainability/disclosures)<sup>2</sup>.

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<sup>2</sup> For Hong Kong investors, please refer to the following website: <https://www.schroders.com/en/hk/retail-investors/sustainability/making-an-impact-through-sustainability> (this website has not been reviewed by the SFC).

The Investment Manager ensures that at least:

- 90% of equities issued by large companies domiciled in developed countries; fixed or floating rate securities and money market instruments with an investment grade credit rating; and sovereign debt issued by developed countries; and
- 75% of equities issued by large companies domiciled in emerging countries; equities issued by small and medium companies; fixed or floating rate securities and money market instruments with a high yield credit rating; and sovereign debt issued by emerging countries,

held in the Fund's portfolio are rated against the sustainability criteria. For the purposes of this test, small companies are those with market capitalisation below €5 billion, medium companies are those between €5 billion and €10 billion and large companies are those above €10 billion."

### **Distribution Policy change**

The share classes affected by the change in distribution policy are listed in the appendix of this letter. The change will come into effect for the distribution due to be paid after the Effective Date and will apply to all distributions going forward. The distribution frequency of the share classes will not change.

We periodically review the distribution rate of share classes and reserve the right to make changes. For example if the investment income after expenses is higher than the target distribution rate, we may declare the higher amount to be distributed. Equally, we may deem it is appropriate to declare a dividend lower than the target distribution rate. Pursuant to our review of the distribution rates, we have decided to change the distribution rates of the share classes as listed in the appendix of this letter.

The information on the dividend compositions will continue to be available from the Hong Kong Representative on request and on the Schroders' Internet site ([www.schroders.com.hk](http://www.schroders.com.hk))<sup>3</sup>.

### **Implication of the proposed changes**

As a result of the SFDR changes, the Fund may be subject to additional risk considerations relating to investments with environmental and/or social characteristics (within the meaning of Article 8 of SFDR), and specific risk considerations will be added to the prospectus. However, such risks will not be considered as key risks applicable to the Fund.

Save as disclosed above, all other key features of the Fund (including the fees chargeable in respect of the Fund as stated in the Hong Kong offering documents) will remain the same and there will be no change to the risks applicable to the Fund as a result of the changes set out above. The investment manager believes that the changes to the Fund do not result in a change to the risk profiles of the Fund as removing of the volatility range and instead using a market-based comparator for risk analysis provides greater clarity around the expected risk profile. There will also be no material change in the operation and/or manner in which the Fund is being managed. The changes are not expected to materially prejudice the rights or interests of existing investors.

The Hong Kong offering documents of the Company will be revised to reflect the above changes and will be available free of charge at [www.schroders.com.hk](http://www.schroders.com.hk)<sup>4</sup> or upon request from the Hong Kong Representative of the Company, Schroder Investment Management (Hong Kong) Limited.

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<sup>3</sup> This website has not been reviewed by the SFC.

<sup>4</sup> This website has not been reviewed by the SFC.

### **Costs and expenses in respect of the changes**

Any costs and expenses incurred directly as a result of making the changes will be borne by Schroder Investment Management (Europe) S.A., the Company's management company.

### **Redeeming or switching your shares to another Schroders fund**

We hope that you will choose to remain invested in the Fund following these changes, but if you do wish to redeem your holding in the Fund or to switch into another of the Company's sub-funds authorized by the Securities and Futures Commission ("SFC")<sup>5</sup> before the changes become effective, you may do so at any time up to and including the dealing cut-off at 5:00 p.m. Hong Kong time on **28 October 2021**. Please ensure that your redemption or switch instruction reaches the Hong Kong Representative before this deadline. We will execute your redemption or switch instructions in accordance with the provisions of the Company's Hong Kong offering documents, free of charge, although in some countries local paying agents, correspondent banks or similar agents might charge transaction fees. Local agents might also have a local dealing cut-off which is earlier than that described above, so please check with them to ensure that your instructions reach the Hong Kong Representative before the dealing cut-off at 5:00 p.m. Hong Kong time on **28 October 2021**.

### **Enquiries**

If you have any questions or would like more information, please contact your usual professional advisor or the Hong Kong Representative at Level 33, Two Pacific Place, 88 Queensway, Hong Kong or calling the Schroders Investor Hotline on (+852) 2869 6968.

The Board of Directors

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<sup>5</sup> SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

List of share classes with changing distribution policies in Schroder International Selection Fund – Global Multi-Asset Income

<b>Fund</b>	<b>Share class</b>	<b>Share currency</b>	<b>Current distribution rate per annum</b>	<b>Future distribution rate per annum</b>	<b>ISIN</b>
Schroder ISF Global Multi-Asset Income	A Distribution (MF)	GBP Hedged	5.00% paid monthly	4.00% paid monthly	LU0910996080
Schroder ISF Global Multi-Asset Income	A Distribution (MFC)*	AUD Hedged	5.00% paid monthly with currency carry	4.50% paid monthly with currency carry	LU0911024122
Schroder ISF Global Multi-Asset Income	A Distribution (MF)	RMB Hedged	5.00% paid monthly	4.50% paid monthly	LU0924045015
Schroder ISF Global Multi-Asset Income	A Distribution (MF)	HKD	5.00% paid monthly	4.50% paid monthly	LU0894486033
Schroder ISF Global Multi-Asset Income	A Distribution (MF)	USD	5.00% paid monthly	4.50% paid monthly	LU0757359954
Schroder ISF Global Multi-Asset Income	A1 Distribution (MF)	USD	5.00% paid monthly	4.50% paid monthly	LU0757360028

\* This refers to the premium or discount that may apply to the distribution. Distributions may include a premium when the interest rate of a currency hedged share class is higher than the fund's base currency interest rate. Consequently when the interest rate of a currency hedged share class is lower than the fund's base currency interest rate, the dividend may be discounted. The level of premium or discount is determined by differences in interest rates and is not part of the fund's investment objective or investment policy.

**IMPORTANT: This letter is important and requires your immediate attention. If you have any questions about the content of this letter, you should seek independent professional advice. Schroder Investment Management (Europe) S.A., as the Management Company to Schroder International Selection Fund, accepts full responsibility for the accuracy of the information contained in this letter and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.**

**27 September 2021**

Dear Shareholder,

### **Schroder International Selection Fund – Global Multi-Asset Income (the “Fund”)**

We are writing to inform you that on 29 October 2021 (the “Effective Date”) the following changes will be made to the Fund:

- The income target in the Fund’s investment objective will change from 5% per annum to a range of 3% - 5% per annum;
- The volatility target will be removed from the Fund’s investment objective;
- The investment policy will change to provide that the Fund will maintain a higher overall sustainability score than the comparator benchmark, based on the Investment Manager’s rating system;
- A new comparator benchmark made up of the following will be added: 30% MSCI AC World Index (USD), 40% Barclays Global Aggregate Corporate Bond Index (USD) and 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD);
- The Fund will incorporate binding environmental and/or social characteristic(s), within the meaning of Article 8 of the Sustainable Finance Disclosure Regulation (“SFDR”). Details of the Fund’s environmental and/or social characteristics and how it seeks to achieve them will be disclosed in the Fund’s investment policy and under a new section called “Sustainability Criteria” in the Fund Characteristics section of the prospectus; and
- The distribution policy for some of the share classes will change.

### **Rationale**

By changing the income target, the investment manager will be able to focus on providing a sustainable income stream and generating income in less favourable market conditions.

Removing the volatility range of 5% - 7% per annum and instead using a market-based comparator for risk analysis provides greater clarity around the expected risk profile. We believe that market-based comparators provide more context compared to an absolute percentage range.

The new comparator benchmark is selected because the investment manager believes that the benchmark is a suitable comparison for volatility purposes given the Fund's investment objective and policy and the investment policy will be revised accordingly to include the new comparator benchmark.



We believe that incorporating sustainability factors into the Fund's strategy aligns with the increasing desire among investors to put their money into investments that can clearly demonstrate their sustainability credentials.

### **Investment Objective Change**

The investment objective of the Fund, which is contained in Schroder International Selection Fund's (the "Company") Hong Kong offering documents (comprising the prospectus, Hong Kong Covering Document and Product Key Facts Statement of the Fund), will change from:

#### **"Investment Objective**

The Fund aims to provide an income distribution of 5% per annum and capital growth over a three to five year period <sup>Note</sup> after fees have been deducted by investing in a diversified range of assets and markets worldwide. The Fund aims to provide a volatility (a measure of how much the Fund's returns may vary over a year) of between 5-7% per annum."

To:

#### **"Investment Objective**

The Fund aims to deliver an income of 3-5% per annum and capital growth over a three to five year period <sup>Note</sup> after fees have been deducted by investing in a diversified range of assets and markets worldwide."

<sup>Note</sup> For clarification purpose, the three to five year period is considered as a medium to long term period, and is the period over which an investor should assess the Fund's performance.

### **Investment Policy Change**

From the Effective Date the following paragraph will be added to the Fund's investment policy:

"The Fund maintains a higher overall sustainability score than 30% MSCI AC World Index (USD), 40% Barclays Global Aggregate Corporate Bond Index (USD) and 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD) based on the Investment Manager's rating system. More details on the investment process used to achieve this can be found in the Fund Characteristics section.

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)<sup>1</sup>."

### **Benchmark Change**

As from the Effective Date the Benchmark section of the Fund, which is contained in the Company's prospectus, will change from:

#### **"Benchmark**

The Fund's performance should be assessed against its target benchmark, being to provide income of 5% per year and capital growth and the volatility target of 5%-7% per year.

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<sup>1</sup> For Hong Kong investors, please refer to the following website: <https://www.schroders.com/en/hk/retail-investors/funds/fund-centre> (this website has not been reviewed by the SFC).

The income and volatility targets have been selected because the Investment Manager deploys strategies that aim to deliver the level of income stated in the investment objective."

**To:**

**"Benchmark**

The Fund's performance should be assessed against the income target of 3-5% per year. The Fund's volatility should be compared against 30% MSCI AC World Index (USD), 40% Barclays Global Aggregate Corporate Bond Index (USD) and 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD). The comparator benchmark is only included for volatility comparison purposes and does not have any bearing on how the Investment Manager invests the Fund's assets. The Fund's investment universe is expected to have limited overlap with the components of the comparator benchmark. 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 benchmark. The Investment Manager will invest in companies or sectors not included in the comparator benchmark.

The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for volatility 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."

**SFDR Sustainability Criteria**

From the Effective Date the following section will be added to the Fund's details in the Company's prospectus to detail how it will integrate sustainability factors into its investment policy:

**"Sustainability Criteria**

The Investment Manager applies governance and sustainability criteria when selecting investments for the Fund. The investable universe is assessed using a number of proprietary tools, as well as external rating services.

The Investment Manager will assess companies against a variety of environmental, social and governance metrics, taking into account issues such as climate change, environmental performance, labour standards and board composition. The Investment Manager will decide whether an investment is eligible for inclusion taking into account the overall ESG score. The multi-asset nature of the Fund means that the Investment Manager will analyse the ESG scores across asset classes as an input into the asset allocation of the Fund. The Investment Manager may select investments, which it deems to contribute to one or more environmental or social objectives, provided that they do no significant harm to any other environmental or social objectives.

The sources of information used to perform the analysis include information provided by the companies, such as company sustainability reports and other relevant company material, as well as Schroders' proprietary sustainability tools and third-party data.

More details on the Investment Manager's approach to sustainability and its engagement with companies are available on the website [www.schroders.com/en/lu/private-investor/strategic-capabilities/sustainability/disclosures](https://www.schroders.com/en/lu/private-investor/strategic-capabilities/sustainability/disclosures)<sup>2</sup>.

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<sup>2</sup> For Hong Kong investors, please refer to the following website: <https://www.schroders.com/en/hk/retail-investors/sustainability/making-an-impact-through-sustainability> (this website has not been reviewed by the SFC).

The Investment Manager ensures that at least:

- 90% of equities issued by large companies domiciled in developed countries; fixed or floating rate securities and money market instruments with an investment grade credit rating; and sovereign debt issued by developed countries; and
- 75% of equities issued by large companies domiciled in emerging countries; equities issued by small and medium companies; fixed or floating rate securities and money market instruments with a high yield credit rating; and sovereign debt issued by emerging countries,

held in the Fund's portfolio are rated against the sustainability criteria. For the purposes of this test, small companies are those with market capitalisation below €5 billion, medium companies are those between €5 billion and €10 billion and large companies are those above €10 billion."

### **Distribution Policy change**

The share classes affected by the change in distribution policy are listed in the appendix of this letter. The change will come into effect for the distribution due to be paid after the Effective Date and will apply to all distributions going forward. The distribution frequency of the share classes will not change.

We periodically review the distribution rate of share classes and reserve the right to make changes. For example if the investment income after expenses is higher than the target distribution rate, we may declare the higher amount to be distributed. Equally, we may deem it is appropriate to declare a dividend lower than the target distribution rate. Pursuant to our review of the distribution rates, we have decided to change the distribution rates of the share classes as listed in the appendix of this letter.

The information on the dividend compositions will continue to be available from the Hong Kong Representative on request and on the Schrodgers' Internet site ([www.schrodgers.com.hk](http://www.schrodgers.com.hk))<sup>3</sup>.

### **Implication of the proposed changes**

As a result of the SFDR changes, the Fund may be subject to additional risk considerations relating to investments with environmental and/or social characteristics (within the meaning of Article 8 of SFDR), and specific risk considerations will be added to the prospectus. However, such risks will not be considered as key risks applicable to the Fund.

Save as disclosed above, all other key features of the Fund (including the fees chargeable in respect of the Fund as stated in the Hong Kong offering documents) will remain the same and there will be no change to the risks applicable to the Fund as a result of the changes set out above. The investment manager believes that the changes to the Fund do not result in a change to the risk profiles of the Fund as removing of the volatility range and instead using a market-based comparator for risk analysis provides greater clarity around the expected risk profile. There will also be no material change in the operation and/or manner in which the Fund is being managed. The changes are not expected to materially prejudice the rights or interests of existing investors.

The Hong Kong offering documents of the Company will be revised to reflect the above changes and will be available free of charge at [www.schrodgers.com.hk](http://www.schrodgers.com.hk)<sup>4</sup> or upon request from the Hong Kong Representative of the Company, Schroder Investment Management (Hong Kong) Limited.

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<sup>3</sup> This website has not been reviewed by the SFC.

<sup>4</sup> This website has not been reviewed by the SFC.

### **Costs and expenses in respect of the changes**

Any costs and expenses incurred directly as a result of making the changes will be borne by Schroder Investment Management (Europe) S.A., the Company's management company.

### **Redeeming or switching your shares to another Schroders fund**

We hope that you will choose to remain invested in the Fund following these changes, but if you do wish to redeem your holding in the Fund or to switch into another of the Company's sub-funds authorized by the Securities and Futures Commission ("SFC")<sup>5</sup> before the changes become effective, you may do so at any time up to and including the dealing cut-off at 5:00 p.m. Hong Kong time on **28 October 2021**. Please ensure that your redemption or switch instruction reaches the Hong Kong Representative before this deadline. We will execute your redemption or switch instructions in accordance with the provisions of the Company's Hong Kong offering documents, free of charge, although in some countries local paying agents, correspondent banks or similar agents might charge transaction fees. Local agents might also have a local dealing cut-off which is earlier than that described above, so please check with them to ensure that your instructions reach the Hong Kong Representative before the dealing cut-off at 5:00 p.m. Hong Kong time on **28 October 2021**.

### **Enquiries**

If you have any questions or would like more information, please contact your usual professional advisor or the Hong Kong Representative at Level 33, Two Pacific Place, 88 Queensway, Hong Kong or calling the Schroders Investor Hotline on (+852) 2869 6968.

The Board of Directors

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<sup>5</sup> SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

List of share classes with changing distribution policies in Schroder International Selection Fund – Global Multi-Asset Income

<b>Fund</b>	<b>Share class</b>	<b>Share class currency</b>	<b>Current distribution rate per annum</b>	<b>Future distribution rate per annum</b>	<b>ISIN</b>
Schroder ISF Global Multi-Asset Income	A Distribution (MF)	GBP Hedged	5.00% paid monthly	4.00% paid monthly	LU0910996080
Schroder ISF Global Multi-Asset Income	A Distribution (MFC)*	AUD Hedged	5.00% paid monthly with currency carry	4.50% paid monthly with currency carry	LU0911024122
Schroder ISF Global Multi-Asset Income	A Distribution (MF)	RMB Hedged	5.00% paid monthly	4.50% paid monthly	LU0924045015
Schroder ISF Global Multi-Asset Income	A Distribution (MF)	HKD	5.00% paid monthly	4.50% paid monthly	LU0894486033
Schroder ISF Global Multi-Asset Income	A Distribution (MF)	USD	5.00% paid monthly	4.50% paid monthly	LU0757359954
Schroder ISF Global Multi-Asset Income	A1 Distribution (MF)	USD	5.00% paid monthly	4.50% paid monthly	LU0757360028

\* This refers to the premium or discount that may apply to the distribution. Distributions may include a premium when the interest rate of a currency hedged share class is higher than the fund's base currency interest rate. Consequently when the interest rate of a currency hedged share class is lower than the fund's base currency interest rate, the dividend may be discounted. The level of premium or discount is determined by differences in interest rates and is not part of the fund's investment objective or investment policy.