

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase 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 Opportunities Portfolio - Schroder Asian Investment Grade Credit (the “Fund”)

| | | | |
|--------------------|---|---|--|
| Product Type | Unit Trust | Launch Date | 08 February 2007 |
| Manager | Schroder Investment Management (Singapore) Ltd | Custodian | The Hongkong and Shanghai Banking Corporation Limited |
| Trustee | HSBC Institutional Trust Services (Singapore) Limited | Dealing Frequency | Every Dealing Day |
| Capital Guaranteed | No | Expense Ratio for the year ended 31 December 2022 | Class SGD A Dis / Class RMB Hedged A Dis: 0.88% to 0.99%. Class USD Hedged A Dis: Not available as this Class has not been incepted for 1 year as at 31 December 2022 |

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek long-term capital growth;
- seek regular income through periodic distributions; and
- understand the risks of investing in debt securities and government bonds.

Further Information
Refer to the “Investment objective, focus and approach” section of Appendix 1 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in a unit trust constituted in Singapore that aims to provide a return of capital growth and income primarily (i.e. approximately two-thirds of its assets) through investment in a portfolio of investment grade (i.e. at or greater than BBB- rated by Standard & Poor’s or Fitch Ratings or Baa3 rated by Moody’s) debt securities primarily denominated in USD, issued by governments, government agencies, supra-national and corporate borrowers across Asia (ex Japan) debt markets.

In respect of the Class SGD A Dis Units and the Class RMB Hedged A Dis Units, the Manager intends to declare quarterly distributions at a variable percentage per annum, of the NAV per Unit to Holders as at 31 March, 30 June, 30 September and 31 December. Distributions (if applicable) are payable within 1 month from 31 March, 30 June and 30 September and within 2 months from 31 December.

Refer to the “Basic Information” section of the Prospectus and the “Investment objective, focus and approach” and “Distribution Policy” sections of Appendix 1 of the Prospectus for further information on features of the product.

¹ The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its appointed distributors during usual office hours or accessible at <http://www.schroders.com.sg>.

Investment Strategy

The Manager’s investment process will aim to take advantage of the broad opportunities in Asian (ex Japan) fixed income markets using the depth of Schroders’ investment and research capabilities, both in the region and globally, to seek out these opportunities. The Manager will aim to maximise value in portfolios whilst controlling risk. Its approach will be driven primarily by fundamental analysis of market valuations in the context of economic trends, which involves both top-down and bottom-up strategies with a focus on the changing macroeconomic environment. The Manager will aim to take advantage of market inefficiency and mis-pricing over the medium to long term. As a result, the Manager will actively manage the sector and country allocation, and explore relative value opportunities in security selection.

Refer to the “Investment objective, focus and approach” section of Appendix 1 of the Prospectus for further information on the investment strategy of the Fund.

Parties Involved

WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Opportunities Portfolio.
- The Manager is Schroder Investment Management (Singapore) Ltd.
- The Trustee is HSBC Institutional Trust Services (Singapore) Limited.
- The custodian is The Hongkong and Shanghai Banking Corporation Limited.

Refer to the “Basic Information”, “The Managers” and “The Trustee and the Custodian” sections of the Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment and your principal may be at risk:

Refer to the “Risks, Financial Derivative Instruments, Risk Management Process and Supplementary Information” section of the Prospectus for further information on risks of the product.

Market and Credit Risks

You are exposed to market risk in Asia (excluding Japan).

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

You are exposed to credit risk.

- The Fund is subject to the risk that some issuers of debt securities and other investments made by the Fund may not make payments on such obligations. Further, an issuer may suffer adverse changes in its financial condition that could lower the credit quality of a security, leading to greater volatility in the price of the security and in the value of the Fund. A change in the quality rating of a security can also affect the security’s liquidity and make it more difficult to sell.

Liquidity Risks

There is no secondary market for the Fund. All realisation requests should be submitted to the Manager or its appointed agents.

Product-Specific Risks

You are exposed to currency risk.

- The assets and liabilities of the Fund may be denominated in currencies other than the Fund’s base currency or the currency of denomination of a Class within the Fund (the “Class Currency”) (as the case may be) and the Fund may be affected by exchange control regulations or changes in the exchange rates between its base currency or the relevant Class Currency (as the case may be) and such other currencies. There is the prospect of additional loss (or additional gain) to you greater than the usual risks of investment.

You are exposed to risks relating to hedging and the Class RMB Hedged A Dis.

- Class RMB Hedged A Dis will hedge RMB against SGD, on a best effort basis, with an aim to align the performance of Class RMB Hedged A Dis to that of Class SGD A Dis.
- The effects of hedging will be reflected in the NAV of Class RMB Hedged A Dis. The success of any hedging transactions will be subject to the movements in the direction of the currency and the stability of pricing relationships.
- The Fund may enter into hedging transactions whether RMB is declining or increasing in value relative to SGD and where the Fund undertakes such hedging, the hedging may substantially protect holders in Class RMB Hedged A Dis against a decrease in the value of SGD relative to RMB, but it may also preclude holders from benefiting from an increase in the value of SGD.
- There is no assurance that the hedging strategies employed will be effective in delivering performance differentials that are reflective only of interest rate differences adjusted for costs and fees.

You are exposed to interest rate risk.

- Investments in bonds, debentures, loan stocks, convertibles and other debt instruments may decline in value if interest rates change. In general, the price or value of existing debt instruments rises when interest rates fall, and falls when interest rates rise. Interest rate risk is generally greater for investments with long durations or maturities.

You are exposed to financial derivatives risk. The Fund may use financial derivatives.

- 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 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 Manager’s predictions are wrong, or if the financial derivatives do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used the financial derivatives.

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 Sales Charge | Cash Units (applicable to all Classes) and SRS Units (applicable only to Class SGD A Dis): – Currently up to 5% (maximum 5%) CPF Units (applicable only to Class SGD A Dis as only Class SGD A Dis is included under the CPF Investment Scheme): Nil. |
| Realisation Charge | – Currently nil (maximum 4%) |
| Switching Fee | – Currently 1% (maximum of 1% and minimum of S\$5 for Class SGD A Dis or RMB 25 for Class RMB Hedged A Dis) |

Refer to the “Fees and Charges” section of the Prospectus for further information on fees and charges.

You should check with the agent or distributor through whom you subscribe for shares of the Fund whether they impose other fees and charges not included in the Prospectus.

Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Manager and Trustee:

| | |
|---|---|
| Management Fee (per annum) | – Currently 0.80% (maximum 1.75%) |
| (a) Retained by Manager (b) Paid by Manager to financial adviser (trailer fee) | – (a) 31.25% to 100% of Management Fee – (b) 0% to 68.75% ² of Management Fee, with the median trailer fee being 50% ³ |
| Trustee Fee (per annum) | – Currently not more than 0.05% (currently not subject to any minimum amount) – Maximum 0.25% |

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The NAV per Unit of each Class of the Fund is published on the Manager's website at <http://www.schroders.com.sg> one (1) Business Day after the relevant Dealing Day and is also available directly from the Manager.

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

You may at any time during the life of the Fund request in writing (a "Realisation Request") to realise all or any Units held by you, subject to the minimum holding and the minimum realisation amount requirements as mentioned in the Prospectus. The Realisation Request must specify the Units in the relevant Class to be realised.

The realisation proceeds are paid to you within seven (7) Business Days (or such other period as may be prescribed or permitted by the Monetary Authority of Singapore from time to time) following the receipt of the Realisation Request.

Your realisation price is determined as follows:

- If you submit the Realisation Request on or before 5 pm on a Dealing Day, you will be paid a price based on the NAV of the relevant Class at the close of that Dealing Day.
- If you submit the Realisation Request after 5 pm on a Dealing Day, you will be paid a price based on the NAV of the relevant Class at the close of the next Dealing Day.

The sale proceeds that you will receive will be the realisation price multiplied by the number of Units realised, less any applicable Duties and Charges. An example is as follows:

For Class A Units:

| | | | | |
|--------------------------|---|---|---|----------------------|
| 1,000 Units | x | S\$1.100 | = | S\$1,100 |
| Number of Units realised | | Notional realisation price (NAV per Unit) | | Realisation proceeds |

The example above is on the assumption that there are no Duties and Charges payable.

If applicable to you as provided in the trust deed of the Fund, you may cancel your subscription for Units by giving written notice or by submitting the cancellation form to the Manager or its distributors within 7 calendar days from the date of your subscription. However, you will have to take the risk for any price changes in the NAV of the relevant Class since the time of your subscription.

CONTACT INFORMATION

HOW DO 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 Manager

² Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Manager.

³ The median trailer fee is derived based on the trailer fee payable only to direct Singapore retail distributors for the relevant retail share classes. Institutional or accredited investors, or non-Singapore distributors are excluded in the computation of the median trailer fee whereby a trailer fee arrangement may not be applicable.

Refer to the "Subscription/Cancellation of Units", "Realisation of Units" and "Obtaining Prices of Units" sections of the Prospectus for further information on valuation and exiting from the product.

APPENDIX: GLOSSARY OF TERMS

“**Business Day**” means any day (other than a Saturday, a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for business (or such other day as may from time to time be determined by the Manager with the approval of the Trustee).

“**Class**” means any class of Units in the Fund which may be designated as a class distinct from another class in the Fund as may be determined by the Manager from time to time.

“**Code**” means the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore, as the same may be amended from time to time.

“**Dealing Day**” in relation to Units of the Fund, is each Business Day after the Commencement Date in relation to the Fund and without prejudice to the generality of the foregoing, if on any day which would otherwise be a Dealing Day in relation to Units of the Fund the recognised stock exchange or exchanges on which the authorised investment or other property comprised in, and having in aggregate values amounting to at least fifty per cent (50%) of the value (as of the immediately preceding Valuation Point) of the Fund are quoted, listed or dealt in is or are not open for normal trading, the Manager may determine that such day shall not be a Dealing Day in relation to Units of the Fund.

“**Duties and Charges**” means all stamp and other duties, taxes, governmental charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges whether in connection with the constitution of the deposited property of the Fund or the increase or decrease of the deposited property of the Fund or the creation, issue, sale, exchange or purchase of Units or the sale or purchase of authorised investments or otherwise, which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable but does not include commission payable to agents on sales and repurchases of Units.

“**Launch Date**” in this product highlights sheet only, means the inception date of the relevant Class with the earliest inception date.

“**NAV**” means net asset value.

“**RMB**” means Renminbi.

“**Schroders**” means Schroder group.

“**SGD**” or “**S\$**” means Singapore dollar.

“**Unit**” means one undivided share of the Fund or any Class in respect of which the Unit is issued.

“**Valuation Point**” of the Fund in relation to any Dealing Day means the close of business of the last relevant market or such other time or additional time or date determined by the Manager with the approval of the Trustee.