

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus<sup>1</sup>.
- 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 Short Duration Bond (the “Fund”)

Product Type	Unit Trust	Launch Date	26 October 2021
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 2023	Class USD A Acc / Class SGD Hedged A Acc: 0.43% Class USD A Dis / Class SGD Hedged A Dis: 0.52% <sup>2</sup>

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth and income; and growth over the medium to long term; and
- understand the risks of investing in investment grade debt securities primarily denominated in USD, issued by governments, government agencies, supra-national and corporate borrowers across Asia (ex Japan) debt markets

#### Further Information

Refer to the “Investment objective, focus and approach” section of Appendix 11 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 achieve capital preservation and growth over the medium to long term by investing primarily (i.e. at least two-thirds of its assets) in a diversified portfolio of investment grade debt securities (i.e. at or greater than BBB- rated by Standard & Poor’s or Fitch Ratings or Baa3 by Moody’s) primarily denominated in USD, issued by governments, government agencies, supra-national and corporate borrowers across Asia (ex Japan) debt markets.

The Units of the Fund are Prescribed Capital Markets Products and Excluded Investment Products.

Refer to the “Basic Information” section of the Prospectus and the “Investment objective, focus and approach” section of Appendix 11 of the Prospectus for further information on features of the product.

#### Investment Strategy

The Fund may also invest up to 30% of its assets into investment grade debt securities issued by governments, government agencies, supra-national and corporate borrowers outside Asia (ex Japan) debt markets for diversification purposes.

The Fund aims to reduce interest rate risk by having an overall portfolio duration of less than 3 years, although this does not preclude the Fund from investing in debt securities with a duration of above 3 years.

The Fund will not focus on any particular market sector or industry, and the Fund is not country-specific.

**The Fund may use financial derivatives for the purposes of hedging and efficient portfolio management.**

Refer to the “Structure of the Trust” section of the Prospectus and the “Investment objective, focus and approach” section of Appendix 11 of the Prospectus for further information on the investment strategy of the Fund.

<sup>1</sup> 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>.

<sup>2</sup> The expense ratio is annualised for the financial period from 19 January 2023 to 31 December 2023.

## 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”, “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 investment grade debt securities risk.**

- There is a risk that investment grade securities that the Fund invests in may be downgraded due to adverse market conditions. If there is a down-grading of the credit rating of a security or an issuer relating to a security that the Fund invests in, the value of the Fund may be adversely affected.

### **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 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 counterparty risk.**

- The counterparty to a financial 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.

**You are exposed to risks relating to hedging and Hedged Classes.**

- The effects of hedging will be reflected in the NAV of Class SGD Hedged A Acc and Class SGD 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 SGD is declining or increasing in value relative to USD and where the Fund undertakes such hedging, the hedging may substantially protect holders in Class SGD Hedged A Acc against a decrease in the value of USD relative to SGD, but it may also preclude holders from benefiting from an increase in the value of USD.
- 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 emerging markets and frontier risk.**

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

**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 and SRS Units: – Currently up to 1% (maximum 5%)
Realisation Charge	– Currently nil (maximum 4%)
Switching Fee	– Currently 1% (maximum of 1% and minimum of S\$5 for Class SGD Hedged A Acc or USD 5 for Class USD A Acc)

*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) (a) Retained by Manager (b) Paid by Manager to financial adviser (trailer fee)	– Currently 0.40% (maximum 1.75%) – (a) 35% to 100% of Management Fee – (b) 0% to 65% <sup>3</sup> of Management Fee <sup>4</sup>
Trustee Fee (per annum)	– Currently not more than 0.05% (currently not subject to any minimum amount) – Maximum 0.25%

<sup>3</sup> Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Manager.

<sup>4</sup> Institutional investors (including insurers or investment-linked plans) or accredited investors, and/or non-Singapore distributors are excluded in the computation of the trailer fee range whereby a trailer fee arrangement may not be applicable.

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value (“NAV”) per Unit 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.

*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.*

### 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:

1,000 Units	x	\$1.100 <sup>#</sup>	=	\$1,100 <sup>#</sup>
Number of Units realised		Notional realisation price (NAV per Unit)		Realisation proceeds

<sup>#</sup>In SGD or USD, as the case may be.

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](http://www.schroders.com.sg)

Distributor

The Manager

## APPENDIX: GLOSSARY OF TERMS

“**Business Day**” means any day (other than a Saturday or 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.

“**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.

“**Excluded Investment Product**” has the meaning ascribed thereto in the Notices, as may be amended from time to time.

“**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.

“**Notices**” means the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products, each as may be amended from time to time.

“**Prescribed Capital Markets Products**” has the meaning ascribed thereto in the Securities and Futures (Capital Markets Products) Regulations 2018, as may be amended from time to time.

“**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.

“**USD**” means United States dollar.

“**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.