

## Schroder ISF\* Global Dividend Maximiser

Fund Managers: Value Team & Structured Fund Management Team | Fund update:  
December 2024

---

## Performance overview

- The fund seeks to provide an income of 7%<sup>1</sup> p.a. via a covered call option overlay and an actively managed equity portfolio, which is primarily invested in high yielding stocks from around the world.
- Global equities fell in December.
- From a performance perspective, the fund performed in line with the MSCI World index and outperformed the other comparators (the MSCI World Value index and the Morningstar Global Equity Income Category).

---

## Drivers of fund performance

- In the equity portfolio, stock selection in the healthcare and financial sectors supported relative returns. Positioning in information technology and selection within communication services were negative influences on performance.
- The leading individual contributor was Japanese stock **Panasonic Holdings**. It is benefiting from robust demand for generative AI components and energy storage for data centres. Another Japanese business, **Nippon Television Holdings**, also added value.
- Tyre maker **Continental** was another positive contributor. The company's executive board announced plans to spin off the automotive business. The spin-off is expected to take place by the end of 2025.
- French bank **Société Générale** added value. Banks have performed well as interest rates in the eurozone have come down only slowly amid still sticky inflation.
- On the negative side, the portfolio's lack of exposure to certain large US companies (Broadcom, Apple, Alphabet, Tesla) weighed on relative returns.
- Among stocks we do own, **BT Group** was a detractor. The group lowered its 2025 revenue guidance in November as a result of tax changes made in the UK Budget. BT is continuing its turnaround plans.
- While enhancing the income, the options were positive for performance in mark-to-market terms in December

(reflecting both expired trades and those with time still to expiry, USD terms).

- The effect was also marginally positive when looking only at those options that expired in December. In net cash terms, the four expiring tranches added +0.02% in aggregate.
- **Standard Chartered, Citigroup, Bristol-Myers Squibb** and **WPP** were among those to finish above their strikes, but cautious notional decisions (i.e. reducing the proportion overwritten) helped to improve the degree of upside captured.

---

## Portfolio activity and positioning

- We built a position in automotive supplier **Lear Corporation** which has seen its shares fall as the sector has been out of favour with investors. However, Lear's product portfolio is mainly dominated by seating and wiring, meaning it is less exposed to the shift to electric vehicles than many suppliers.
- The current overwritten ratio on the fund is around 50%. In other words, while continuing to deliver the income, the fund can capture upside up to the level of the individual strike prices on the ~50% overwritten, and the full extent of any upside on the ~50% without options.
- We employ multiple overlapping option tranches (overwriting ~4.5% of the NAV in any single tranche). This gives us a regular opportunity to respond to changes in market conditions, share price movements and dividend expectations, and reflect these in our overlay management. We also continue to carry out in-depth stock-by-stock analysis prior to each auction, assessing the volatility and strikes of each individual option we are looking to sell.

---

<sup>1</sup> The gross yield is an estimate and is not guaranteed.

Past performance does not predict future returns. The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested.

### Calendar year performance (%)

Year	Fund	Comp.1	Comp. 2	Comp. 3
2024	2.4	18.7	11.5	8.4
2023	15.9	23.8	11.5	13.5
2022	-6.3	-18.1	-6.5	-11.8
2021	17.8	21.8	21.9	17.1
2020	-7.6	15.9	-1.2	4.6
2019	15.2	27.7	21.7	21.7
2018	-11.0	-8.7	-10.8	-11.4
2017	17.7	22.4	17.1	18.8
2016	10.3	7.5	12.3	5.6
2015	-5.9	-0.9	-4.8	-2.8

Source: Schroders, as at 31 December 2024. Fund performance is net of fees, NAV to NAV with net income reinvested, C Acc shares USD. Please see factsheet for other share classes. Comparator 1 is MSCI World, comparator 2 is MSCI World Value, and comparator 3 is Morningstar Global Equity Income sector. The fund's performance should be assessed against the income target of 7% per year and compared against the MSCI World (Net TR) index, MSCI World Value (Net TR) index and Morningstar Global Equity Income Category. 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 MSCI World (Net TR) index and the MSCI World Value (Net TR) index.

### Risk considerations

**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.

**Currency risk:** If the fund's investments are denominated in currencies different to the fund's base currency, the fund may lose value as a result of movements in foreign exchange rates, otherwise known as currency rates. If the investor holds a share class in a different currency to the base currency of the fund, investors may be exposed to losses as a result of movements in currency rates.

**Derivatives risk:** Derivatives, which are financial instruments deriving their value from an underlying asset, 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.

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

**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, meaning investors may not be able to have immediate access to their holdings.

**Maximiser funds:** Derivatives, which are financial instruments deriving their value from an underlying asset, are used to

generate income (which is paid to investors) and to reduce the volatility of returns but they may also reduce fund performance or erode capital value.

**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.

**China risk:** If the fund invests in the China Interbank Bond Market via the Bond Connect or in China "A" shares via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect or in shares listed on the STAR Board or the ChiNext, this may involve clearing and settlement, regulatory, operational and counterparty risks. If the fund invests in onshore renminbi-denominated securities, currency control decisions made by the Chinese government could affect the value of the fund's investments and could cause the fund to defer or suspend redemptions of its shares.

**Counterparty risk:** The fund may have contractual agreements with counterparties. If a counterparty is unable to fulfil their obligations, the sum that they owe to the fund may be lost in part or in whole.

**Market Risk:** The value of investments can go up and down and an investor may not get back the amount initially invested.

### Important Information:

Marketing material for professional clients and qualified investors only.

This document does not constitute an offer to anyone, or a solicitation by anyone, to subscribe for shares of Schroder International Selection Fund (the "Company"). Nothing in this document should be construed as advice and is therefore not a recommendation to buy or sell shares. An investment in the Company entails risks, which are fully described in the prospectus.

Subscriptions for shares of the Company can only be made on the basis of its latest Key Information Document and prospectus, together with the latest audited annual report (and subsequent unaudited semi-annual report, if published), copies of which can be obtained, free of charge, from Schroder Investment Management (Europe) S.A.

The Company is a Luxembourg-based Société d'Investissement à Capital Variable (SICAV) with unlimited duration which is coordinated with regard to the European regulations and meets the criteria for Undertakings for Collective Investment in Transferable Securities (UCITS).

This document, and the information contained herein, does not constitute, and is not intended to constitute, a public offer of securities to the retail investors in the United Arab Emirates ("UAE") and accordingly should not be construed as such. No regulatory authority in the UAE has any responsibility for reviewing or verifying this prospectus or any other documents in connection with the promotion of this fund. Accordingly, no regulatory authority in the UAE has approved the prospectus or any other associated documents, nor taken any steps to verify the information set out herein, and therefore no regulatory authority in the UAE has any responsibility for the same. The interests in the fund/s ("Interests") mentioned in the document may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Interests. Anyone not understanding the contents of this document should consult an authorised financial adviser.

For Austria, these documents may be obtained in German, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders) and from our Information Agent Schroder Investment Management (Europe) S.A., German Branch, Taunustor 1, D-60310 Frankfurt am Main, Germany.

For Belgium, these documents may be obtained in French and Dutch, free of charge from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

The total net asset value is published on the website of the Belgian Asset Managers Association (BEAMA) on [www.beama.be](http://www.beama.be). In addition, the tariff schedules are available from distributors in Belgium. The fee on the stock exchange transactions of 1.32 % (with a maximum of € 4,000 per transaction) is payable on the purchase or conversion of capitalisation shares if they are carried out by the intervention of a professional intermediary in Belgium. Dividends paid by the Company to natural persons who are Belgian tax residents are subject to a Belgian withholding tax at a rate of 30% if they are paid by the intervention of a financial intermediary established in Belgium (this information applies to all distribution shares). If the dividends are received by such natural persons without the intervention of a financial intermediary established in Belgium, they must indicate the amount of the dividends received in their tax return and will be taxed on that amount at a rate of 30%. In the event of the redemption or sale of shares of a sub-fund investing, directly or indirectly, either (i) more than 25% of its assets in receivables with regard to shares acquired by the investor before January 1, 2018, or (ii) more than 10% of its assets in receivables with regard to the shares acquired by the investor from 1 January 2018 (provided, in each of these two cases, that certain additional conditions are met), the interest component of this redemption or sale price is subject to a 30% tax in Belgium.

For Bulgaria, the Key Information Documents may be obtained in Bulgarian and the other documents in English, free of charge from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For the Czech Republic, the Key Information Documents may be obtained in Czech and the other documents in English, free of charge from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Denmark, the Key Information Documents may be obtained in Danish and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders) and Schroder Investment Management (Europe) S. A. dansk filial, Bredgade 45C, 2nd floor, DK-1260 Copenhagen K. A decision on a possible investment should be made on the basis of personal advice.

For Finland, the Key Information Documents may be obtained in Finnish, Swedish and English and the other documents in English, free of charge at the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For France, these documents may be obtained in French, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders), Schroder Investment Management (Europe) S.A., Paris Branch, 1, rue Euler, 75008 Paris and the Centralising agent Société Générale, 29 boulevard Haussmann, F-75009 Paris.

For Germany, these documents may be obtained in German, free of charge, at the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders) and Schroder Investment Management (Europe) S.A., German Branch, Taunustor 1, D-60310 Frankfurt am Main.

For Greece, the Key Information Documents may be obtained in Greek and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Hungary, the Key Information Documents may be obtained in Hungarian and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Iceland, the Key Information Documents may be obtained in Icelandic and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Ireland, these documents may be obtained in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Italy, these documents may be obtained in Italian, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders), Schroder Investment Management (Europe) S.A. Succursale Italiana, Via Manzoni 5, 20121 Milan and from our distributors. These documents and the list of distributors are available at [www.schroders.it](http://www.schroders.it)

For Latvia, the Key Information Documents may be obtained in Latvian and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Liechtenstein, these documents may be obtained in German, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Lithuania, the Key Information Documents may be obtained in Lithuanian and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Luxembourg, these documents may be obtained in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Malta, these documents may be obtained in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For the Netherlands, the Key Information Documents may be obtained in Dutch and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Norway, the Key Information Documents may be obtained in Norwegian and English and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Poland, the Key Information Documents may be obtained in Polish and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

The company is a Luxembourg-registered undertaking for the collective investment in transferable securities and operates in Poland in accordance with the Act of 27 May 2004 on investment funds and the management of alternative investment funds (Journal of Laws of 2004 No. 146, item 1546 as amended). Depending on the applicable tax obligations, the investor may be required to pay tax directly on the income arising from investments in the units of the fund.

For Portugal, the Key Information Documents may be obtained in Portuguese and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders), from the authorised placing entities and on [www.schroders.pt](http://www.schroders.pt).

For Romania, the Key Information Documents may be obtained in Romanian and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Slovakia, the Key Information Documents may be obtained in Slovakian and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

For Spain, these documents may be obtained in Spanish, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders), the CNMV, the distributors and on [www.schroders.es](http://www.schroders.es).

The Company is registered in the Administrative Register of Foreign Collective Investment Institutions marketed in Spain of the National Securities Market Commission (CNMV), with the number 135. Its depository is J.P. Morgan SE and its management company is Schroder Investment Management (Europe) S.A.. The Company is a UCITS registered in Luxembourg.

For Sweden, the Key Information Documents may be obtained in Swedish and the other documents in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

Schroder Investment Management (Switzerland) AG is the Swiss representative («Swiss Representative») and Schroder & Co Bank AG is the paying agent in Switzerland of the Luxembourg domiciled Schroder International Selection Fund. The prospectus for Switzerland, the key information documents, the articles of association and the annual and semi-annual reports may be obtained free of charge from the Swiss Representative.

For the UK, these documents may be obtained in English, free of charge, from the following link: [www.eifs.lu/schroders](http://www.eifs.lu/schroders).

Schroders may decide to cease the distribution of any fund(s) in any EEA country at any time but we will publish our intention to do so on our website, in line with applicable regulatory requirements.

This fund does not have the objective of sustainable investment or binding environmental or social characteristics as defined by Regulation (EU) 2019/2088 on Sustainability-related Disclosures in the Financial Services Sector (the "SFDR"). Any references to the integration of sustainability considerations are made in relation to the processes of the investment manager or the Schroders Group and are not specific to the fund. For the UK only: This product is based overseas and is not subject to UK sustainable investment labelling and disclosure requirements.

Any reference to regions/ countries/ sectors/ stocks/ securities is for illustrative purposes only and not a recommendation to buy or sell any financial instruments or adopt a specific investment strategy.

Past Performance is not a guide to future performance and may not be repeated.

The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of investments to fall as well as rise.

Performance data does not take into account any commissions and costs, if any, charged when units or shares of any fund, as applicable, are issued and redeemed.

Schroders has expressed its own views and opinions in this document and these may change.

Information herein is believed to be reliable but Schroders does not warrant its completeness or accuracy.

The data contained in this document has been sourced by Schroders and should be independently verified. Third party data is owned or licenced by the data provider and may not be reproduced, extracted or used for any other purpose without the data provider's consent. Neither Schroders, nor the data provider, will have any liability in connection with the third-party data.

This document may contain "forward-looking" information, such as forecasts or projections. Please note that any such information is not a guarantee of any future performance and there is no assurance that any forecast or projection will be realised.

Schroders will be a data controller in respect of your personal data. For information on how Schroders might process your personal data, please view our Privacy Policy available at <https://www.schroders.com/en/global/individual/footer/privacy-statement/> or on request should you not have access to this webpage.

A summary of investor rights may be obtained from <https://www.schroders.com/en/global/individual/summary-of-investor-rights/>

For your security, communications may be recorded or monitored.

Issued by Schroder Investment Management (Europe) S.A., 5, rue Höhenhof, L-1736 Senningerberg, Luxembourg. Registration No B 37.799.

Authorized by the Comissão do Mercado de Valores Mobiliários (CMVM) to operate in Portugal under the free provision of services regime, and with a branch in Spain, authorized and registered with the CNMV under number 20.

Distributed by Schroder Investment Management (Europe) S.A., Spanish branch, registered in the EEA investment firm register with the National Market Commission of Securities (CNMV) with the number 20.

Distributed in Switzerland by Schroder Investment Management (Switzerland) AG, Central 2, CH-8001 Zurich, Switzerland a fund management company authorised and supervised by the Swiss Financial Market Supervisory Authority FINMA, Laupenstrasse 27, CH-3003 Bern.

Distributed in the UK by Schroder Investment Management Ltd, 1 London Wall Place, London EC2Y 5AU. Registration No 1893220 England. Authorised and regulated by the Financial Conduct Authority.

Distributed by Schroder Investment Management Limited (Dubai Branch), located on the First Floor, Gate Village Six, Dubai International Financial Centre, PO Box 506612, Dubai, United Arab Emirates and regulated by the Dubai Financial Services Authority (DFSA) and entered on the DFSA register under Firm Reference Number: F000513. This document is not subject to any form of regulation or approval by the DFSA.