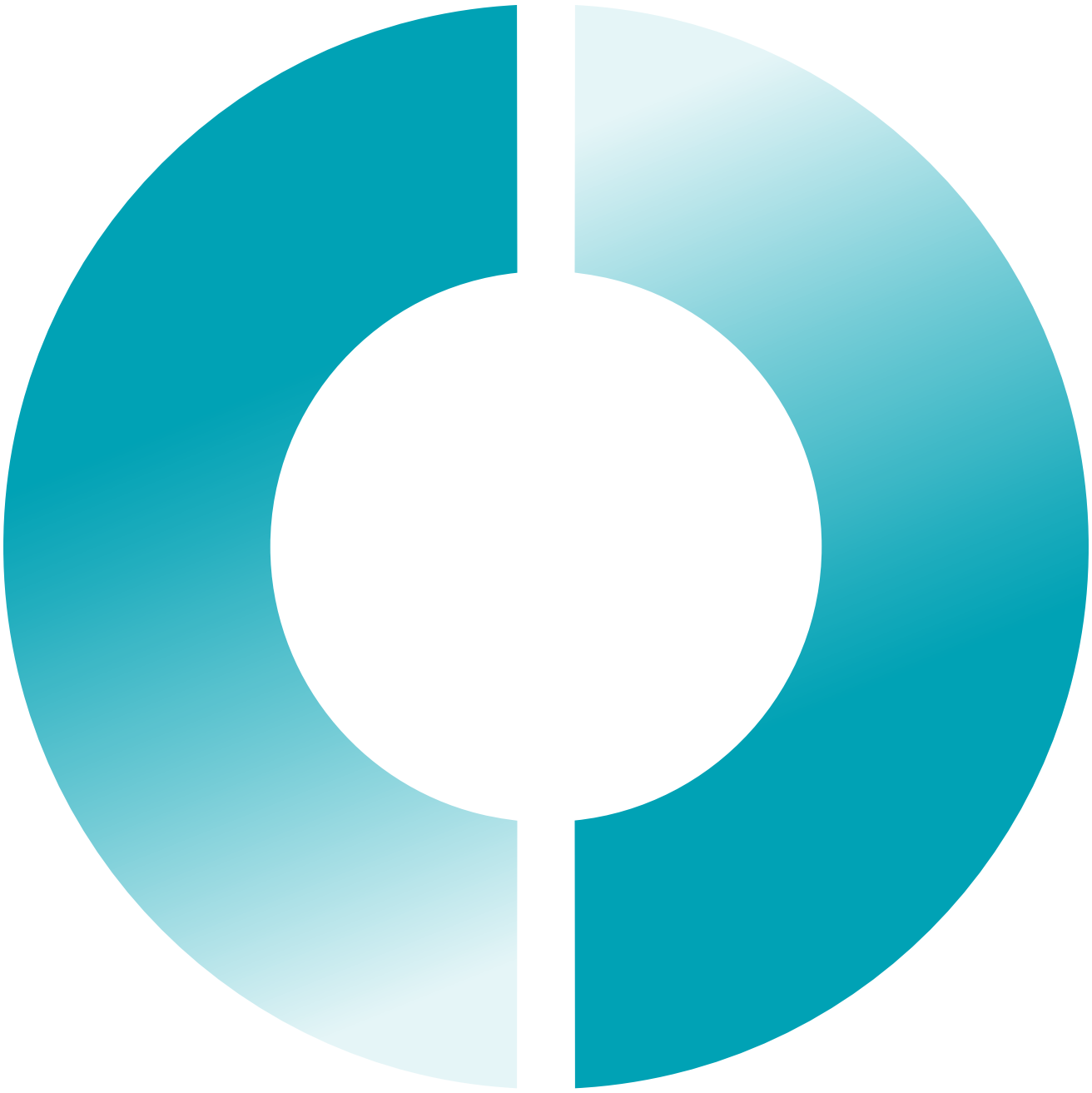
Schroder Alternative Solutions

Prospectus

November 2026

Luxembourg



(a Luxembourg domiciled open-ended investment company)

Schroders

Schroder Alternative Solutions
(a Luxembourg domiciled open-ended investment company)

Prospectus

November 2026

Schroder Investment Management (Europe) S.A.
Webpage: www.schroders.com

Important Information

Reliance on Prospectus

The Shares are offered solely on the basis of the information and representations contained in this prospectus (the "Prospectus") and any further information given or representations made by any person may not be relied upon as having been authorised by the Company, the Directors or the Management Company. Neither the delivery of this Prospectus nor the issue of Shares shall under any circumstances create any implication that there has been no change in the affairs of the Company since the date hereof.

The information contained in this Prospectus will be supplemented by the financial statements and further information contained in the latest annual and semi-annual reports of the Company, copies of which may be obtained free of charge from the registered office of the Company and at the offices of J.P. Morgan SE, Luxembourg Branch in Luxembourg.

The Shares are not marketed to retail investors in Luxembourg.

Registration in Luxembourg

The Company is registered under Part II of the list of UCI provided by the 2010 Law and qualifies as an alternative investment fund within the meaning of article 1(39) of the 2013 Law. However, the registration under such law, or any replacing law, does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the information contained in this Prospectus or the investments held by the Company. Any representation to the contrary is unauthorised and unlawful.

Disclosure of Information

For the purposes of the General Data Protection Regulation 2016/679 ("GDPR"), the data controllers in relation to any personal data you supply are the Company and the Management Company.

In order to comply with the obligations and responsibilities under the GDPR, the Company and the Management Company are required by law to make available to you a privacy policy which details how Schroders collect, use, disclose, transfer, and store your information. Please find a copy of the privacy policy at _https://www.schroders.com/en/privacy-policy. You hereby acknowledge that you have read and understood the contents of the privacy policy.

Investors should note that investor data (such as name and address) may be transferred by or on Schroder Investment Management (Europe) S.A.'s behalf to certain third-party service providers, such as paying agents or facilities agents, in the EEA, Switzerland, Hong Kong, India and the UK. The list of countries will be updated prior to any transfer of investor data to a third-party service provider located in a new country and Investors will be notified via a notice on the webpage https://www.schroders.com/en-lu/lu/professional/literature/legal-documents/

Restrictions on Distribution

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this Prospectus may come are required by the Company to inform themselves of and to observe any such restrictions.

This Prospectus does not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it would be unlawful to make such offer or solicitation.

When marketing Shares in any territory of the European Economic Area (EEA) (other than Luxembourg) to Professional Investors that are domiciled or have a registered office in the EEA, the Management Company intends to utilise marketing passports made available under the provisions of the AIFMD. Shares in a Fund may only be marketed pursuant to such passports to Professional Investors in those territories of the EEA in respect of which a passport has been obtained.

United Kingdom: The Company is not a recognised overseas collective investment scheme for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom (the "Act"). The promotion of the Company and the distribution of this Prospectus in the United Kingdom is accordingly restricted by law.

Whilst this Prospectus may also be issued outside the United Kingdom directly by the Company, and the Directors are responsible for its contents, wherever issued, it is being issued inside and outside the United Kingdom by Schroder Investment Management Limited (which is authorised and regulated by the Financial Conduct Authority ("FCA")) to and/or is directed at persons who are of a kind to whom the Company may lawfully be promoted by a person authorised to carry out certain financial services activities under the Act (an "authorised person") by virtue of Section 238(5) of the Act and Chapter 4.12 of the FCA's Conduct of Business Sourcebook COBS.

This Prospectus is exempt from the restriction on the communication of invitations or inducements to participate in a collective investment scheme which is not a recognised overseas collective investment scheme (in Section 238 of the Act) on the grounds that the invitation or inducement (a) is made only to recipients who Schroder Investment Management Limited has taken reasonable steps to establish are persons of the kind referred above; or (b) is directed at recipients in a way that may reasonably be regarded as designed to reduce, so far as possible, the risk of participation in the Company by persons who are not of the kind referred above. To the extent that this Prospectus is issued by Schroder Investment Management Limited the Shares are only available to such persons and this Prospectus must not be relied or acted upon by any other persons.

Any recipient of this Prospectus who is an authorised person may (if and to the extent it is permitted to do so by the FCA rules applicable to it) distribute it or otherwise promote the Company in accordance with Section 238 of the Act but not otherwise. Any recipient of this Prospectus who is not an authorised person may not distribute it to any other person.

The Company will not be authorised to carry on investment business in the United Kingdom. Accordingly, all or most of the protections afforded by the United Kingdom regulatory system to private customers will not apply to an investment in the Company. In particular, compensation will not be available under the United Kingdom Financial Services Compensation Scheme in respect of the Company and Investors will not be entitled to exercise cancellation or withdrawal rights under the rules of the FCA in respect of any subscription or purchase of Shares.

Past performance may not be repeated and you may not get back the full amount of your investment. If you are in any doubt about the suitability of investing in the Company you should contact a professional adviser. Schroder Investment Management Limited and/or any of its associated companies may have a position in or holding of Shares.

The levels and bases of taxation and any relevant reliefs from taxation referred to in this Prospectus can change, any reliefs referred to are the ones which currently apply and their value depends upon the circumstances of each individual Investor.

United States: The Company has not been and will not be registered under the United States Investment Company Act of 1940 as amended (the "Investment Company Act"). The Shares of the Company have not been and will not be registered under the United States Securities Act of 1933 as amended (the "Securities Act") or under the securities laws of any state of the US and such Shares may be offered, sold or otherwise transferred only in compliance with the Securities Act and such state or other securities laws. The Shares of the Company may not be offered or sold to or for the account of any US Person. For these purposes, US Person shall mean any person defined as a US person under Regulation S of the Securities Act.

If you are in any doubt as to your status, you should consult your financial or other professional adviser.

Canada: The Shares of the Company will not be publicly offered in Canada. Any offering of Shares of the Company in Canada will be made only by way of private placement: (i) pursuant to a Canadian offering memorandum containing certain prescribed disclosure, (ii) on a basis which is exempt from the requirement that the Company prepare and file a prospectus with the relevant Canadian securities regulatory authorities and pursuant to applicable requirements in the relevant Canadian jurisdictions, and (iii) to persons or entities that are "accredited Investors" (as such term is defined in National Instrument 45-106 Prospectus and Registration Exemptions) and, if required, "permitted clients" (as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations).

The Management Company is not registered in any capacity in any jurisdiction in Canada and may rely on one or more exemptions from various registration requirements in certain Canadian jurisdictions. In addition to being an “accredited investor”, a Canadian-resident Investor may also be required to be a “permitted client”. If a Canadian-resident Investor, or an Investor that has become a Canadian-resident after purchasing Shares of the Company, is required to be a “permitted client” and does not qualify, or no longer qualifies, as a “permitted client”, the Investor will not be able to purchase any additional Shares of the Company and may be required to redeem its outstanding Shares.

Generally: The above information is for general guidance only, and it is the responsibility of any person or persons in possession of this Prospectus and wishing to make an application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to legal requirements also applying and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

Warning

Investment in the Company carries substantial risk. There can be no assurance that the Company’s investment objective will be achieved and investment results may vary substantially over time. Investment in the Company is not intended to be a complete investment programme for any Investor. Prospective Investors should carefully consider whether an investment in Shares is suitable to them in light of their circumstances and financial resources (see further under "Risk of Investment").

Table of Contents

Important Information 5

Definitions 8

Board of Directors 11

Administration 12

Section 1 **1. The Company** 13

1.1. Structure 13

1.2. Investment Objectives and Policies 13

1.3. Share Classes 13

Section 2 **2. Share Dealing** 16

2.1. Subscription for Shares 16

2.2. Redemption and Switching of Shares 18

2.3. Restrictions on Subscriptions and Switches into certain Funds or Share Classes 20

2.4. Calculation of the Net Asset Value per Share 20

2.5. Suspensions or Deferrals 22

2.6. Market Timing and Frequent Trading Policy 22

Section 3 **3. General Information** 24

3.1. Administration Details, Charges and Expenses 24

3.2. Company Information 28

3.3. Dividends 29

3.4. Taxation 30

3.5. Meetings and Reports 33

3.6. Details of Shares 33

3.7. Pooling 35

3.8. Co-Management 35

3.9. Benchmark Regulation 36

3.10. Sustainability Risk Management 36

3.11. The Liquidity Risk Management Framework 37

Appendix I **Investment and Borrowing Restrictions** 38

Appendix II **Risks of Investment** 42

Appendix III **Fund Details** 53

SFDR and Taxonomy 53

Consideration of principal adverse impacts 53

Taxonomy 53

Hedged Share Classes 53

RMB Hedged Share Classes 54

Schroder Alternative Solutions Commodity Fund 55

Schroder Alternative Solutions Commodity Total Return Fund 58

Appendix IV **Other information** 61

Definitions

2010 Law

the law on undertakings for collective investment dated 17 December 2010, as amended

2013 Law

the law of 12 July 2013 on alternative investment fund managers, as amended

Accumulation Shares

shares which accumulate their income so that the income is included in the price of the shares

AIFMD

all references to "AIFMD" shall mean Directive 2011/61/EU on alternative investment fund managers, as amended

AIFM Regulation

all references to "AIFM Regulation" shall mean the European Commission Delegated Regulation 231/2013 of 19 December 2012

AIFM Rules

all references to "AIFM Rules" shall mean the AIFMD, the AIFM Regulation, the 2013 Law as well as any European or Luxembourg regulatory guidelines as may be issued in relation thereof

Appendix

an appendix to this Prospectus containing information with respect to the Company specifically and/or particular Funds

Articles

the articles of incorporation of the Company as amended from time to time

Asia

China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand and other economies in the Asian continent including but not limited to Bangladesh, Brunei, Cambodia, Pakistan, Mongolia, Myanmar, Nepal, Sri Lanka, Bhutan, East Timor, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan and Vietnam.

Bond Connect

a bond trading link between China and Hong Kong which allows foreign institutional investors to invest in onshore Chinese bonds and other debt instruments traded on the China Interbank Bond Market ("CIBM"), Bond Connect provides foreign institutional investors a more streamlined access to the CIBM

Business Day

unless otherwise provided in the Fund's details in Appendix III, a Business Day is a week day other than New Year's Day, Good Friday, Easter Monday, Christmas Eve, Christmas Day and the day following Christmas Day

CAD

Canadian Dollars

CCP

Central Clearing Counterparty

CHF

Swiss Franc

China A-Shares

equity securities of Chinese companies listed and traded in RMB on Chinese stock exchanges such as Shenzhen or Shanghai Stock Exchanges

China B-Shares

equity securities of Chinese companies listed and traded in HKD or USD on Chinese stock exchanges such as Shenzhen or Shanghai Stock Exchanges

China H-Shares

equity securities of Chinese companies listed and traded in Hong Kong Stock Exchange or other foreign exchanges

Company

Schroder Alternative Solutions

CSSF

Commission de Surveillance du Secteur Financier (Luxembourg Financial Sector Supervisory Authority)

Dealing Cut-off Time

the time by which dealing instructions must be received by the Transfer Agent in order to be executed on a Dealing Day as defined for each Fund in Appendix III

Dealing Day

unless otherwise provided in the Fund's details in Appendix III, a Dealing Day is a Business Day which does not fall within a period of suspension of calculation of the Net Asset Value per Share of the relevant Fund and/or such other day or days as the Directors may decide from time to time. The Management Company may also take into account whether relevant local stock exchanges and/or Regulated Markets are closed for trading and/or settlement, and may elect to treat such closures as non-Dealing Days for Funds which invest a substantial amount of their portfolio on these closed stock exchanges and/or Regulated Markets. A list of expected non-

Dealing Days for the Funds is available from the Management Company on request and is also available on the webpage https://www.schroders.com

Depositary

J.P. Morgan SE, Luxembourg Branch acting as depositary and fund administrator

Directors or Board of Directors

the board of directors of the Company

Distributor

a person or entity duly appointed from time to time by the Management Company to distribute or arrange for the distribution of Shares

Distribution Period

the period from one date on which dividends are paid by the Company to the next. This may be annual or shorter where dividends are paid more regularly

Distribution Shares

shares which distribute their income

Eligible State

includes any member state of the European Union ("EU"), any member state of the Organisation for Economic Co-operation and Development ("OECD"), and any other state which the Directors deem appropriate

EU

European Union

EUR

the European currency unit (also referred to as the Euro)

Fund

a specific portfolio of assets and liabilities within the Company having its own net asset value and represented by a separate Share Class or Share Classes

Fund Currency

the base currency of a Fund

GBP

Great British Pound

HKD

Hong Kong Dollar

Institutional Investor

an investor, whether established in Luxembourg or elsewhere, within the meaning of article 174(2) of the 2010 Law, which means the following:

Institutional Investors stricto sensu, such as banks and other financial sector professionals, insurance and reinsurance companies, other companies, social security institutions and pension funds, sovereign wealth funds and official institutions, all subscribing on their own behalf, and the structures such Institutional Investors put into place for the management of their own assets;

Credit institutions and other financial sector professionals (including but not limited to discretionary investment managers) investing in their own name but on behalf of Institutional Investors described above, including on the basis of a discretionary management mandate;

Credit institutions and other financial sector professionals (including but not limited to discretionary investment managers) investing in their own name but on behalf of non institutional clients on the basis of a discretionary management mandate;

Collective investment undertakings;

Holding companies and similar entities whose shareholders are Institutional Investors as described in the above paragraphs;

Holding companies and similar entities whose shareholder (s)/ beneficial owner(s) is/are individual(s) who may reasonably be regarded as sophisticated investor(s) and where the purpose of the holding company is to hold important financial interests/ investments for an individual or a family;

Holding companies and similar entities which as a result of their structure and activity have a true substance and hold important financial interests / investments.

Investor

a subscriber for Shares

JPY

Japanese Yen

Management Company

Schroder Investment Management (Europe) S.A.

Net Asset Value

Net Asset Value per Share (as described below) multiplied by the number of Shares

Net Asset Value per Share

the value per Share of any Share Class determined in accordance with the relevant provisions described under the heading "Calculation of Net Asset Value" as set out in Section 2.4

OTC

over-the-counter

Professional Investors

a professional investor who is an investor who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs and meets the criteria laid down in Annex II of

Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as may be amended from time to time ("MiFID") (e.g. credit institutions; investment firms; other authorised or regulated financial institutions; insurance companies; collective investment schemes and management companies of such schemes; pension funds and management companies of such funds; commodity and commodity derivatives dealers; locals or other Institutional Investors)

PRIIPs KID

Key investor document for packaged retail and insurance-based investment products within the meaning of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.

Reference Currency

the currency in which a Share Class is offered to Investors

Regulated Market

a market within the meaning of Article 4 (1) (21) of MiFID or another regulated market, which operates regularly and is recognised and open to the public in an Eligible State

Regulations

the 2010 Law and the 2013 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions

Reporting Fund

a Fund or a Share Class that complies with UK HMRC tax regime for offshore funds and therefore has a certain tax status relevant for UK tax paying Shareholders

RMB

Renminbi, the official currency of the People's Republic of China; is used to denote the Chinese currency traded in the onshore and the offshore markets (primarily in Hong Kong). For clarity purposes, all the references to RMB in the name of a Fund or in its reference currency must be understood as a reference to offshore RMB.

Schroders

the Management Company's ultimate holding company and its subsidiaries and affiliates worldwide

SFDR

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended from time to time

SGD

Singapore Dollar

Share

a share of no par value in any one class in the capital of the Company

Share Class

a class of Shares with a specific fee structure

Shareholder

a holder of Shares

Taxonomy

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment

Transfer Agent

HSBC Continental Europe, Luxembourg, acting as the provider of registrar and transfer agency services

UCITS

an "undertaking for collective investment in transferable securities" within the meaning of points a) and b) of Article 1 (2) of the UCITS Directive

UCI

an "undertaking for collective investment" within the meaning of Article 1(25) of the 2010 Law

UCITS Directive

Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended, on the coordination of laws, regulations and administrative provisions relating to UCITS

UK

United Kingdom

UK Reporting Fund Status

a tax status relevant for UK Shareholders

United States

the United States of America (including the States and the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdictions

USD

United States Dollar

All references herein to time are to Luxembourg time unless otherwise indicated.

Words importing the singular shall, where the context permits, include the plural and vice versa.

Board of Directors

Chairman

- **Eric BERTRAND**
  Non-Executive Director
  Vaults 13-16
  Valletta Waterfront
  FRN 1914
  Malta

Other Directors

- **Carla BERGARECHE**
  Head of Wealth Strategic Partnerships
  Schroder Investment Management (Europe) S.A., Spanish branch
  C/ Pinar 7, 4th Floor
  28006 Madrid
  Spain

- **Bernard HERMAN**
  Independent Director
  BH Consulting S.à.r.l.
  26 rue Glesener
  L-1630 Luxembourg
  Grand Duchy of Luxembourg

- **Hugh MULLAN**
  Independent Director
  5, Heienhaff
  L-1736 Senningerberg
  Grand Duchy of Luxembourg

- **Ross LEACH**
  Specialist Solutions
  Schroder Investment Management Limited
  One London Wall Place
  London EC2Y 5AU
  United Kingdom

- **Peter NELSON**
  Head of Product Development
  Schroder Investment Management Limited
  One London Wall Place
  London EC2Y 5AU
  United Kingdom

- **Yves FRANCIS**
  Independent Director
  5, Heienhaff
  L-1736 Senningerberg
  Grand Duchy of Luxembourg

- **Wim NAGLER**
  Head of Business Development, EMEA
  Schroder Investment Management (Europe) S.A., French branch
  1 Rue Euler
  75008 Paris
  France

Administration

Registered Office

5, Heienhaff
L-1736 Senningerberg
Grand Duchy of Luxembourg

Management Company and Domiciliary Agent

Schroder Investment Management (Europe) S.A.
5, Heienhaff
L-1736 Senningerberg
Grand Duchy of Luxembourg

Investment Manager

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU
United Kingdom

Schroder Investment Management North America LLC
7 Bryant Park, New York
New York 10018-3706
United States of America

Depositary and Administrator

J.P. Morgan SE, Luxembourg Branch
European Bank and Business Centre
6 route de Trèves
L-2633 Senningerberg
Grand Duchy of Luxembourg

Independent Auditors

KPMG Audit S.à r.l.
39, Avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Principal Legal Adviser

Elvinger Hoss Prussen, société anonyme
2, place Winston Churchill
L-1340 Luxembourg
Grand Duchy of Luxembourg

Principal Paying Agent

HSBC Continental Europe, Luxembourg
18, Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

Transfer Agent

HSBC Continental Europe, Luxembourg
18, Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

Section 1

1. The Company

1.1. Structure

The Company is an open-ended investment company organised as a "société anonyme" under the laws of the Grand Duchy of Luxembourg and qualifies as a Société d'Investissement à Capital Variable ("SICAV") and as an alternative investment fund within the meaning of article 1 (39) of the 2013 Law. The Company operates separate Funds, each of which is represented by one or more Share Classes. The Funds are distinguished by their specific investment policy or any other specific features.

The Company constitutes a single legal entity, but the assets of each Fund shall be invested for the exclusive benefit of the Shareholders of the corresponding Fund and the assets of a specific Fund are solely accountable for the liabilities, commitments and obligations of that Fund.

The Directors may at any time resolve to set up new Funds and/or create within each Fund one or more Share Classes and this Prospectus will be updated accordingly. The Directors may also at any time resolve to close a Fund, or one or more Share Classes within a Fund to further subscriptions.

Certain Shares may be listed on the Luxembourg Stock Exchange as well as any other recognised stock exchange.

1.2. Investment Objectives and Policies

The exclusive objective of the Company is to place the funds available to it in assets of any kind with the purpose of affording its Shareholders the results of the management of its portfolios.

The specific investment objective and policy of each Fund is described in Appendix III.

The investments of each Fund shall at any time comply with the restrictions set out in Appendix I or in Appendix III as appropriate.

Investors should, prior to any investment being made, take due account of the risks of investment set out in Appendix II and any specific risk set out in Appendix III.

Changes to the Investment Objective and Policy

Any material change to the investment objective and/or the investment policy of a Fund decided by the Company shall be reflected in the Prospectus after receipt of relevant approval of at least such material change from the CSSF and shall be notified to the relevant Shareholders one month before this material change becomes effective, thus enabling the relevant Shareholders, prior to the effective date, to redeem their Shares free of applicable redemption charge (rather than accepting the material change) if they so elect. Any material change may enter into force at an earlier date if all shareholders waive their right to the one-month prior notice.

1.3. Share Classes

The Directors may decide to create within each Fund different Share Classes whose assets will be commonly invested pursuant to the specific investment policy of the relevant Fund, but where a specific fee structure, currency of denomination or other specific feature may apply to each Share Class. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Share Class.

Please note that not all Distributors offer all Share Classes.

Shares are generally issued as Accumulation Shares. Distribution Shares will only be issued within any Fund at the Directors' discretion. Investors may enquire at the Management Company or their Distributor whether any Distribution Shares are available within each Share Class and Fund.

Initial Charge

The Management Company and Distributors are entitled to the initial charge, which can be partly or fully waived at the discretion of the Management Company or of the relevant Distributor. The initial charge attributed to each class of Share is specified in Appendix III.

Minimum Subscription Amount, Minimum Additional Subscription Amount and Minimum Holding Amount

The minimum subscription amount, minimum additional subscription amount and minimum holding amount for each Share Class are set out in Appendix III. The amounts are stated in the relevant currency although near equivalent amounts in any other freely convertible currency are acceptable. These minima may be waived at the Directors' discretion from time to time.

Specific features of A Shares

A Shares will be available to all Investors.

A Shares fees for each Fund are separately disclosed in the Fund details.

Specific features of A1 Shares

A1 Shares will only be available to Investors who at the time the relevant subscription order is received are customers of certain Distributors appointed specifically for the purpose of distributing the A1 Shares and only in respect of those Funds for which distribution arrangements have been made with such Distributors. A1 Shares fees for each Fund are separately disclosed in the Fund details.

Specific features of C Shares

C Shares are available to institutional clients such as pension funds, sovereign wealth funds and official institutions. C Shares are also available to mutual funds and such distributors which according to regulatory requirements, or based on individual fee arrangements with their clients, are not allowed to accept and keep trail commissions.

C Shares fees for each Fund are separately disclosed in the Fund details.

Specific features of D Shares

D Shares will only be available to Investors who at the time the relevant subscription order is received are customers of certain Distributors appointed specifically for the purpose of distributing the D Shares and only in respect of those Funds for which distribution arrangements have been made with such Distributors.

No initial charge will be payable by an Investor on the acquisition of D Shares of any Fund. However, some charges for example redemption or administration charges may be deducted by the distributor from the redemption proceeds as agreed separately between the shareholders and the distributor. Shareholders should check with the respective Distributors for details of the arrangement.

Investors in D Shares will not be permitted to switch the holding of such Shares into other Share Classes, nor will they be permitted to transfer such Shares from one Distributor to another.

Specific features of E Shares

E Shares will only be available to Institutional Investors such as pension funds, sovereign wealth funds and official institutions. E shares may also be available to mutual funds and such distributors which according to regulatory requirements, or based on individual fee arrangements with their clients, are not allowed to accept and keep trail commissions.

The E Shares will only be available until the total Net Asset Value of all available Share Classes within a Fund reaches or is greater than EUR 100,000,000 or USD 100,000,000 or an equivalent amount in another currency, or any other amount as specifically determined by the Management Company.

Once the total Net Asset Value of the Share Classes available in a Fund, ordinarily, reaches or is greater than EUR 100,000,000 or USD 100,000,000 or an equivalent amount in another currency or any other amount as specifically determined by the Management Company, the E Share Classes in that Fund will be closed to Investors for subscriptions. The Management Company may re-open the E Share Classes at its discretion without notice to Shareholders.

Specific features of I Shares

I Shares will only be offered to Investors:

(A) who, at the time the relevant subscription order is received, are clients of Schroders with an agreement covering the charging structure relevant to the clients' investments in such Shares, and

(B) who are Institutional Investors, as may be defined from time to time by the guidelines or recommendations issued by the CSSF.

The Company will not issue, or effect any switching of, I Shares to any Investor who is not considered an Institutional Investor. The Directors may, at their discretion, delay the acceptance of any subscription for I Shares restricted to Institutional Investors until such date as the Transfer Agent has received sufficient evidence on the qualification of the relevant Investor as an Institutional Investor. If it appears at any time that a holder of I Shares is not an Institutional Investor, the Directors will, at their discretion, convert their Shares into a Share Class within the relevant Fund which is not restricted to Institutional Investors (provided that there exists such a Share Class with similar characteristics) or redeem the relevant Shares in accordance with the provisions under "Redemption and Switching of Shares".

As I Shares are, inter alia, designed to accommodate an alternative charging structure whereby the Investor is a client of Schroders and is charged management fees directly by Schroders, no management fees will be payable in respect of I Shares out of the net assets of the relevant Fund. I Shares will bear their pro-rata share of the fees payable to the Depositary and the Management Company, as well as of other charges and expenses.

Specific features of IZ Shares

IZ Shares will only be available, with prior agreement of the Management Company, to Institutional Investors, such as pension funds, sovereign wealth funds, foundations, charities and official institutions.

The Company will not issue, or effect any switching of, IZ Shares to any Investor who may not be considered an Institutional Investor. The Directors may, at their discretion, delay the acceptance of any subscription for IZ Shares restricted to Institutional Investors until such date as the Transfer Agent has received sufficient evidence on the qualification of the relevant Investor as an Institutional Investor. If it appears at any time that a holder of IZ Shares is not an Institutional Investor, the Directors will, at their discretion, convert their Shares into a Share Class within the relevant Fund which is not restricted to Institutional Investors (provided that there exists such a Share Class with similar characteristics) or redeem the relevant Shares in accordance with the provisions under "Redemption and Switching of Shares".

Specific features of J Shares

J Shares will only be offered to and can only be acquired by, Japanese Funds of Funds, which are Institutional Investors as may be defined from time to time by the guidelines or recommendations issued by the CSSF. "Japanese Fund of Funds" means an investment trust or investment corporation that is established under the Law Concerning Investment Trusts and Investment Corporations (Law No. 198 of 1951, as amended) of Japan (an "investment trust") the purpose of which is to invest its assets only in beneficial interests in other investment trusts or shares of investment corporations or collective investment schemes similar thereto established under the laws of any country other than Japan.

The Company will not issue any J Shares to any Investor who is not a Japanese Fund of Funds or permit any J Share to be switched to share(s) of any other Share Class of the Company. The Directors may, at their discretion, refuse to accept any application for subscription for J Shares until and unless the Management Company notifies the Directors that it is satisfied that the applicant for subscription is a Japanese Fund of Funds.

As J Shares are, inter alia, designed to accommodate an alternative charging structure for Japanese Fund of Funds, no management fees will be payable in respect of J Shares out of the net assets of the relevant Fund. J Shares will bear their pro-rata share of the fees payable to the Depositary and the Management Company, as well as of other charges and expenses.

Specific features of X Shares

X Shares will only be offered to Investors who are Institutional Investors, as may be defined from time to time by the guidelines or recommendations issued by the CSSF.

The Company will not issue or effect any switching of X Shares to any Investor who may not be considered an Institutional Investor. The Directors may, at their discretion, delay the acceptance of any subscription for X Shares restricted to Institutional Investors until such date as the Transfer Agent has received sufficient evidence on the qualification of the relevant Investor as an Institutional Investor. If it appears at any time that a holder of X Shares is

not an Institutional Investor, the Directors will, at their discretion, convert their Shares into a Share Class within the relevant Fund which is not restricted to Institutional Investors (provided that there exists such a Share Class with similar characteristics) or redeem the relevant Shares in accordance with the provisions under "Redemption and Switching of Shares".

Specific features of S Shares

S Shares are only available at the Management Company's discretion to certain clients of the Schroder Group's wealth management business. Before the Management Company can accept a subscription into S Shares, a legal agreement must be in place between the Investor and the Schroder Group's wealth management business containing terms specific to investment in S Shares.

In the event that a Shareholder of Class S Shares ceases to be a client of the Schroder Group's wealth management business, the Shareholder will cease to be eligible to hold Class S Shares and the Management Company will compulsorily switch the Shareholder into the most appropriate Share Class of the same Fund. This means that the switch of Class S Shares will be automatic without the need for Shareholders to submit a switching request to the Transfer Agent. Therefore, by subscribing for Class S Shares, Shareholders irrevocably permit the Management Company to switch S Shares on their behalf should they cease to be eligible to invest in Class S Shares.

There is no minimum initial subscription, additional subscription or holding amount. Applications for subscriptions into Class S Shares will be accepted at the Management Company's discretion.

The management fees for S Shares will be up to 1.50% per annum.

Section 2

2. Share Dealing

2.1. Subscription for Shares

How to subscribe

Investors subscribing for Shares for the first time should complete an application form and send it with applicable identification documents by post to the Transfer Agent. Application forms may be accepted by facsimile transmission or other means approved by the Transfer Agent, provided that the original is immediately forwarded by post. If completed application forms and cleared funds are received by the Transfer Agent for any Dealing Day before the Dealing Cut-off Time as specified in Appendix III, the subscription instruction will be executed on the Dealing Day and Shares will normally be issued at the relevant Net Asset Value per Share, as defined under "Calculation of Net Asset Value", determined on the relevant Dealing Day (plus any applicable initial charge). For completed applications received after the Dealing Cut-off Time, the instruction will normally be executed on the next relevant Dealing Day and Shares will be issued at the Net Asset Value per Share calculated on that Dealing Day (plus any applicable initial charge).

Each Investor will be given a personal account number which, along with any relevant transaction number, should be quoted on any payment by bank transfer. Any relevant transaction number and the personal account number should be used in all correspondence with the Management Company, Transfer Agent or any Distributor.

Different subscription procedures may apply if applications for Shares are made through Distributors.

All applications to subscribe for Shares shall be dealt with on an unknown Net Asset Value basis before the determination of the Net Asset Value per Share for that Dealing Day.

However, the Directors may permit, if they deem it appropriate, different Dealing Cut-off Times to be determined in justified circumstances, such as distribution to Investors in jurisdictions with a different time zone. Such different Dealing Cut-off Times may either be specifically agreed upon with Distributors or may be published in any supplement to the Prospectus or other marketing document used in the jurisdiction concerned. In such circumstances, the applicable Dealing Cut-off Time applied to Shareholders must always precede the Dealing Cut-off Time referred to in Appendix III.

Subsequent subscriptions for Shares do not require completion of an additional application form. However, Investors shall provide written instructions as agreed with the Transfer Agent to ensure smooth processing of subsequent subscriptions. Instructions may also be made by letter, facsimile transmission, in each case duly signed, or such other means approved by the Transfer Agent.

Confirmations of transactions will normally be dispatched on the Business Day following the execution of subscription instructions. Shareholders should promptly check these confirmations to ensure that they are correct in every detail. Investors are advised to refer to the terms and conditions on the application form to inform themselves fully of the terms and conditions to which they are subscribing.

Please refer to Appendix III for more details on the Dealing Cut-off Time and dealing frequency for each Fund.

How to pay

Payment should be made by electronic bank transfer net of all bank charges (i.e. at the Investor's expense). Further settlement details are available on the application form.

Shares are normally issued once settlement in cleared funds is received. In the case of applications from approved financial intermediaries or other investors authorised by the Management Company, the issue of Shares is conditional upon the receipt of settlement within a previously agreed period not exceeding three Business Days from the relevant Dealing Day unless otherwise specified in Appendix III. Any non-Dealing Days for a Fund falling within the settlement period are excluded from the calculation of the settlement date. If, on the settlement date, banks are not open for business in the country of the currency of settlement, then settlement will be on the next Business Day on which those banks are open. Payment should arrive in the appropriate bank account, as specified in the settlement instructions, at the latest by 17:00 on the settlement date. Payments received after this time may be considered to have settled on the next Business Day on which the bank is open. If timely settlement is not made, an application may lapse and be cancelled at the cost of the applicant or his/her financial intermediary. Failure to make good settlement by the settlement date may result in the Company bringing an action against the defaulting Investor or his/her financial intermediary or deducting any costs or losses incurred by the Company, Management Company or Transfer Agent against any partial settlement made or existing holding of the applicant in the Company. No interest will be payable on money returnable to the Investor held by the Management Company or Transfer Agent pending confirmation of a transaction.

Payments in cash will not be accepted. Third-party payments will only be accepted at the Company's discretion.

Different settlement procedures may apply if applications for Shares are made through Distributors.

Currency Exchange Service

Payments to and from the Shareholder should normally be made in the currency of the relevant Share Class. However, if the Shareholder selects a currency other than the currency of the relevant Share Class for any payments to or from the Company, this will be deemed to be a request by the Shareholder to the Management Company acting on behalf of the Company to provide a foreign exchange service (provided by the Transfer Agent on the Management Company's behalf) to the Shareholder in respect of such payment. Details of the charge applied to foreign exchange transactions, which is retained by the Management Company, are available upon request from the Management Company acting on behalf of the Company. The cost of currency conversion and other related expenses will be borne by the relevant Investor.

Price Information

The Net Asset Value per Share of one or more Share Classes is published daily on the Business Day after the relevant Dealing Day in such newspapers or other electronic services as determined from time to time by the Directors. It may be made available on the Management Company webpage

www.schroders.com, and is available from the registered office of the Company. The Company does not accept responsibility for any error in publication or for non-publication of the Net Asset Value per Share.

Types of Shares

Shares are issued only in registered form. Registered Shares are in non-certificated form. Fractional entitlements to registered Shares will be rounded to two decimal places (unless otherwise agreed with the Management Company). Shares may also be held and transferred through accounts maintained with clearing systems.

General

Instructions to subscribe, once given, are irrevocable, except in the case of a suspension or deferral of dealing. The Management Company and/or the Company in their absolute discretion reserve the right to instruct the Transfer Agent to reject any application in whole or in part. If an application is rejected, any subscription money received will be refunded at the cost and risk of the applicant without interest. Prospective applicants should inform themselves as to the relevant legal, tax and exchange control regulations in force in the countries of their respective citizenship, residence or domicile.

The Management Company may have agreements with certain Distributors pursuant to which they agree to act as or appoint nominees for Investors subscribing for Shares through their facilities. In such capacity, the Distributor may effect subscriptions, switches and redemptions of Shares in nominee name on behalf of individual Investors and request the registration of such operations on the register of Shareholders of the Company in nominee name. The Distributor or nominee maintains its own records and provides the Investor with individualised information as to its holdings of Shares. Except where local law or custom proscribes the practice, Investors may invest directly in the Company and not avail themselves of a nominee service. Unless otherwise provided by local law, any Shareholder holding Shares in a nominee account with a Distributor has the right to claim, at any time, direct title to such Shares.

The Management Company draws however the Investors' attention to the fact that any Investor will only be able to fully exercise his Shareholder rights directly against the Company, if the Investor is registered himself and in his own name in the Shareholders' register. In cases where an Investor invests in the Company through a Distributor or a nominee investing into the Company in his own name but on behalf of the Investor, it may not always be possible for the Investor to exercise certain Shareholder rights directly against the Company or to be indemnified directly from the Company in case of Net Asset Value calculation errors and/or non-compliance with investment rules and/or other errors at the level of the Fund. Investors are advised to take advice on their rights.

In accordance with the 2010 Law, the issue of Shares shall be prohibited:

(i) during the period where the Company has no depositary; and

(ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with the creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

Anti-Money Laundering Procedures

Pursuant to international norms and Luxembourg laws and regulations (comprising but not limited to the law of 12 November 2004 relating to the fight against money laundering and terrorism financing, as amended, and the Grand-Ducal Regulation of 1st February 2010 providing details on certain provisions of the amended law of 12 November 2004 and the amended CSSF Regulation 12/02 of 14 December 2012 on the fight against money laundering and terrorist financing as amended by CSSF Regulation 20-05), obligations have been imposed on all professionals in the financial sector to prevent money laundering and terrorism financing.

As a result of such provisions, the Management Company, acting on behalf of the Company, has delegated the performance of due diligence and ongoing due diligence, in accordance with Luxembourg laws and regulations. To fulfil this requirement, the Transfer Agent (on behalf of the Management Company) has established a procedure to identify all the Company's Investors. The Transfer Agent (on behalf of the Management Company) may request any information and supporting documentation it deems necessary, including information about beneficial ownership, source of funds and origin of wealth. In any case, the Management Company and/or Transfer Agent may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

In case of delay or failure by an Investor to provide the documents required, an application for subscription or, if applicable, any other transaction may not be accepted and in the case of an application for redemption, redemption proceeds may be withheld. The Management Company may also delay or suspend the payment of dividends until relevant and satisfactory information and/or documentation is received. Neither the Company nor the Management Company nor the Transfer Agent have any liability for delays or failure to process deals as a result of the Investor providing no or only incomplete information and/or documentation.

In accordance with article 3 of the CSSF Regulation 12/02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended by CSSF Regulation 20-05, an enhanced due diligence will be applied to/on the Company's cross-border intermediaries. In this context, Investors must inform without delay the Transfer Agent when the person(s) designated as beneficial owner(s) change and in general, ensure at all times that each piece of information and each document provided to the Transfer Agent or intermediary and/or nominee remains accurate and up-to-date.

The Management Company shall ensure that due diligence measures on the Company's investments are applied on a risk-based approach in accordance with Luxembourg applicable laws and regulations.

Ineligible Investors

The application form requires each prospective applicant for Shares to represent and warrant to the Company that, among other things, he is able to acquire and hold Shares without violating applicable laws.

Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantage which the Company might not otherwise incur or suffer.

The Directors may require the compulsory redemption of shares owned by investors in breach of the restrictions of this section.

Investment Restrictions applying to Investors in Luxembourg

The Fund will not be distributed to retail Investors in the Grand Duchy of Luxembourg.

Investment Restrictions applying to Investors in Hong Kong

Unless otherwise disclosed in this Prospectus or other supplementary documents thereto, this Prospectus contains information on Funds that may not be authorised by the Securities & Futures Commission of Hong Kong (the "SFC") pursuant to Section 104 of the Securities and Futures Ordinance ("SFO").

No offer shall be made to the public of Hong Kong in respect of the unauthorised Funds. Such unauthorised Funds may only be offered or sold in Hong Kong to persons who are "professional investors" as defined in the SFO (and any rules made under the SFO) or in other circumstances which do not otherwise contravene the SFO or any other applicable laws in Hong Kong.

In addition, this Prospectus of such unauthorised funds may only be distributed, circulated or issued to persons who are "professional investors" under the SFO (and any rules made thereunder) or as otherwise permitted under the Hong Kong laws.

The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this material, you should obtain independent professional advice.

Investment Restrictions applying to Investors in Italy

In Italy, in addition to Professional Investors, the Shares of the Company may be offered to non-professional Investors who may subscribe units/shares of alternative investment funds pursuant to the regulation referred to in Article 39 of the Italian Legislative Decree No. 58 of 24 February 1998 (the "Italian Consolidated Law on Finance") in compliance with the following modalities of participation:

(A) the minimum amount of subscription (which cannot be split up) is not lower than EUR 500,000;

(B) the subscription or purchase of units/shares for an initial amount of not less than EUR 100,000 is carried out within the provision of investment advisory services, provided that, as a result of the subscription or purchase, the total amount of investments does not exceed 10% of their financial portfolio. The minimum initial shareholding cannot be split up;

(C) Persons authorised to provide portfolio management services, who in the performance of such service, subscribe or purchase units/shares for an initial amount of not less than EUR 100,000 on behalf of retail Investors.

2.2. Redemption and Switching of Shares

Redemption Procedure

Redemption instructions accepted by the Transfer Agent for any Dealing Day before the Dealing Cut-off Time as specified in Appendix III, or such other time at the Directors' discretion, will normally be executed on the Dealing Day at the relevant Net Asset Value per Share, as defined under "Calculation of Net Asset Value", calculated on the Dealing Day (less any applicable redemption charge). Instructions accepted by the Transfer Agent after the Dealing Cut-off Time will normally be executed on the next relevant Dealing Day at the Net Asset Value per Share.

Execution of a redemption instruction can only be granted if the related registered holding level allows for it. In cases where dealing is suspended in a Fund from which a redemption has been requested, the processing of the redemption will be held over until the next Dealing Day where dealing is no longer suspended.

Instructions to redeem Shares may be given to the Transfer Agent by completing the form requesting redemption of Shares or by letter, facsimile transmission or other means approved by the Transfer Agent where the account reference and full details of the redemption must be provided. All instructions must be signed by the registered Shareholders, except where sole signatory authority has been chosen in the case of a joint account holding or where a representative has been appointed following receipt of a completed power of attorney.

Redemption Proceeds

Different settlement procedures may apply if instructions to redeem Shares are communicated via Distributors.

Redemption proceeds are normally paid by bank transfer or electronic transfer, within three Business Days from the relevant Dealing Day unless otherwise specified in Appendix III and will be instructed to be made at no cost to the Shareholder, provided the Company is in receipt of all documents required. The settlement period of the redemption proceeds for each Fund is specified in Appendix III. Any non-Dealing Days for a Fund falling within the settlement period are excluded from the calculation of the settlement date. The Company, the Management Company, or the Transfer Agent are not responsible for any delays or charges incurred at any receiving bank or settlement system nor are they responsible for delays in settlement which may occur due to the timeline for local processing of payments within some countries or by certain banks. Redemption proceeds will normally be paid in the currency of the relevant Share Class. However, at the request of the Shareholder, a currency exchange service for redemptions is provided to the Shareholder by the Transfer Agent acting on behalf of the Company. Details of the charge applied to foreign exchange transactions, which is retained by the Management Company, are available upon request from the Management Company acting on behalf of the Company. The cost of currency conversion and other related expenses will be borne by the relevant Investor.

If, in exceptional circumstances and for whatever reason, redemption proceeds cannot be paid within the settlement period of each Fund specified in Appendix III from the relevant Dealing Day, for example, when the liquidity of the relevant Fund does not permit, then payment will be made as soon as reasonably practicable thereafter (not exceeding, however, thirty Business Days) at the Net Asset Value per Share calculated on the relevant Dealing Day.

If, on the settlement date, banks are not open for business in the country of the currency of settlement, then settlement will be on the next Business Day on which those banks are open.

Redemptions in Kind

The Management Company, together with the Directors, may from time to time permit redemptions in kind. Any such redemption in kind will be valued in accordance with the requirements of Luxembourg law. In case of a redemption in kind, Shareholders will have to bear costs incurred by the redemption in kind (mainly costs resulting from drawing-up of the independent auditor's report) unless the Company considers that the redemption in kind is in its own interest or made to protect its own interests. Requests for redemptions in kind may only be accepted if the total Net Asset Value of the Shares to be redeemed in a Fund is at least EUR 10,000,000 or an equivalent amount in another currency, unless otherwise determined from time to time by the Management Company, together with the Directors.

Switching Procedure

A switch transaction is a transaction by which the holding of a Shareholder in a Share Class (the "Original Class") is converted into another Share Class (the "New Class") either within the same Fund or different Funds within the Company.

Acceptance by the Transfer Agent of switching instructions will be subject to the availability of the New Class and to the compliance with any eligibility requirements and/or other specific conditions attached to the New Class (such as minimum subscription and holding amounts). The switching procedure is processed as a redemption from the Original Class followed by a subscription into the New Class.

If the Original and New Classes involved in a switch transaction have the same Dealing Cut-off Time and Dealing Days, switching instructions accepted by the Transfer Agent before the Dealing Cut-off Time as specified in Appendix III, or such other time at the Directors' discretion, will normally be executed on the Dealing Day associated with the receipt of the instruction and will normally be executed based on the relevant Net Asset Values per Share of both Share Classes calculated for that Dealing Day (less any applicable switching charge).

However, the following rules will apply if the settlement period in the New Class is shorter than that of the Original Class and/or if the Original and New Classes are subject to different Dealing Days, or Dealing Cut-off Times, or different day or time of the Net Asset Value per Share availability; or if the Original and New Classes are subject to different Fund holidays or different currency holidays during the settlement cycle:

(A) the redemption will be dealt with on the Dealing Day relating to the receipt of the switching instruction with the Net Asset Value per Share of the Original Class calculated for that Dealing Day, and

(B) the subscription will be executed at the next earliest Dealing Day applicable for the New Class with the Net Asset Value per Share of the New Class calculated for that Dealing Day, and

(C) the subscription may be further deferred to a later Dealing Day so that the settlement date for the subscription will always match or follow the settlement date for the redemption (if possible both settlement periods will be matched), and

(D) where the redemption is settled before the subscription, the redemption proceeds will remain on the Company's collection account and interest accrued will be for the benefit of the Company.

In accordance with the 2010 Law, the redemption of Shares shall be prohibited:

(i) during the period where the Company has no depositary; and

(ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with the creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

In cases where dealing is suspended in a Fund from or to which a switch has been requested, the processing of the switch will be held over until the next Dealing Day when dealings are no longer suspended. The switching procedures described above will continue to apply.

Instructions to switch Shares may be given to the Transfer Agent by completing the switch form or by letter, facsimile transmission or other means approved by the Transfer Agent where the account reference and the number of Shares to be switched between named Share Classes must be provided. All instructions must be signed by the registered Shareholders, except where sole signatory authority has been chosen in the case of a joint account holding or where a representative has been appointed following receipt of a completed power of attorney. The power of attorney form acceptable to the Management Company is available on request.

Instructions to switch Shares between Share Classes denominated in different currencies will be accepted. A currency exchange service for such switches is provided by the Transfer Agent acting on behalf of the Company. Details of the charge applied to foreign exchange transactions, which is retained by the Management Company, are available upon request from the Management Company acting on behalf of the Company. The cost of currency conversion and other related expenses will be borne by the relevant Investor.

The Directors may, at their discretion, allow certain selected Distributors to make a charge for switching which shall not exceed 1% of the value of the Share being requested to be switched.

The same principles may apply if Investors instruct switches between investment funds belonging to different legal structures within Schroders' fund ranges.

Shareholders should seek advice from their local tax advisers to be informed on the local tax consequences of such transactions.

General

Different redemption and switching procedures may apply if instructions to switch or redeem Shares are communicated via Distributors.

All instructions to redeem or switch Shares shall be dealt with on an unknown Net Asset Value basis before the determination of the Net Asset Value per Share for that Dealing Day.

Instructions to make payments to third-parties will only be accepted at the Management Company's discretion.

The value of Shares held by any Shareholder in any one Share Class after any switch or redemption should generally exceed the minimum investment as specified in Appendix III.

Unless waived by the Management Company, if, as a result of any switch or redemption request, the amount invested by any Shareholder in a Share Class in any one Fund falls below

the minimum holding for that Share Class, it will be treated as an instruction to redeem or switch, as appropriate, the Shareholder's total holding in the relevant Share Class.

The Directors may permit, if they deem it appropriate, different Dealing Cut-off Times to be determined in justified circumstances, such as distribution to Investors in jurisdictions with a different time zone. Such different Dealing Cut-off Times may either be specifically agreed upon with Distributors or may be published in any supplement to the Prospectus or other marketing document used in the jurisdiction concerned. In such circumstances, the applicable Dealing Cut-off Time applied to Shareholders must always precede the Dealing Cut-off Time referred to in Appendix III.

Confirmations of transactions will normally be dispatched by the Transfer Agent on the next Business Day after Shares are switched or redeemed. Shareholders should promptly check these confirmations to ensure that they are correct in every detail.

Switching or redemption requests will be considered binding and irrevocable by the Management Company and will, at the discretion of the Management Company, only be executed where the relevant Shares have been duly issued.

2.3. Restrictions on Subscriptions and Switches into certain Funds or Share Classes

A Fund or Share Class may be closed to new subscriptions or switches in (but not to redemptions or switches out) if, in the opinion of the Management Company, the closure is necessary to protect the interests of existing Shareholders, or to enable the efficient management of the Fund or Share Class. Without limiting the circumstances where the closure may be appropriate, the circumstances could be where the Fund or a Share Class has reached a size such that the capacity of the market has been reached or that it becomes difficult to manage in an optimal manner, and/or where to permit further inflows would be detrimental to the performance of the Fund or the Share Class. Any Fund or Share Class may be closed to new subscriptions or switches in without notice to Shareholders if Appendix III discloses that a Fund or Share Class is capacity constrained. Once closed, a Fund, or Share Class, will not be re-opened until, in the opinion of the Management Company, the circumstances which required closure no longer prevail. A Fund or Share Class may be re-opened to new subscriptions or switches in without notice to Shareholders.

Investors should contact the Management Company or check the webpage www.schroders.com for the current status of the relevant Funds or Share Classes and for subscription opportunities that may occur (if any).

Capacity Restricted Dealing ("CRD") may be implemented for Funds (or Share Classes) which are closed to new subscriptions or switches in. Any Investor who wants to invest in a Fund (or a Share Class) for which CRD is in effect (except as stated below) must submit an expression of interest ("EOI") form to the Management Company, which can be found on the webpage: https://www.schroders.com/en-lu/lu/individual/funds-and-strategies/fund-administration/capacity-restricted-dealing . Investors who have submitted a valid EOI form will be placed on a waiting list and contacted by the Management Company should capacity become available. Investors will be contacted by the Management Company in the order in which EOIs were accepted. However, where capacity is offered to the Fund for a limited time period, only Investors who are able to subscribe within the relevant timeframe, as specified in their EOI, will be contacted in the order in which EOIs were accepted. The EOI form contains a maximum subscription limit which Investors may not exceed, a minimum subscription amount and a timeframe required by Investors to complete the subscription process.

The Management Company reserves the right to reject or scale back subscriptions if the total subscription amount is in excess of the limit stated in the terms and conditions of the EOI form. If an Investor does not wish to invest the amount stated in the EOI or is not able to invest within the specified timeframe, the Management Company reserves the right to reject the subscription, extend the period for subscription or to contact other Investor(s) in the order in which EOIs were accepted. Investors should contact the Management Company or check the webpage https://www.schroders.com/en-lu/lu/individual/funds-and-strategies/fund-administration/capacity-restricted-dealing/ for more detail on how the CRD facility will operate and for the list of closed Funds (or Share Classes) for which CRD is in effect. The normal eligibility requirements will apply to any applications made under the CRD process.

The Management Company may accept a subscription in a Fund (or any Share Class) which is closed to new subscriptions or switches in, and in relation to which CRD may or may not be in effect, where (i) the Investment Manager of such Fund (or Share Class) informs the Management Company that investment capacity has become available, or (ii) where such applicant gave the Management Company a commitment to invest in the Fund (or Share Class) prior to CRD coming into effect in respect of that Fund (or Share Class). Such subscriptions may be made by any Investor, whether or not they are also on the CRD waiting list referred to above.

2.4. Calculation of the Net Asset Value per Share

(A) The Net Asset Value per Share of each Share Class will be calculated on each Dealing Day in the currency of the relevant Share Class. It will be calculated by dividing the Net Asset Value attributable to each Share Class, being the proportionate value of its assets less its liabilities, by the number of Shares of such Share Class then in issue. The resulting sum shall be rounded to the nearest two decimal places.

(B) The Directors reserve the right to allow the Net Asset Value per Share of each Share Class to be calculated more frequently than once daily, or to otherwise alter dealing arrangements on a permanent or a temporary basis, for example, where the Directors consider that a material change to the market value of the investments in one or more Funds so demands. The Prospectus will be amended, following any such permanent alteration, and Shareholders will be informed accordingly.

(C) In valuing total assets, the following rules will apply:

(1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company and/or the Management Company may consider appropriate in such case to reflect the true value thereof.

(2) The value of any securities, assets (including shares or units in closed-ended UCIs) and derivative instruments will be determined on the basis of the last available price on the stock exchange or any other Regulated Market on which these securities, assets or derivative instruments are traded or admitted for trading. Where such securities, assets or derivative instruments are quoted or dealt in one or by more than one stock exchange or any other Regulated Market, the Directors and/or the Management Company shall make regulations for the order of priority in which stock exchanges or other Regulated Markets shall be used for the provision of prices of securities, assets or derivative instruments.

(3) If a security or derivative instrument is not traded or admitted on any official stock exchange or any Regulated Market, or in the case of securities so traded or admitted the last available price of which does not reflect their true value, the Directors and/or the Management Company are required to proceed on the basis of their expected sales price, which shall be valued with prudence and in good faith.

(4) The derivatives which are not listed on any official stock exchange or traded on any other regulated market are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative. The reference to fair value shall be understood as a reference to the amount for which an asset could be exchanged, or a liability be settled, between knowledgeable, willing parties in an arm's length transaction. The reference to reliable and verifiable valuation shall be understood as a reference to a valuation, which does not rely only on market quotations of the counterparty and which fulfils the following criteria:

(I) The basis of the valuation is either a reliable market value of the instrument, or, if such value is not available, a pricing model using an adequately, recognised methodology.

(II) Verification of the valuation is carried out by one of the following:

(a) an appropriate third-party which is independent from the counterparty of the OTC derivative, at an adequate frequency and in such a way that the Company is able to check it;

(b) a unit within the Company which is independent from the department in charge of managing the assets and which is adequately equipped for such purpose.

(5) Swaps contracts will be valued at the market value fixed in good faith by the Directors and/or the Management Company and according to generally accepted valuation rules that can be verified by auditors. Asset based swap contracts will be valued by reference to the market value of the underlying assets. Cash flow based swap contracts will be valued by reference to the net present value of the underlying future cash flows.

(6) Each share or unit in an open-ended UCI will be valued at the last available net asset value (or bid price for dual priced UCI) whether estimated or final, which is computed for such unit or shares on the same Dealing Day, failing which, it shall be the last net asset value (or bid price for dual priced UCI) computed prior to the Dealing Day on which the Net Asset Value of the Shares is determined.

(7) In respect of shares or units of a UCI held by the Company, for which issues and redemptions are restricted and a secondary market trading is effected between dealers who, as main market makers, offer prices in response to market conditions, the Directors and/or the Management Company may decide to value such shares or units in line with the prices so established.

(8) Liquid assets and money market instruments will be valued at mark-to-market, mark-to-model and/or by using the amortised cost method.

(9) If, since the day on which the latest net asset value was calculated, events have occurred which may have resulted in a material change of the net asset value of shares or units in other UCI held by the Company, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Directors and/or the Management Company, such change of value.

(10) The value of any security or other asset which is dealt principally on a market made among professional dealers and Institutional Investors shall be determined by reference to the last available price.

(11) If any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Company's assets, the Directors and/or the Management Company may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.

(12) Any assets or liabilities in currencies other than the base currency of the Funds (as defined in Appendix III) will be converted using the relevant spot rate quoted by a bank or other recognised financial institution.

(13) In circumstances where the interests of the Company or its shareholders so justify (avoidance of market timing practices, for example), the Directors and/or the Management Company may take any appropriate measures, such as applying a fair value pricing methodology to adjust the value of the Company's assets, as further described below under 2.6 "Market Timing and Frequent Trading Policy".

CSSF Circular 24/856

With regard to the protection of Investors in case of net asset value calculation error and correction of the consequences resulting from non-compliance with the investment rules applicable to the Company or any other breach of the diversification requirements, the Board of Directors intends to comply together with the Management Company with the principles and rules set forth in CSSF Circular 24/856 (as may be amended or replaced from time to time).

2.5. Suspensions or Deferrals

(A) If the aggregate value of switch or redemption instructions on any one Dealing Day is more than 10% of the total value of Shares in issue of any Fund, the Management Company, together with the Directors, may declare that the redemption of part or all Shares in excess of 10% for which a redemption or switch has been requested will be deferred until the next Dealing Day. Such deferred instructions will be valued at the Net Asset Value per Share prevailing on that Dealing Day. On such Dealing Day, deferred requests will be dealt with in priority to later requests and in the order that requests were initially received by the Transfer Agent.

(B) The Management Company, together with the Directors, reserves the right to extend the period of payment of redemption proceeds to such period, not exceeding thirty Business Days, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control regulations or similar constraints in the markets in which a substantial part of the assets of a Fund are invested or in exceptional circumstances where the liquidity of a Fund is not sufficient to meet the redemption requests.

(C) The Management Company, together with the Directors, may temporarily suspend or defer the calculation of the Net Asset Value per Share of any Share Class in any Fund and the issue and redemption of any Shares in such Fund, as well as the right to switch Shares of any Share Class in any Fund into Shares of a different Share Class of the same Fund or any other Fund:

(1) during any period when any of the principal stock exchanges or any other Regulated Market on which any substantial portion of the Company's investments of the relevant Fund for the time being are quoted, is closed, or during which dealings are restricted or suspended; or

(2) during any period when the Net Asset Value of one or more UCI(s), in which the Company will have invested and the units or the shares of which constitute a significant part of the assets of the Company, is suspended or cannot be determined accurately so as to reflect their fair market value as at the Dealing Day; or

(3) during any period when the market value of one or more swap contract, in which the Company will have invested and the value of which has a significant impact on the Net Asset Value of a Fund, cannot be determined accurately so as to reflect their fair market value as at the Dealing Day; or

(4) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Fund by the Company is impracticable; or

(5) during any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange; or

(6) if for any reason the prices of any investment owned by a Share Class cannot be reasonably, promptly or accurately determined; or

(7) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Management Company, together with the Directors, be effected at normal rates of exchange; or

(8) if the Company or a Fund is being or may be wound-up or merged on or following (i) the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Company or a Fund is proposed or (ii) the date on which the Directors decide to wind up or merge a Fund; or

(9) if the Directors have determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company attributable to a particular Fund in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; or

(10) during any other circumstance or circumstances where a failure to do so might result in the Company or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment which the Company or its Shareholders might so otherwise have suffered; or

(11) during any period where circumstances exist that would justify the suspension for the protection of Shareholders in accordance with the 2010 Law.

(D) The suspension of the calculation of the Net Asset Value per Share of any Fund or Share Class shall not affect the valuation of other Funds or Share Classes, unless these Funds or Share Classes are also affected.

(E) During a period of suspension or deferral, a Shareholder may withdraw his request in respect of any Shares not redeemed or switched, by notice in writing received by the Transfer Agent before the end of such period.

Shareholders will be informed of any suspension or deferral as appropriate.

2.6. Market Timing and Frequent Trading Policy

The Company does not knowingly allow dealing activity which is associated with market timing or frequent trading practices, as such practices may adversely affect the interests of all Shareholders.

For the purposes of this section, market timing is held to mean subscriptions into, switches between or redemptions of Shares from the various Share Classes (whether such acts are performed singly or severally at any time by one or several persons) that seek or could reasonably be considered to appear to seek profits through arbitrage or market timing opportunities. Frequent trading is held to mean subscriptions into, switches between or redemptions of Shares from the various Share Classes (whether such acts are performed singly or severally at any time by one or several persons) that by virtue of their frequency or size cause any Fund's operational expenses to increase to an extent that could reasonably be considered detrimental to the interests of the Fund's other Shareholders.

Accordingly, the Directors may, whenever they deem it appropriate, cause the Management Company to implement either one, or both, of the following measures:

- The Management Company may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices. Accordingly, the Directors and/ or the Management Company reserve the right to cause the Transfer Agent to reject any application for switching and/or subscription of Shares from Investors whom the former considers market timers or frequent traders.

- If a Fund is primarily invested in markets which are closed for business at the time the Fund is valued, the Directors may, during periods of market volatility, and by derogation from the provisions above, under "Calculation of Net Asset Value", cause the Management Company to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Fund's investments at the point of valuation.

The Company uses an independent agent to provide the fair valuation analysis. The adjustment of the Net Asset Value per Share of a Fund so as to reflect the fair value of the portfolio as at the point of valuation is an automated process. Adjustment factors are applied daily at an individual asset level to independently sourced market prices. The adjustment process covers all equity markets that are closed at the relevant valuation point and all Funds that have exposure to these markets are fair value priced. In applying fair value pricing, the Company is seeking to ensure that consistent prices are applied across all relevant Funds. Fixed income and other asset classes are currently not subject to fair value pricing.

Where an adjustment is made as per the foregoing, it will be applied consistently to all Share Classes in the same Fund.

Section 3

3. General Information

3.1. Administration Details, Charges and Expenses

Directors

Each of the Directors is entitled to remuneration for his services at a rate determined by the Company's general meeting of Shareholders. In addition, each Director may be paid reasonable expenses incurred while attending meetings of the Board of Directors or general meetings of the Company. Directors who are also directors/employees of the Management Company, any of the Investment Managers and/or any Schroders' company will waive their Directors' remuneration. External Directors will be remunerated for their services.

Management Company

The Directors have designated Schroder Investment Management (Europe) S.A. as (i) its management company to perform investment management, administration, shareholder registration, dealing and marketing functions in respect of the Company and (ii) as alternative investment fund manager of the Company within the meaning of article 1(46) of the 2013 Law.

The Management Company has been permitted by the Company to delegate certain administrative, distribution and management functions to specialised service providers. In that context, the Management Company has delegated certain administration functions to J.P. Morgan SE, Luxembourg Branch and may delegate certain marketing functions to entities which form part of the Schroders group. The Management Company has also delegated certain portfolio management functions to the Investment Managers and currency hedging to HSBC Bank Plc for hedged Share Classes as more fully described below.

In particular, HSBC Continental Europe, Luxembourg will be in charge of the registrar function as further described under point "Transfer Agent, Registrar and Principal Paying Agent" and of the client communication function. J.P. Morgan SE, Luxembourg Branch will be in charge of the calculation of the Net Asset Value of the Funds and of the accounting function.

The Management Company will monitor on a continued basis the activities of the third-parties to which it has delegated functions. The agreements entered between the Management Company and the relevant third-parties provide that the Management Company can give at any time further instructions to such third-parties, and that it can withdraw their mandate with immediate effect if this is in the interest of the Shareholders. The Management Company's liability towards the Company is not affected by the fact that it has delegated certain functions to third-parties.

The Management Company is entitled to receive the customary charges for its services as administration agent, coordinator, domiciliary agent, global distributor, principal paying agent and registrar and transfer agent. These fees accrue daily on each Business Day at an annual rate of up to 0.25% by reference to the Net Asset Value of the relevant Fund and are paid monthly in arrears. As the administration charge is a fixed percentage of the Net Asset Value of the Fund it will not vary with the cost of providing the relevant services. As such the Management Company could make a profit (or loss) on the provision of those services, which will fluctuate over time on a Fund by Fund basis. These fees are subject to review from time to time by the Management Company and the Company. The Management Company is also entitled to reimbursement of all reasonable out-of-pocket expenses properly incurred in carrying out its duties. The Management Company may at its discretion part pay or pay in full any costs or expenses incurred by the Company with a view to limiting the overall costs and expenses borne by Investors in the Company, or a particular Fund or Share Class.

Schroder Investment Management (Europe) S.A. was incorporated as a "Société Anonyme" in Luxembourg on 23 August 1991 and has an issued share capital of EUR 14,628,830.98. Schroder Investment Management (Europe) S.A. has been authorised as a management company under chapter 15 of the 2010 Law and as alternative investment fund manager under the 2013 Law.

The Management Company is also acting as a management company for five other Luxembourg domiciled *Sociétés d'Investissement à Capital Variable*: Schroder GAIA, Schroders Capital Semi-Liquid, Schroders Capital, Schroder Matching Plus, Schroder Special Situations Fund and Schroder International Selection Fund.

The directors of the Management Company are:

- Mike Sommer, Head of Risk and Compliance Europe, Schroder Investment Management (Europe) S.A.
- Peter Hilborne (Chairman), Chief Operating Officer for Global Operating Platform, Schroder Investment Management Limited
- Finbarr Browne, Global Head of Fund Platform and Conducting Officer, Schroder Investment Management (Europe) S.A.
- Vanessa Grueneklee, Global Head of Client Service Delivery and Conducting Officer, Schroder Investment Management (Europe) S.A.
- Garth Taljard, Global Head of Investment Product and Multi-Asset Management, Schroder Investment Management Limited
- Edward Mitchell, Head of Client Group Strategy Execution & Delivery, Schroder Investment Management Limited
- Marcel Vogt, COO Private Debt and Credit Alternatives, Schroder Investment Management (Switzerland) AG

Investment Managers

The Investment Managers may on a discretionary basis acquire and dispose of securities of the Funds for which they have been appointed as investment adviser and manager, subject to and in accordance with instructions received from the Management Company and/or the Company from time to time, and in accordance with stated investment objectives and restrictions. The Investment Managers are entitled to receive as remuneration for their services, investment management fees, as disclosed for each Fund in Appendix III. Such fees are calculated and accrued on each Dealing Day by reference to the Net Asset Values of the Funds and paid monthly in arrears. In the performance of their duties, Investment Managers may seek, at their own expense, advice from investment advisers.

The Investment Managers of the Funds are specified in Appendix III.

Sub-Investment Managers

Subject to the prior approval of the Management Company, the relevant Investment Manager may appoint one or more other Schroders group companies, at its own expense and responsibility, to manage all or part of the assets of the Funds or to provide recommendations or advice on any part of the investment portfolio (each a "Sub-Investment Manager"). Any such appointment of a Sub-Investment Manager may also be subject to approval and/or registration with local regulators.

Any Sub-Investment Manager appointed by an Investment Manager in accordance with the preceding paragraph may, in turn, appoint another Schroders group entity to manage all or part of a Fund's assets, subject to the prior written consent of the Investment Manager and the Management Company.

The Schroders group entities which may act as Sub-Investment Managers are those eligible to act as Investment Managers and are listed at the beginning of this Prospectus.

The list of Investment Managers and Sub-Investment Managers for each Fund is available at https://www.schroders.com/en-lu/lu/individual/funds-and-strategies/fund-administration/sub-delegations/ and https://www.schroders.com/en-lu/lu/individual/funds-and-strategies/fund-administration/sub-delegations/

The Sub-Investment Managers provide their investment management services (i) under the supervision of the Management Company and the Investment Manager, (ii) in accordance with instructions received from and investment allocation criteria laid down by the Management Company and/or the Investment Manager from time to time, and (iii) in compliance with the investment objectives and policies of the relevant Fund.

Transfer Agent, Registrar and Principal Paying Agent

The Management Company has delegated the transfer agency, registrar and principal paying agent functions to HSBC Continental Europe, Luxembourg (the Transfer Agent). Fees, expenses and out-of-pocket expenses relating to the services performed by the Transfer Agent are borne by the Management Company.

Performance Fees

For the purposes of this section only (Performance Fees), the following terms shall have the following meanings unless the context otherwise requires:

- Gross Asset Value: the amount of assets calculated net of all liabilities and costs and before deduction of the performance fee to be paid for the relevant performance period
- High Water Mark: the Gross Asset Value per Share at the end of the previous performance period in respect of which a performance fee was paid or payable
- Net Asset Value: the amount of assets calculated net of all liabilities and costs and after deduction of the performance fees

In consideration of the services provided by the Investment Managers in relation to the Funds, the Investment Managers are entitled to receive a performance fee, in addition to management fees, as disclosed for each Fund in Appendix III. It should also be noted that the performance fee is calculated prior to any dilution adjustments.

The performance fee becomes due in the event of outperformance, that is, if the increase in the Gross Asset Value per Share on the preceding Business Day during the relevant performance period exceeds the High Water Mark.

The performance period shall normally be each Financial Year, except:

- where the Gross Asset Value per Share on the Business Day preceding the end of the Financial Year is lower than the High Water Mark, the commencement of the performance period will remain the date of that High Water Mark;
- if a performance fee is introduced in relation to a Fund during a Financial Year, then its first performance period will commence on the date on which such fee is introduced and the High Water Mark shall be the Net Asset Value per Share on the date of such introduction; and
- where a performance period ends during a Financial Year due to the liquidation or merger/consolidation of a Fund or Share Class (subject to the best interests of the relevant Investors).

The High Water Mark of any relevant Share Class shall not be reset during the whole life of such Share Class, other than at the end of a performance period if a performance fee is paid or payable, unless otherwise decided by the Board and/or the Management Company in the best interest of the Investors as explained hereafter.

The Board and/or the Management Company (as the case may be) may, at their discretion, decide on a case by case basis to apply a High Water Mark which is higher than the applicable High Water Mark of a Share Class, taking due account of the best interests of the relevant Investors.

The criteria that needs to be fulfilled for a performance fee to become due is that the Gross Asset Value per Share on the Business Day preceding the end of a performance period is greater than the High Water Mark.

The performance fee, if applicable, is payable during the month immediately following the end of each performance period on the last Business Day in September. In addition if a Shareholder redeems or switches all or part of their Shares before the end of a performance period, any Accrued Performance Fee with respect to such Shares will crystallise on that Dealing Day and will then become payable to the Investment Manager immediately following the end of each Financial Year following the relevant redemption/switch. For the avoidance of doubt, the High Water Mark is not reset on those Dealing Days on which performance fees crystallise following the redemption or switch of Shares.

It should be noted that as the Gross Asset Value per Share may differ between Share Classes, separate performance fee calculations will be carried out on each Share Class within the same Fund, which therefore may become subject to different amounts of performance fee. When the Company launches a new share class with a performance fee, the Company may seek to align the level of the performance fee's High Water Mark with that of (if available) an existing equivalent share class. The Company reserves the right to launch such a new share class with a High Water Mark set at the Net Asset Value of the share class at its launch.

A Share Class' performance fee is accrued on each Business Day, on the basis of the difference between the Gross Asset Value per Share on the preceding Business Day and the High Water Mark, multiplied by the average number of Shares in issue over the accounting period. On each Business Day, the accounting provision made on the immediately preceding Business Day is adjusted to reflect the Share Class performance, positive or negative, calculated as described above. If on the Business Day the relevant Gross Asset Value per Share on the preceding Business Day is lower than the High Water Mark, the provision made on the preceding Business Day is returned to the relevant Share Class within the relevant Fund. The accounting provision may, however, never be negative. Under no circumstances will the respective Investment Manager pay money into a Fund or to any Shareholder for any underperformance.

The relevant Funds and Share Classes in relation to which a performance fee may be introduced are specified in Appendix III.

Examples 1 to 6 show how the performance fee is calculated using the High Water Mark. For simplicity these examples refer to a proposed 10% performance fee on any outperformance by the Gross Asset Value per Share of the High Water Mark.

No performance fee will be accrued if the Gross Asset Value on the preceding Business Day is below the High Water Mark. If the Gross Asset Value on the preceding Business Day is above the High Water Mark, a performance fee will be accrued according to the following formulae:

Accrued Performance Fee = ((Gross Asset Value on the preceding Business Day – High Water Mark on the preceding Business Day*)* 10%) * average number of Shares in issue in the relevant Share Class over the accounting period.*

A Share Class' performance fee is accrued on each Business Day on the basis of the preceding Business Day performance.

The accrued fee will not be allowed to become a negative monetary amount.

Valuation Point	Gross Asset Value	High Water Mark	Net Asset Value	PF rate	PF per unit
A	100	100	100	10.0%	-
B	105	100	105.00	10.0%	0.00
C	110	100	109.50	10.0%	0.50
D	98	100	97.00	10.0%	1.00
E	108	100	108.00	10.0%	0.00
F	110	108	109.20	10.0%	0.80
G	115	108	114.80	10.0%	0.20

These examples refer to the Share price of a hypothetical Share Class. Valuation point F is the end of a performance period and valuation point G is the start of a subsequent performance period.

In the above examples the High Water Mark is 100 to point F at which point the performance fee is taken and the High Water Mark is reset to 108.

Example 1

The first Investor buys Shares at valuation point A at 100 and at valuation point B the Gross Asset Value has risen to 105.

On the preceding valuation point A, the Gross Asset Value is 100, since this is equal to the High Water Mark of 100, the Share Class has accrued no performance fee, which means that the Net Asset Value will now be set at 105. Consequently if the first Investor redeems at valuation point B, he will not pay any performance fee.

Example 2

At valuation point C the Gross Asset Value has risen to 110.

On the preceding valuation point B, the Gross Asset Value has risen to 105 which is 5 in excess of the High Water Mark of 100, so the performance fee accrual is 0.5 (10% of 5). This means that those buying Shares at this point will pay 109.5 per Share. The performance fee will not be crystallised (paid to the Investment Manager) until the end of the performance period which is valuation point F.

However, if a Shareholder redeems or switches all or part of the Shares before the end of a performance period, he or she will receive the Net Asset Value 109.5 per Share and the accrued performance fee of 0.5 per Shares will crystallise on the Dealing Day and will then become payable to the Investment Manager, as described above. The High Water Mark is not reset on those Dealing Days at which performance fees crystallise following the redemption or switch of Shares.

Example 3

At valuation point D the Gross Asset Value has fallen to 98.

On the preceding valuation point C, the Gross Asset Value is 110. The High Water Mark is 100, so a performance fee will only be charged on the difference between the Gross Asset Value of 110 and the High Water Mark of 100. This equates to a performance accrual of 1 (10% of 10) resulting in a Net Asset Value of 97.

Example 4

At valuation point E the Gross Asset Value has risen to 108.

On the preceding valuation point D, since the Gross Asset Value of 98 is below the High Water Mark of 100, the Share Class has accrued no performance fee, which means that the Net Asset Value will now be set at 108. Consequently if the first Investor redeems at valuation point E, he will not pay any performance fee.

Example 5

At valuation point F the Gross Asset Value has risen to 110.

On the preceding valuation point E, the Gross Asset Value is 108. The High Water Mark is 100, so a performance fee will be charged on the difference between the Gross Asset Value of

108 and the High Water Mark of 100. This equates to a performance accrual of 0.8 (10% of 8) resulting in a Net Asset Value of 109.20.

At this valuation point F, which is the end of the performance period, the Performance Fee of 0.80 is crystallised and paid to the Investment Manager. The High Water Mark is also reset to the Gross Asset Value of 108.

Example 6

Valuation point G is the start of the new performance period and the Gross Asset Value is 115.

As the valuation point F is the end of the performance period and the performance fee is crystallised and paid to the Investment Manager, the new High Water Mark for the calculation of the performance fees is the Gross Asset Value of 108.

On the preceding valuation point F, the Gross Asset Value is 110. The High Water Mark is 108, so a performance fee will be charged on the difference between the Gross Asset Value of 110 and the High Water Mark of 108. This equates to a performance accrual of 0.2 (10% of 2) resulting in a Net Asset Value of 114.80.

Marketing of the Shares and terms applying to Distributors

The Management Company shall perform its marketing functions by appointing and, as the case may be, terminating, coordinating among and compensating third-party distributors of good repute in the countries where the Shares of the Funds may be distributed or privately placed. Third-party distributors shall be compensated for their distribution, shareholder servicing and expenses. Third-party distributors may be paid a portion or all of the initial charge, distribution charge, shareholder servicing fee, and management fee.

Distributors may only market the Company's Shares if the Management Company has authorised them to do so.

Distributors shall abide by and enforce all the terms of this Prospectus including, where applicable, the terms of any mandatory provisions of Luxembourg laws and regulations relating to the distribution of the Shares. Distributors shall also abide by the terms of any laws and regulations applicable to them in the country where their activity takes place, including, in particular, any relevant requirements to identify and know their clients.

Distributors must not act in any way that would be damaging or onerous on the Company in particular by submitting the Company to regulatory, fiscal or reporting information it would otherwise not have been subject to. Distributors must not hold themselves out as representing the Company.

In certain countries, Investors may be charged additional amounts in connection with the duties and services of local paying agents, correspondent banks or similar entities.

Regular savings plans may be available in certain countries. If a savings plan is terminated before the agreed final date, the amount of the initial charge paid may be greater than it would have been in the case of a standard subscription. Further details can be obtained from the local distributor.

Structured Products

Investment in the Shares for the purpose of creating a structured product replicating the performance of the Funds is only permitted after entering into a specific agreement to this effect with the Management Company. In the absence of such an agreement, the Management Company can refuse an investment into the Shares if this is related to a structured product and deemed by the Management Company to potentially conflict with the interest of other Shareholders.

Depositary

J.P. Morgan SE, acting through its Luxembourg Branch, has been appointed depositary of the Company ('the Depositary') within the meaning of the 2013 Law, in charge of (i) the safekeeping of the assets of the Company (ii) the cash monitoring, (iii) the oversight functions and (iv) such other services as may be agreed in writing from time to time between the Company and the Depositary.

J.P. Morgan SE is a European Company (Societas Europaea) organized under the laws of Germany, with registered office at Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany and is registered with the commercial register of the local court of Frankfurt. It is a credit institution subject to direct prudential supervision by the European Central Bank (ECB), the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and Deutsche Bundesbank, the German Central Bank. J.P. Morgan SE, Luxembourg Branch is authorized by the Luxembourg Financial Sector Supervisory Commission (Commission de Surveillance du Secteur Financier, "CSSF") to act as depositary and fund administrator. J.P. Morgan SE, Luxembourg Branch is registered in the Luxembourg Trade and Companies' Register (RCS) under number B255938 and is subject to the supervision of the aforementioned home State supervisory authorities as well as local supervision by the CSSF.

The Depositary may receive a fee in relation to these fiduciary services, which is set at a rate of up to 0.005% per annum of the Net Asset Value of the Company. The Depositary shall assume its functions and responsibilities in accordance with the 2013 Law. The principal duties of the Depositary are as follows:

(A) Safe-keeping of the assets of the Company that can be held in custody (including book entry securities) and record-keeping of assets that cannot be held in custody in which case the Depositary must verify their ownership;

(B) Ensure that the Company's cash flows are properly monitored, and in particular ensure that all payments made by or on behalf of Investors upon the subscription of Shares in the Company have been received and that all cash of the Company has been booked in cash accounts that the Depositary can monitor and reconcile;

(C) Ensure that the issue, redemption and cancellation of Shares of the Company are carried out in accordance with applicable laws and the Articles;

(D) Ensure that the value of the Shares of the Company is calculated in accordance with applicable laws, the Articles and the valuation procedures;

(E) Carry out the instructions of the Management Company, unless they conflict with applicable laws or the Articles;

(F) Ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits;

(G) Ensure that the Company's income is applied in accordance with applicable laws and the Articles.

In relation to the Depositary's safekeeping duties as referred to in paragraph (A) above, in respect of financial instruments (that can be held in custody as defined in article 1 (51) of the 2013 Law), the Depositary is liable to the Shareholders for any loss of such financial instruments held in custody by the Depositary or any delegate of the Depositary to whom safekeeping of those financial instruments has been delegated, save to the extent that any such liability has been contractually discharged to a sub-custodian pursuant to article 19(11) and article 19(13) of the 2013 Law. The term "loss of financial instruments held in custody" shall be interpreted in accordance with the AIFM Regulation and especially article 100 of the AIFM Regulation.

The Depositary may only delegate its safekeeping functions but not its oversight functions. Additionally, when delegating such functions, the Depositary shall comply with the due diligence and supervisory requirements of the 2013 Law relating to the selection and on-going monitoring of sub-custodians. The Depositary shall also ensure that identified conflicts of interest are managed and monitored.

In the event that the law of a particular jurisdiction requires that certain financial instruments be held in custody by a local entity and no local sub-custodian has, been identified by the Depositary as being capable of fulfilling the delegation requirements of the 2013 Law, the Management Company shall, prior to the Shareholders investing in those financial instruments, (i) ensure that the Shareholders are duly informed that the delegation is required due to legal constraint in that jurisdiction and (ii) set out for them the circumstances that, in the reasonable opinion of the Management Company, justify such delegation. In the event that the delegation requirements of the 2013 Law are not capable of being fulfilled by a sub-custodian after the Shareholder has invested in the Company, the Management Company shall also ensure that the Shareholders are informed of the legal constraints in the relevant law and of the circumstances that, in the reasonable opinion of the Management Company, justify such delegation.

To the extent that a sub-custodian is permitted to sub-delegate its functions, it may do so only to the extent that its liability under the 2013 Law is not affected by such sub-delegation.

A list of the appointed sub-custodians shall be made available to Shareholders on request. There are currently no arrangements for the contractual discharge of the Depositary's liability. Shareholders shall be notified of any arrangements agreed with the Depositary for any such discharge.

The Depositary will receive from the Company such fees and commissions as are in accordance with usual practice in Luxembourg as well as accounting fees covering the Company's accounting. The custody safe keeping services and transaction fees are paid on a monthly basis and are calculated on the assets held at the month end. The percentage rate of the safekeeping fee and the level of transaction fees vary, according to the country in which the relevant activities take place, up to a maximum of 0.3% per annum and USD 75 per transaction respectively.

Fees relating to core fund accounting and valuation services are calculated and accrued on each Business Day at an annual rate of up to 0.0083%of the Net Asset Value of a Fund. Additional fees may be due from each Fund for additional services such as non-standard valuations; additional accounting services, for example performance fee calculations; and for tax reporting services.

Fiduciary fees, custody safekeeping and transaction fees, together with fund accounting and valuation fees, may be subject to review by the Depositary and the Company from time to time. In addition, the Depositary is entitled to any reasonable expenses properly incurred in carrying out its duties.

The amounts paid to the Depositary will be shown in the Company's financial statements.

Other Charges and Expenses

The Company will pay all charges and expenses incurred in the operation of the Company including, without limitation, taxes, expenses for legal and auditing services, brokerage, governmental duties and charges, settlement costs and bank charges, stock exchange listing expenses and fees due to supervisory authorities in various countries, including the costs incurred in obtaining and maintaining registrations so that the Shares of the Company may be marketed in different countries; expenses incurred in the issue, switch and redemption of Shares and payment of dividends, registration fees, insurance, interest and the costs of computation and publication of Share prices and postage, telephone, facsimile transmission and the use of other electronic communication; costs of printing proxies, statements, Share certificates or confirmations of transactions, Shareholders' reports, prospectuses and supplementary documentation, explanatory brochures and any other periodical information or documentation. In certain circumstances expenses payable by the Company may also comprise investment research fees.

Investment Managers may enter into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Manager, including the Company, and where the Investment Manager is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the Company. Any such arrangements must be made by the Investment Manager on terms commensurate with best market practice.

The Company shall bear its incorporation expenses, including the costs of drawing up and printing the Prospectus, notary public fees, the filing costs with administrative and stock exchange authorities, the costs of printing the certificate and any other costs pertaining to the setting up and launching of the Company.

The expenses incurred by the Company in relation to the launch of additional Funds will be borne by, and payable out of the assets of, those Funds and will be amortised on a straight line basis over 5 years from the launch date.

3.2. Company Information

(A) The Company is an umbrella open-ended investment company with limited liability, organised as a "société anonyme" and qualifies as a SICAV under part II of the 2010 Law. The Company was incorporated on 6 October 2005 and its Articles were last amended on 30 April 2024.

The Company is registered with the Luxembourg register of commerce and companies under number B 111.315, where the Articles have been filed and are available for inspection. The Company exists for an indefinite period.

(B) The minimum capital of the Company required by Luxembourg law is EUR 1,250,000. The share capital of the Company is represented by fully paid Shares of no par value and is at any time equal to its Net Asset Value.

Should the capital of the Company fall below two thirds of the minimum capital, an Extraordinary Meeting of Shareholders must be convened to consider the dissolution of the Company. Any decision to liquidate the Company must be taken by a majority of the Shares present or represented at the meeting. Where the share capital falls below one quarter of the minimum capital, the Directors must convene an Extraordinary Meeting of Shareholders to decide upon the liquidation of the Company. At that Meeting, the decision to liquidate the Company may be taken by Shareholders holding together one quarter of the Shares present or represented.

(C) The following material contracts, not being contracts entered into in the ordinary course of business, have been entered into:

(1) Fund Services Agreement between the Company and Schroder Investment Management (Europe) S.A. as the appointed Management Company.

(2) Depositary and Custodian Agreement between the Company, Schroder Investment Management (Europe) S.A. as the appointed Management Company, J.P. Morgan SE, acting through its Luxembourg Branch and the Investment Manager

The material contracts listed above may be amended from time to time by agreement between the parties thereto.

In relation to the Depositary and Custodian Agreement listed above:

The Depositary or the Company may terminate the Depositary and Custodian Agreement at any time upon sixty (60) calendar days' written notice or earlier in case of certain breaches of the Depositary and Custodian Agreement provided that the Depositary and Custodian Agreement shall not terminate until a replacement depositary is appointed.

Up-to-date information regarding the description of the Depositary's duties and of conflicts of interest that may arise as well as of any safekeeping functions delegated by the Depositary, the list of third-party delegates and any conflicts of interest that may arise from such a delegation will be made available to Investors on request at the Company's registered office.

Documents of the Company

Copies of the Articles, Prospectus, KID and financial reports may be obtained free of charge and upon request, from the registered office of the Company. The material contracts referred to above are available for inspection during normal business hours, at the registered office of the Company.

Any other financial information to be published concerning the Company, including the daily Net Asset Value, the historical performance of the Funds, the issue and repurchase price of the Shares and any suspension of such valuation, will be made available to the public on the webpage of the Management Company and upon request at the registered office of the Company and of the Management Company.

Shareholder Notifications

Relevant notifications or other communications to Shareholders concerning their investment in the Company may be posted on the webpage www.schroders.com. In addition and where required by Luxembourg law or the CSSF, Shareholders will also be notified in writing or in such other manner as prescribed under Luxembourg law. In particular, Shareholders should refer to 3.5 Meetings and Reports.

Queries and Complaints

Any person who would like to receive further information regarding the Company or who wishes to make a complaint about the operation of the Company should contact the Compliance Officer, Schroder Investment Management (Europe) S.A., 5, Heienhaff, L-1736 Senningerberg, Grand Duchy of Luxembourg.

Shareholders shall not have any direct contractual rights against the Management Company, the Investment Manager, the Depositary, the auditor of the Company or any other service providers of the Company who have been appointed from time to time by the Company.

Applicable laws and jurisdiction

The Company is governed by the Laws of the Grand Duchy of Luxembourg.

By entering into the Company's subscription documents the relevant Investor will enter into a contractual relationship governed by Articles, the Prospectus and applicable laws and regulations.

The subscription documents will be subject to the exclusive jurisdiction of the courts of Luxembourg to settle any dispute or claim arising out of or in connection with a Shareholder's investment in the Company or any related manner.

According to Regulation (EU) 1215/2015 of 12 December 2012 of the European Parliament and of the Council on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, a judgment given in a Member State shall, if enforceable in that Member State, in principle (a few exceptions are provided for in Regulation (EU) 1215/2012) be recognised in the other Member State without any special procedure being required and shall be enforceable in the other Member States without any declaration of enforceability being required.

3.3. Dividends

Dividend Policy

It is intended that the Company will distribute dividends to holders of Distribution Shares in the form of cash in the relevant Share Class currency. Dividends may also be paid in alternative currencies upon request. Where no payment instruction is provided via the application form by a holder of Distribution Shares, dividends will be automatically reinvested by the Company in further Shares of the same Share Class. Shareholders may instead elect to receive dividends in the form of cash in the relevant Share Class currency. However, dividends will not be distributed in cash if their amount is below EUR50 or its equivalent in another currency. Such amounts will automatically be reinvested in new Shares of the same Share Class.

The Company offers different types of Distribution Share Classes as explained in more detail below. Distribution Share Classes may differ in terms of their distribution frequency and in terms of the basis for calculating the dividend.

Distribution Frequency

Dividends will either be declared as annual dividends by the annual general meeting of Shareholders or may be paid by the Fund more frequently as deemed appropriate by the Directors.

Dividend Calculation

Distribution Share Classes based on Investment Income Before Expenses

Dividends may be paid out of capital and further reduce the relevant Fund's Net Asset Value. Dividends paid out of capital could be taxed as income in certain jurisdictions.

The general policy for Distribution Share Classes is to distribute dividends based on income for the period before deduction of expenses. The Directors will periodically review these Distribution Share Classes and reserve the right to make changes if they deem it is appropriate to declare a lower dividend. The Directors may also determine if and to what extent dividends may include distributions from both realised and unrealised capital gains as well as from capital, within the limits set up by Luxembourg law. Distributions from capital 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.

Distribution Share Classes based on Investment Income After Expenses

The Company may also offer Distribution Share Classes where the dividend is based upon investment income for the period after deduction of expenses. The Directors may also determine if and to what extent dividends may include distributions from both realised and unrealised capital gains within the limits set up by Luxembourg law.

Distribution Share Classes with Fixed Dividends

Dividends may be paid out of capital and further reduce the relevant Fund's Net Asset Value. Dividends paid out of capital could be taxed as income in certain jurisdictions.

The Company may also offer other Distribution Share Classes where the dividend is based on a fixed amount or fixed percentage of the Net Asset Value per Share. The Directors will periodically review fixed Distribution Share Classes and reserve the right to make changes, for example if the investment income after expenses is higher than the target fixed distribution the Directors may declare the higher amount to be distributed. Equally the Directors may deem it is appropriate to declare a dividend lower than the target fixed distribution.

Dividend Calendar

A dividend calendar including details on the distribution frequency and the dividend calculation basis for all available Share Classes can be requested from the Management Company and is available on https://www.schroders.com

Dividends to be reinvested will be paid to the Management Company who will reinvest the money on behalf of the Shareholders in additional Shares of the same Share Class. Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant Share Class in non-certificated form. Fractional entitlements to registered Shares will be recognised to up to four decimal places.

Income equalisation arrangements are applied in the case of all distributing Share Classes. These arrangements are intended to ensure that the income per Share which is distributed in respect of a Distribution Period is not affected by changes in the number of Shares in issue during that period.

Dividends remaining unclaimed five years after the dividend record date will be forfeited and will accrue for the benefit of the relevant Fund.

3.4. Taxation

The following is based on the Directors' understanding of the law and practice in force at the date of this document and applies to Investors acquiring Shares as an investment. Investors should, however, consult their financial or other professional advisers on the possible tax or other consequences of buying, holding, transferring, switching, redeeming or other dealing in the Company's Shares under the laws of their countries of citizenship, residence and domicile. This summary is subject to future changes.

Luxembourg Taxation

(A) Taxation of the Company

In Luxembourg, the Company is not subject to taxation on its income, profits or gains. The Company is not subject to net wealth tax.

No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the Shares of the Company.

The Company is subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% *per annum* based on the Net Asset Value of the Company at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax of 0.01% *per annum* is applicable to individual Funds or individual Share Classes, provided that such Fund or Share Class comprises only one or more Institutional Investors (within the meaning of Article 174 of the 2010 Law). In addition, those Funds that may be authorised as money market funds under the regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds, as it may be amended or supplemented from time to time ("MMFR") in accordance with the Luxembourg Law (without prejudice to Article 175, letter b) of the 2010 Law) are liable to the same reduced tax rate of 0.01% per annum of their net assets.

Subscription tax exemption applies to :

(1) investments in a Luxembourg UCI subject itself to the subscription tax,

(2) UCIs as well as individual compartments of UCIs with multiple compartments (a) whose securities are only held by Institutional Investor(s), and (b) that are authorised as short-term money market funds in accordance with MMFR, and (c) that have obtained the highest possible rating from a recognised rating agency. Where several classes of securities exist within the UCI or the compartment, the exemption only applies to classes whose securities are reserved for Institutional Investors,

(3) UCIs and individual compartments of UCIs with multiple compartments whose securities are reserved for (a) institutions for occupational retirement pension or similar investment vehicles, set-up on initiative of one or more employers and (b) companies of one or more employers investing funds they hold to provide retirement benefits to their employees and (c) savers in the context of a pan-European personal pension product established under Regulation (EU) 2019/1238 of the European Parliament and of the Council of 20 June 2019 on a pan-European personal pension product (PEPP). If there are several classes of securities within the UCI or the compartment, the exemption applies only to those classes whose securities are reserved for the Investors referred to in points (a), (b) and (c) of this point,

(4) UCIs as well as individual compartments of UCIs with multiple compartments whose main objective is the investment in microfinance institutions,

(5) UCIs as well as individual compartments of UCIs with multiple compartments:

(I) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public; and

(II) whose exclusive object is to replicate the performance of one or more indices.

(6) If several classes of securities exist within the UCI or the compartment, the exemption only applies to classes fulfilling the condition of sub-point (I),UCIs as well as individual compartments of UCIs with multiple compartments that are authorised as European long-term investment funds within the meaning of Regulation (EU) 2015/760 of the European Parliament and of the Council of 29 April 2015 on European long term investment funds.

In order to benefit from these exemptions, UCIs must indicate the value of the eligible net assets separately in the periodic declarations that they make to the Registration Duties, Estates and VAT Authority.

Withholding tax

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin, and provisions in this respect may be recognised in certain jurisdictions.

Distributions made by the Company are not subject to withholding tax in Luxembourg.

(B) Taxation of Shareholders

Non Luxembourg resident Shareholders

Non-resident individuals or collective entities who do not have a permanent establishment in Luxembourg to which the Shares are attributable are not subject to Luxembourg taxation on capital gains realized upon disposal of the Shares nor on the distribution received from the Company and the Shares will not be subject to net wealth tax.

US Foreign Account Tax Compliance Act 2010 (FATCA) and OECD Common Reporting Standard 2016 ("CRS")

FATCA was enacted in the United States on 18 March 2010 as part of the Hiring Incentives to Restore Employment Act. It includes provisions under which the Company as a Foreign Financial Institution ("FFI") may be required to report directly to the Internal Revenue Service ("IRS") certain information about shares held by US tax payers or other foreign entities subject to FATCA and to collect additional identification information for this purpose. Financial institutions that do not enter into an agreement with the IRS and comply with FATCA regime could be subject to 30% withholding tax on any payment of US source income as well as on the gross proceeds deriving from the sale of securities generating US income made to the Company. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and implemented the IGA into Luxembourg law in July 2015.

CRS has been implemented by Council Directive 2014/107/EU on the mandatory automatic exchange of tax information which was adopted on 9 December 2014 and implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the "CRS Law"). CRS became effective among most member states of the European Union on 1 January 2016. Under CRS, the Company may be required to report to the Luxembourg tax authority certain information about shares held by Investors who are tax resident in a CRS participating country and to collect additional identification information for this purpose.

In order to comply with its FATCA and CRS obligations, the Company may be required to obtain certain information from its Investors so as to ascertain their tax status. Under the FATCA IGA referred to above, if the Investor is a specified person, such as a US owned non-US entity, non-participating FFI or does not provide the requisite documentation, the Company will need to report information on these Investors to the Luxembourg tax authority, in accordance with applicable laws and regulations, which will in turn report this to the IRS. Under CRS, if the Investor is tax resident in a CRS participating country and does not provide the requisite documentation, the Company will need to report information on these Investors to the Luxembourg tax authority, in accordance with applicable laws and regulations. Provided that the Company acts in accordance with these provisions it will not be subject to withholding tax under FATCA.

Shareholders and intermediaries should note that it is the existing policy of the Company that Shares are not being offered or sold for the account of US Persons or Investors who do not provide the appropriate CRS information. Subsequent transfers of Shares to US Persons are prohibited. If Shares are beneficially owned by any US Person or a person who has not provided the appropriate CRS information, the Company may in its discretion compulsorily redeem such Shares. Shareholders should moreover note that under the FATCA legislation, the definition of specified persons will include a wider range of Investors compared to other legislation.

On 25 May 2018, the EU Council adopted a directive (EU) 2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the

field of taxation) that imposes a reporting obligation on parties involved in transactions that may be associated with aggressive tax planning ("DAC6"). DAC6 has been implemented in Luxembourg by the law of 25 March 2020 (the "DAC6 Law").

More specifically, the reporting obligation will apply to cross-border arrangements that, among others, meet one or more "hallmarks" provided for in the DAC6 Law that is coupled in certain cases, with the main benefit test (the "Reportable Arrangements").

In the case of a Reportable Arrangement, the information that must be reported includes inter-alia the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement.

The reporting obligation in principle rests with the persons that design, market, organise make available for implementation or manage the implementation of the Reportable Arrangement or provide assistance or advice in relation thereto (the so-called "intermediaries"). However, in certain cases, the taxpayer itself can be subject to the reporting obligation.

Since January 1, 2021, Reportable Arrangements must be reported within thirty days from the earliest of (i) the day after the Reportable Arrangement is made available for implementation or (ii) the day after the Reportable Arrangement is ready for implementation or (iii) the day when the first step in the implementation of the Reportable Arrangement has been made.

The information reported will be automatically exchanged between the tax authorities of all Member States.

In light of the broad scope of the DAC6 Law, transactions carried out by the Fund may fall within the scope of the DAC6 Law and thus be reportable.

UK Taxation

(A) The Company

It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it will not become resident in the UK. Accordingly, and provided that the Company does not carry on a trade in the UK through a branch or agency situated therein, the Company will not be subject to UK corporation tax or income tax.

(B) Shareholders

Offshore Funds Legislation

Part 8 of the Taxation (International and Other Provisions) Act 2010 and Statutory Instrument 2009/3001 (the "Offshore Funds regulations") provide that if an Investor who is resident or ordinarily resident in the UK for taxation purposes disposes of a holding in an offshore entity that constitutes an "offshore fund" and that offshore fund does not qualify as a "Reporting Fund" throughout the period during which the Investor holds that interest, any gain accruing to the Investor upon the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income ("offshore income gains") and not as a capital gain. The Company is an "offshore fund" for the purpose of those provisions.

Up to and including 30 September 2024, all Share Classes in the Company have, and shall be, managed with a view to them qualifying as Reporting Funds for taxation purposes, and accordingly any capital gain on disposal of Shares up to that date should not be reclassified as an income gain under the UK's offshore fund rules. **The Management Company has elected to remove the Reporting Fund status from 1 October 2024. Therefore, from 1 October 2024, all Share Classes will no longer be qualified as Reporting Funds under the Offshore Funds regulations and will be classified as non-reporting funds. The Management Company recommends that Investors seek advice on the consequences of this change in status for their tax position.**

A full list of reporting Share Classes is available from the Management Company on request. A list of Reporting Funds and their certification dates is published on the HM Revenue and Customs (“HMRC”) webpage: https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds.

During the period when the Share Classes are qualified as Reporting Funds under the Offshore Funds regulations, Investors in the Share Classes are subject to tax on their share of the Share Classes’ income for an accounting period, whether or not the income is distributed to them. UK resident holders of Accumulation Shares should be aware that they will be required to account for and pay tax on income which has been reported to them in respect of their holding, on an annual basis through their tax return, even though such income has not been distributed to them.

For the avoidance of doubt, distributions which in accordance with 3.3 above have been reinvested in further Shares should be deemed for the purpose of UK tax as having been distributed to the Shareholders and subsequently reinvested by them, and accordingly should form part of the Shareholder’s taxable income of the period in which the dividend is deemed to have been received.

In accordance with the Offshore Funds regulations, reportable income attributable to each Share Class up to 30 September 2024 will be published within 10 months of the end of the reporting period on the following Schroders webpage: https://www.schroders.com/en-lu/lu/professional/funds-and-strategies/fund-administration/income-tables/

It is the Investor’s responsibility to calculate and report their respective total reportable income to HMRC based on the number of Shares held at the end of the reporting period. In addition to reportable income attributable to each Share Class, the report will include information on amounts distributed per Share and the dates of distributions in respect of the reporting period. Shareholders with particular needs may request their report be provided in paper form, however we reserve the right to make a charge for this service.

In accordance with the regulations governing the taxation of "non-reporting funds", after 30 September 2024 the Management Company will no longer produce reportable income data. Chapter 3 of Part 6 of the Corporation Tax Act 2009 provides that, if at any time in an accounting period a person within the charge of UK corporation tax holds an interest in an offshore fund within the meaning of the relevant provisions of the tax legislation, and there is a time in that period when that fund fails to meet the " qualifying investments test", the interest held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to meet the "qualifying investments test" at any time where more than 60% of its assets by market value comprise government and corporate debt securities or cash on deposit or certain derivative contracts or holdings in other collective investment schemes which at any time in the relevant accounting period do not themselves meet the "qualifying investments test". The Shares will constitute interests in an offshore fund and on the basis of the investment policies of the Company, the Company could fail to meet the "qualifying investments test".

Stamp Taxes

Transfers of Shares will not be liable to UK stamp duty unless the instrument of transfer is executed within the UK when the transfer will be liable to UK ad valorem stamp duty at the rate of 0.5% of the consideration paid rounded up to the nearest GBP 5. No UK stamp duty reserve tax is payable on transfers of Shares, or agreements to transfer Shares.

Distributions

Distributions paid by Funds that hold more than 60% of their assets in interest-bearing, or economically similar, form at any time in an accounting period are treated as a payment of annual interest for UK resident individual Investors. Where Shares are held within an individual savings account ("ISA"), this income is free of tax. For Shares held outside an ISA, a personal savings allowance is available to exempt the first GBP 1,000 of interest income from tax in the hands of basic rate taxpayers. The allowance is GBP 500 for higher rate taxpayers and nil for additional rate taxpayers. Total interest received in excess of the allowance in a tax year is subject to tax at the rates applying to interest (currently 20%, 40% and 45%).

Distributions paid by Funds that have no more than 60% of their assets in interest-bearing form at all times in an accounting period are treated as foreign dividends.

Where shares are held outside an ISA, a tax-free Dividend allowance of £2,000 (£1,000 for the 2023/2024 tax year) is available and total dividends received in a tax year up to that amount will be free of income tax. Dividends totalling in excess of that amount will be subject to tax at rates of 8.75%, 33.75% and 39.35% where they fall within the basic rate, higher rate and additional rate bands respectively. Dividends received on shares held within an ISA will continue to be tax-free.

Equalisation

The Company operates full equalisation arrangements. Equalisation applies to shares purchased during a Distribution Period. The amount of income, calculated daily and included in the purchase price of all shares purchased part way through a distribution period is refunded to holders of these shares on a first distribution as a return of capital.

Being capital it is not liable to income tax and it should be excluded from the calculation of reportable income included in a UK Shareholder's tax return. The daily income element of all Shares is held on a database and is available upon request from the Company's registered office or online at http://www.schroders.com/en/lu/professional-investor/fund-centre/fund-administration/equalisation/

The aim of operating equalisation is to relieve new Investors in the fund from the liability to tax on income already accrued in the shares they acquire. Equalisation will not affect Shareholders who own their shares for the whole of a Distribution Period.

3.5. Meetings and Reports

Meetings

The annual general meeting of Shareholders of the Company is held in Luxembourg at a date and time decided by the Directors but no later than within six months from the end of the Company's previous financial year. Notices of all general meetings of Shareholders are sent by registered post at least eight days prior to the meeting. Such notices will include the agenda and specify the place of the meeting. The notice of any general meeting of Shareholders may provide that the quorum and the majority at this general meeting shall be determined according to the Shares issued and outstanding at a certain date and time preceding the general meeting (the "Record Date"). The right of a Shareholder to participate at a general meeting of Shareholders and to exercise voting rights attached to his/its/her Shares shall be determined by reference to the Shares held by this Shareholder as at the Record Date. Meetings of Shareholders of any given Fund or Share Class shall decide upon matters relating to that Fund or Share Class only.

Reports

The financial year of the Company ends on 30 September each year. Copies of the annual, semi-annual and financial reports may be obtained on the Schroder Investment Management (Europe) S.A. Webpage https://www.schroders.com and are available free of charge from the registered office of the Company. Such reports form an integral part of this Prospectus. The LUX GAAP accounting principles are applied for the preparation of the accounts of the Company.

3.6. Details of Shares

Shareholder rights

The Shares issued by the Company are freely transferable and entitled to participate equally in the profits, and in case of Distribution Shares, dividends of the Share Classes to which they relate, and in the net assets of such Share Class upon liquidation. The Shares carry no pre-emptive rights. Shareholders rights are those described in this Prospectus and the Articles. All Shareholders subscribe to the Shares of the Fund under the same terms, however at the Management Company's discretion and upon request, Shareholders may be granted preferential treatment subject to applicable laws. Such preferential treatment may relate to fees, waiver of initial charges and initial subscription amounts, provision of additional information on portfolio holdings and a "most favoured nation" (or similar) right.

Voting

At general meetings, each Shareholder has the right to one vote for each whole Share held.

A Shareholder of any particular Fund or Share Class will be entitled at any separate meeting of the Shareholders of that Fund or Share Class to one vote for each whole Share of that Fund or Share Class held.

In the case of a joint holding, only the first named Shareholder may vote.

Compulsory redemption

The Directors may impose or relax restrictions on any Shares and, if necessary, require redemption of Shares to ensure that Shares are neither acquired nor held by or on behalf of (i) any person in breach of the law or requirements of any country or government or regulatory authority or (ii) any person in circumstances which in the opinion of the Directors might result in the Company incurring any liability to taxation (including, inter alia, any liability that might derive from the requirements of FATCA or the CRS or any similar provisions) or suffering any pecuniary disadvantage which the Company might not otherwise have incurred or suffered, including a requirement to register under any securities or investment or other laws or requirements of any country or authority or (iii) any person whose shareholding's concentration could, in the opinion of the Directors, jeopardise the liquidity of the Company or any of its Funds or (iv) any person whose ownership may otherwise be detrimental to the Company.

In particular, if it shall come to the attention of the Directors at any time that Shares are beneficially owned by a US Person, or a specified Person for the purposes of FATCA, the Company will have the right compulsorily to redeem such Shares. The Directors may also decide to compulsorily redeem or convert any holding with a value of less than the minimum holding amount or where the Shareholder does not meet the eligibility criteria in respect of a particular Share Class.

The Directors may in this connection require a Shareholder to provide such information as they may consider necessary to establish whether the Shareholder is the beneficial owner of the Shares which they hold.

Transfers

The transfer of registered Shares may be completed by delivery to the Transfer Agent of a duly signed stock transfer form. Any new Investors in receipt of stock transfers need to comply with Section 2.1 under Subscription for Shares.

Rights on a winding-up

The Company has been established for an unlimited period. However, the Company may be liquidated at any time by a resolution adopted by an extraordinary general meeting of Shareholders, at which meeting one or several liquidators will be named and their powers defined. Liquidation will be carried out in accordance with the provisions of Luxembourg law. The net proceeds of liquidation corresponding to each Fund shall be distributed by the liquidators to the Shareholders of the relevant Fund in proportion to the value of their holding of Shares.

The Directors may, subject to regulatory approval decide to redeem, liquidate, reorganise or contribute all the Shares in a Fund into another Fund of the Company or into another UCI if and when the net assets of all Share Classes in a Fund are less than EUR 50,000,000 or its equivalent in another currency, or in the case of a Share Class, such Share Class falls below the amount of EUR 10,000,000 or its equivalent in another currency, or such other amounts as may be determined by the Directors from time to time to be the minimum level for assets of such Fund to be operated in an economically efficient manner or if any economic or political situation would constitute a compelling reason therefor, or if required in the interest of the Shareholders of the relevant Fund. In any such event Shareholders will be notified by a notice published by the Company in accordance with applicable Luxembourg laws and regulations prior to compulsory redemption, liquidation or contribution to another Fund or to another UCI and, in the case of a compulsory redemption, will be paid the Net Asset Value of the Shares of the relevant Share Class held as at the redemption date.

In case of contribution to another UCI of the mutual fund type, the merger will be binding only on Shareholders of the relevant Fund who will expressly agree to the merger.

Under the same circumstances as described above, subject to regulatory approval the Directors may also decide upon the reorganisation of any Fund by means of a division into two or more separate Funds. Such decision will be published in the same manner as described above and, in addition, the publication will contain information in relation to the two or more separate Funds resulting from the reorganisation.

The decision to merge, liquidate or reorganise a Fund may also be taken at a meeting of Shareholders of the particular Fund concerned.

Any liquidation proceeds not claimed by the Shareholders at the close of the liquidation of a Fund will be deposited in escrow at the "Caisse de Consignation". Amounts not claimed from escrow within the period fixed by law may be liable to be forfeited in accordance with the provisions of Luxembourg law.

Information

As required by the AIFM Rules and more particularly Article 21 of the 2013 Law, and if applicable, the following information will be periodically provided to Shareholders by means of disclosure in the annual and half-yearly reports of the Company or, if the materiality so justifies, notified to Shareholders separately:

- the percentage of the Funds' assets which are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing liquidity of the Funds, whether or not these are special arrangements, including any changes to the liquidity management systems and procedures referred to in article 16 (1) of the AIFMD and as specified in the "Liquidity risk management" part of the "Leverage" section set out in Appendix III which are material in accordance with article 106(1) of the AIFM Regulation;
- the current risk profile of the Funds and the risk management system employed by the Management Company to manage those risks;
- any changes to the maximum level of leverage which the Management Company may employ on behalf of the Funds as well as any right of the reuse of collateral or any guarantee granted under any leveraging arrangement;
- the total amount of leverage employed by the Funds;

Should the Management Company activate any gates, side pockets or similar special arrangements or where the Management Company decides to suspend redemptions, the Company shall immediately notify affected Shareholders as set out in section “2.5 Suspensions or Deferrals” of the Prospectus. Any change to the liability arrangements agreed with the Depositary for any discharge of liability shall also be notified without delay to the Shareholders to the extent required by, and in accordance with, applicable laws and regulations.

The Management Company will also make available upon request at its registered office all information to be provided to Investors under the 2013 Law, including: (i) all relevant information regarding conflicts of interest (such as the description of any conflict of interest that may arise from any delegation of the functions listed in Appendix I of the 2013 Law or of any conflicts that must be communicated to Investors under Articles 13.1 and 13.2 of the 2013 Law), (ii) the maximum amount of the fees that may be paid annually by the Funds, (iii) the way chosen to cover potential liability risks resulting from its activities under the 2013 Law, and (iv) any collateral and asset reuse arrangements, including any right to reuse collateral and guarantees granted under the leveraging agreement (v) information on any preferential treatment granted to certain Shareholders and (vi) the risk profile of each Fund. The list of the sub-custodians used by the Depositary will be made available upon receipt at the registered office of the Management Company.

3.7. Pooling

For the purpose of effective management, and subject to the provisions of the Articles and to applicable laws and regulations, the Management Company may invest and manage all or any part of the portfolio of assets established for two or more Funds (for the purposes hereof "Participating Funds") on a pooled basis. Any such asset pool shall be formed by transferring to it cash or other assets (subject to such assets being appropriate with respect to the investment policy of the pool concerned) from each of the Participating Funds. Thereafter, the Management Company may from time to time make further transfers to each asset pool. Assets may also be transferred back to a Participating Fund up to the amount of the participation of the Share Class concerned. The share of a Participating Fund in an asset pool shall be measured by reference to notional units of equal value in the asset pool. On formation of an asset pool, the Management Company shall, in its discretion, determine the initial value of notional units (which shall be expressed in such currency as the Management Company considers appropriate) and shall allocate to each Participating Fund units having an aggregate value equal to the amount of cash (or to the value of other assets) contributed. Thereafter, the value of the notional unit shall be determined by dividing the Net Asset Value of the asset pool by the number of notional units subsisting.

When additional cash or assets are contributed to or withdrawn from an asset pool, the allocation of units of the Participating Fund concerned will be increased or reduced, as the case may be, by a number of units determined by dividing the amount of cash or the value of assets contributed or withdrawn by the current value of a unit. Where a contribution is made in cash, it will be treated for the purpose of this calculation as reduced by an amount which the Management Company considers appropriate to reflect fiscal charges and dealing and purchase costs which may be incurred in investing the cash concerned; in the case of cash withdrawal, a corresponding addition will be made to reflect costs which may be incurred in realising securities or other assets of the asset pool.

Dividends, interest and other distributions of an income nature received in respect of the assets in an asset pool will be immediately credited to the Participating Funds in proportion to their respective participation in the asset pool at the time of receipt. Upon the dissolution of the Company, the assets in an asset pool will be allocated to the Participating Funds in proportion to their respective participation in the asset pool.

3.8. Co-Management

In order to reduce operational and administrative charges while allowing a wider diversification of the investments, the Directors may decide that part or all of the assets of one or more Funds will be co-managed with assets belonging to other Luxembourg collective investment schemes. In the following paragraphs, the words "co-managed entities" shall refer globally to the Funds and all entities with and between which there would exist any given co-management arrangement and the words "co-managed Assets" shall refer to the entire assets of these co-managed entities and co-managed pursuant to the same co-management arrangement.

Under the co-management arrangement, the Investment Manager, if appointed and granted the day-to-day management will be entitled to take, on a consolidated basis for the relevant co-managed entities, investment, disinvestment and portfolio readjustment decisions which will influence the composition of the relevant Fund’s portfolio. Each co-managed entity shall hold a portion of the co-managed Assets corresponding to the proportion of its net assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed entity.

In case of new subscriptions in one of the co-managed entities, the subscription proceeds shall be allotted to the co-managed entities pursuant to the modified proportions resulting from the net asset increase of the co-managed entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed entities, the cash required may be levied on the cash held by the co-managed entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed entity which has suffered from the redemptions and, in such case, all lines of investment shall be adjusted to the modified proportions. Shareholders should be aware that, in the absence of any specific action by the Directors or any of the Company’s appointed agents, the co-management arrangement may cause the composition of assets of the relevant Fund to be influenced by events attributable to other co-managed entities such as subscriptions and redemptions. Thus, all other things being equal, subscriptions received in one entity with which the Fund is co-managed will lead to an increase of the Fund's reserve of cash.

Conversely, redemptions made in one entity with which any Fund is co-managed will lead to a reduction of the Fund's reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The

possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Directors or any of the Company's appointed agents to decide at anytime to terminate its participation in the co-management arrangement permit the relevant Fund to avoid the readjustments of its portfolio if these readjustments are likely to affect the interest of its Shareholders.

If a modification of the composition of the relevant Fund's portfolio resulting from redemptions or payments of charges and expenses peculiar to another co-managed entity (i.e. not attributable to the Fund) is likely to result in a breach of the investment restrictions applicable to the relevant Fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

Co-managed Assets of the Funds shall, as the case may be, only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets in order to assure that investment decisions are fully compatible with the investment policy of the relevant Fund. Co-managed Assets shall only be co-managed with assets for which the Depositary is also acting as depository in order to assure that the Depositary is able, with respect to the Company and its Funds, to fully carry out its functions and responsibilities pursuant to the Regulations. The Depositary shall at all times keep the Company's assets segregated from the assets of other co-managed entities, and shall therefore be able at all time to identify the assets of the Company and of each Fund. Since co-managed entities may have investment policies which are not strictly identical to the investment policy of the relevant Funds, it is possible that as a result the common policy implemented may be more restrictive than that of the Funds concerned.

A co-management agreement shall be signed between the Company, the Depositary and the Investment Managers in order to define each of the parties' rights and obligations. The Directors may decide at any time and without notice to terminate the co-management arrangement.

Shareholders may at all times contact the registered office of the Company to be informed of the percentage of assets which are co-managed and of the entities with which there is such a co-management arrangement at the time of their request. Audited annual and half-yearly reports shall state the co-managed Assets' composition and percentages.

3.9. Benchmark Regulation

Regulation (EU) 2016/1011 as amended by Regulation (EU) 2025/914 (the 'Benchmark Regulation') introduces a requirement for all benchmark administrators providing certain indices which are used or intended to be used as benchmarks in the way described in the Benchmark Regulation in the European Union (to measure the performance of a Fund with the purpose of tracking the return of such index, or of defining the asset allocation of a portfolio or of computing performance fees), to be authorised or registered by the competent authority or, if it is located in a third country, to be recognised or endorsed by ESMA. In respect of the Funds, the Benchmark Regulation prohibits such use of in scope benchmarks unless the benchmark and benchmark administrator are included in the register maintained by ESMA.

From 1 January 2026, the following categories of benchmarks are subject to the Benchmark Regulation (each as defined in the Benchmark Regulation): critical benchmarks, significant benchmarks, certain commodity benchmarks, EU Climate Transition Benchmarks and EU Paris-Aligned Benchmarks.

The Management Company produces and maintains robust written plans setting out the actions that will be taken in the event of the benchmark materially changing or ceasing to be provided. Copies of a description of these plans are available upon request and free of charge from the registered office of the Management Company.

As of the date of this Prospectus, the administrators and in-scope benchmarks used by a Fund and included in the register maintained by ESMA are as follows:

Benchmark administrators	Location	Benchmarks	Fund
None.			

The inclusion of any administrator of a benchmark used by a Fund within the meaning of the Benchmark Regulation in the ESMA register of benchmark administrators will be reflected in the Prospectus at its next update.

3.10. Sustainability Risk Management

The investment decision making process for each Fund includes the consideration of sustainability risks alongside other factors. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment and the returns of the Fund.

Sustainability risks could arise within a particular business or externally, impacting multiple business. Sustainability risks that could negatively affect the value of a particular investment might include the following:

- Environmental: extreme weather events such as flooding and high winds; pollution incidents; damage to biodiversity or marine habitats.
- Social: labour strikes; health and safety incidents such as injuries or fatalities; product safety issues.
- Governance: tax fraud; discrimination within a workforce; inappropriate remuneration practices; failure to protect personal data.
- Regulatory: new regulations, taxes or industry standards to protect or encourage sustainable businesses and practices may be introduced.

Different asset classes, investment strategies and investment universes may require different approaches to the integration of such risks in investment decision-making. The Investment Manager will typically analyse potential investments by assessing (alongside other relevant considerations), for example, the overall costs and benefits to society and the environment that an issuer may generate or how the market value of an issuer may be influenced by individual sustainability risks such as a rise in carbon tax. The Investment Manager will also typically consider the relevant issuer's relationships with its key stakeholders – customers, employees, suppliers and regulators - including an assessment of whether those relationships are managed in a sustainable manner and, therefore, whether there are any material risks to the market value of the issuer.

The impact of some sustainability risks may have a value or cost that can be estimated through research or the use of proprietary or external tools. In such cases, it will be possible to incorporate this into more traditional financial analysis. An example of this might be the direct implications of an increase in carbon taxes that are applicable to an issuer, which can be incorporated into a financial model as an increased cost and/or as reduced sales. In other cases, such risks may be more difficult to quantify, and so the Investment Manager may seek to incorporate their potential impact in other ways whether explicitly, for example by reducing the expected future value of an issuer or implicitly, for example by adjusting the weighting of an issuer's securities in the Fund's portfolio depending on how strongly it believes a sustainability risk may affect that issuer.

A range of proprietary tools may be used to perform these assessments, along with supplementary metrics from external data providers and the Investment Manager's own due diligence, as appropriate. This analysis informs the Investment Manager's view of the potential impact of sustainability risks on a Fund's overall investment portfolio and, alongside other risk considerations, the likely financial returns of the Fund.

The Management Company's Risk function provides independent oversight from a sustainability perspective. The oversight includes ensuring there is an independent assessment of sustainability risks within investment portfolios and adequate transparency and reporting on sustainability risk exposures.

More details on the management of sustainability risks and the Investment Manager's approach to sustainability are available on the webpage https://www.schroders.com/en-lu/lu/individual/what-we-do/sustainable-investing/our-sustainable-investment-policies-disclosures-voting-reports/disclosures-and-statements/. Please also refer to the risk factor entitled "Sustainability Risks" in Appendix II of the Prospectus.

3.11. The Liquidity Risk Management Framework

The Management Company has established, implemented and consistently applies a liquidity risk management framework which sets out the governance standards and requirements for the oversight of liquidity risk in relation to investment funds. The framework outlines the responsibilities for assessing, monitoring, and providing independent oversight of liquidity risks of the Funds. It also enables the Management Company to monitor the liquidity risks of the Funds and to ensure compliance with the internal liquidity parameters so that the Funds can normally meet their obligation from Share redemptions at the request of Shareholders.

Qualitative and quantitative assessments of liquidity risks at a portfolio and security level are performed to ensure that investment portfolios are appropriately liquid and that the portfolios of the Funds are sufficiently liquid to honour Shareholders' redemption requests. In addition, Shareholder concentrations are regularly reviewed to assess their potential impact on anticipated financial obligations of the Funds.

Funds are reviewed individually with respect to liquidity risks.

The Management Company's assessment of liquidity risks within Funds includes (but is not limited to) consideration of the investment strategy, the dealing frequency, the underlying assets' liquidity (and their valuation) and shareholder base.

A detailed description of the liquidity risks is further described in Appendix II of this Prospectus.

At least two appropriate liquidity management tools have been selected for each Fund, taking into account its investment strategy, its liquidity profile and its redemption policy. In this context, the following liquidity management tools have been selected as the main liquidity management tools:

redemption gates as further described in section "Suspensions or Deferrals" of this Prospectus for all the Funds; and

redemptions in kind as further described in section "Redemption and Switching of Shares" of this Prospectus for all the Funds.

In accordance with applicable laws and regulations, the Management Company, in consultation with Board of Directors, also has the possibility to implement the following liquidity management tools, which are available for all Funds, in exceptional circumstances and where justified having regard to the interests of the Shareholders of the concerned Fund:

temporary suspension of the subscriptions and redemptions as further detailed in section "Suspensions or Deferrals";

temporary activate side pockets.

(A) Together with the Board of Directors, the AIFM, may decide to activate liquidity management tools in normal or stressed market conditions, as it considers appropriate, taking into account the best interests of the Shareholders of the Funds.

(B) Together with the Board of Directors, the Management Company has established internal policies and procedures detailing the activation, deactivation and calibration of any selected liquidity management tool and the operational and administrative arrangements for the use of such tool.

Appendix I

Investment and Borrowing Restrictions

The Funds must ensure an adequate spread of investment risks by sufficient diversification and compliance with the percentage limits set out below.

The investment restrictions applicable to the Funds are as follows (expressed as a percentage of their Net Asset Value):

(A) Restrictions on the use of Commodity Linked Derivatives and other Derivative Financial Instruments

(1) Derivative financial instruments must be dealt on an organised market or contracted by private agreement with first class professionals specialised in these types of transactions.

(2) Margin deposits in relation to derivative financial instruments dealt on an organised market, premiums paid for the acquisition of options outstanding as well as the commitments arising from derivative financial instruments contracted by private agreement may not exceed, in aggregate, one third of the Net Asset Value. The commitment in relation to a transaction on a derivative financial instrument entered into by private agreement by the Funds corresponds to any non-realised loss resulting, at that time, from the relevant transaction.

(3) The Funds must maintain a reserve of liquid assets in an amount at least equal to the margin deposits made by the Funds but never less than 30% of the Net Asset Value for Commodity Fund and Commodity Total Return Fund. Liquid assets do not only comprise time deposits and regularly negotiated money market instruments the remaining maturity of which is less than 12 months, but also treasury bills and bonds issued by OECD member countries or their local authorities or by supranational institutions and organisations with European, regional or worldwide scope as well as bonds listed on a stock exchange or dealt on a Regulated Market, which operates regularly and is open to the public, issued by first class issuers and being highly liquid.

(4) The Funds may not hold an open position in a single contract relating to a derivative financial instrument dealt on an organised market or a single contract relating to a derivative financial instrument entered into by private agreement for which the margin required or the commitment taken, respectively, represents 5% or more of the Net Asset Value.

(5) Premiums paid to acquire options outstanding having identical characteristics may not exceed 5% of the Net Asset Value.

(6) The Funds may not hold an open position in derivative financial instruments relating to a single commodity or a single category of forward contracts on financial instruments for which the margin required (in relation to derivative financial instruments negotiated on an organised market) together with the commitment (in relation to derivative financial instruments entered into by private agreement) represent 20% or more of the Net Asset Value.

(7) Each Fund may invest in financial derivative instruments that are traded OTC including, without limitation, total return swaps, contracts for difference or other financial derivative instruments with similar characteristics, in accordance with the conditions set out in Appendix I and the investment objective and policy of each Fund. Such OTC derivatives, to the extent capable of being held in custody, shall be safe kept by the Depositary.

Further information on the safekeeping of the collateral received is included in section "Depositary". A total return swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses.

Total return swaps entered into by a Fund may be in the form of funded and/or unfunded swaps. An unfunded swap means a swap where no upfront payment is made by the total return receiver at inception. A funded swap means a swap where the total return receiver pays an upfront amount in return for the total return of the reference asset and can therefore be costlier due to the upfront payment requirement.

All revenue arising from total return swaps, net of direct and indirect operational costs and fees, will be returned to each Fund.

(8) A Fund may enter into agreements on OTC derivatives. The counterparties to any OTC financial derivative transactions, such as total return swaps, contracts for difference or other financial derivative instruments entered into by a Fund, are selected from a list of counterparties approved by the Management Company. The Management Company will aim to select the best available counterparties for any given markets in accordance with its group internal policy. The counterparties will be institutions which are either credit institutions or investment firms in each case with a registered office in an EU Member State, a G10 country or another country whose prudential rules are considered equivalent by the CSSF for this purpose, which are authorised under the MiFID Directive or a similar set of rules and which are subject to prudential supervision. Such firms will, at trade inception, either be rated BBB/Baa2 or above or have been approved by Schroders' Group Agency Credit Risk Committee. The Management Company monitors the ongoing creditworthiness of all counterparties and the list may be amended. The counterparties will have no discretion over the composition or management of the relevant Fund's portfolio or over the underlying of the financial derivative instruments. The identity of the counterparties will be disclosed in the annual report of the Company.

(B) Restrictions on Investments in Securities

(1) The Funds may not invest more than 10% of their Net Asset Value in securities which are not quoted on a stock exchange or dealt on another Regulated Market, which operates regularly and is recognised and open to the public,

(2) The Funds may not acquire more than 10% of the securities of the same nature issued by the same issuer,

(3) The Funds may not invest more than 20% of their Net Asset Value in securities issued by the same issuer.

The restrictions set forth under (1), (2) and (3) above are not applicable to securities issued or guaranteed by a member state of the OECD or by its local authority or by supranational institutions and organisations with European, regional or worldwide scope.

Where any Fund has invested in accordance with the principle of risk spreading in transferable securities or money market instruments issued or guaranteed by an EU member state, by its local authorities or by a non-Member State of the European Union or by public international bodies of which one or more EU member states are members, the Company may invest 100% of the Net Asset Value of any Fund in such securities from at least six different issues and the value of securities from any one issue must not account for more than 30% of the Net Asset Value of the Fund.

(C) Restrictions on Investments in open-ended Collective Investment Schemes

The Funds may not invest more than 10% of their net assets in units of UCITS or other UCIs.

When a Fund invests in the units of other UCITS and/or other UCIs linked to the Company by common management or control, or by a substantial direct or indirect holding of more than 10% of the capital or the voting rights, or managed by a management company linked to the Investment Manager, no subscription or redemption fees may be charged to the Company on account of its investment in the units of such other UCITS and/or UCIs.

In respect of a Fund's investments in UCITS and other UCIs linked to the Company as described in the preceding paragraph, there shall be no management fee charged to that portion of the assets of the relevant Fund. The Company will indicate in its annual report the total management fees charged both to the relevant Fund and to the UCITS and other UCIs in which such Fund has invested during the relevant period.

A Fund (the "Investing Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Funds (each, a "Target Fund") without the Company being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

(1) the Target Fund(s) do(es) not, in turn, invest in the Investing Fund invested in this (these) Target Fund (s); and

(2) no more than 10% of the assets that the Target Fund (s) whose acquisition is contemplated may be invested in units of other Target Funds; and

(3) voting rights, if any, attaching to the Shares of the Target Fund(s) are suspended for as long as they are held by the Investing Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and

(4) in any event, for as long as these securities are held by the Investing Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.

(D) Restrictions on Currency Hedging

The Funds may for the purposes of hedging currency risks have outstanding commitments in respect of forward currency contracts, currency futures or currency swap agreements or currency options (sales of call options or purchases of put options) provided that the Funds may use currency contracts for the purpose of hedging provided that traded positions do not materially exceed the level necessary to cover the risk of a particular currency exposure.

The Funds may also use forward currency contracts to hedge back to investment currencies those investments which are made temporarily in other currencies, if for market reasons the Funds have decided to discontinue temporarily investments denominated in such currency. Similarly, the Funds may hedge through forward contracts or currency options the currency exposure of contemplated investments to be made in investment currencies, provided that these contracts are covered by assets denominated in the currency to be disposed of.

(E) Borrowing

The Funds may not borrow other than amounts which do not in aggregate exceed 10% of their Net Asset Value, and then only as a temporary measure. The Funds may not borrow to finance margin deposits. For the purpose of this restriction back to back loans are not considered to be borrowings.

(F) Securities and Cash Lending

The Funds will not engage in securities or cash lending transactions where the Funds act as the lender of such securities or cash.

(G) Repurchase Agreements

The Funds will not enter into any repurchase agreements or reverse repurchase agreements.

Should any Fund use such techniques and instruments defined under items "Securities and Cash Lending" and "Repurchase Agreements" in the future, the Company will comply with the applicable regulations and in particular Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse (the "SFT Regulation") and all the information required by the SFT Regulation will be available upon request at the registered office of the Company. The Prospectus will be updated prior to the use of any such techniques and instruments.

As the date of this Prospectus and unless otherwise provided in each Fund's details in Appendix III, the Funds may enter into total return swaps.

(H) Short Selling

The Funds will only engage in short selling of investments through the use of derivatives.

(I) Underwriting

The Company may acquire securities in which it is permitted to invest in pursuit of its investment objective and policy through underwriting or sub-underwriting.

(J) Japanese investment restrictions

To accommodate the potential investment of Japanese investors more than 50% of the value of the assets of each Fund must consist of "securities (yuka shoken)" (as defined in the Financial Instruments and Exchange Act of Japan (Law No.25 of 1948 as amended) or any successor regulation of Japan) (except for those rights regarded as securities by each Item of Paragraph 2 of Article 2 of the 2010 Law, but including the securities-related derivative transactions as prescribed by Item 6 of Paragraph 8 of Article 28, the same applies hereinafter) and so as long as any assets of any Investor are being invested in any Shares, the Investment Manager shall manage each Fund available to any Investors so that at any time more than 50% of the value of such Fund will consist of such "securities".

While ensuring observance of the principle of risk spreading across issuers, asset classes, and commodity sectors, the Funds may derogate from the diversification restrictions above for a period of six months following the date of the first Net Asset Value calculation.

If the percentage limitations set out above are exceeded for reasons beyond the control of the Funds, or for any reasons whatsoever, the investments must be brought back within the designated percentage limits within a reasonable period, taking due account of the Shareholders' interests.

(K) Management of Collateral

Collateral received for the benefit of a Fund may be used to reduce its counterparty risk exposure if it complies with the conditions set out in applicable laws and regulations. Where a Fund enters into OTC financial derivative transactions and efficient portfolio management techniques, all collateral used to reduce counterparty risk exposure shall comply with the following criteria at all times:

(1) Any collateral received other than cash shall be of high quality, highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.

(2) Collateral received shall be valued in accordance with the rules described under the section "Calculation of Net Asset Value" on at least a daily basis. Assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place.

(3) Collateral received shall be of high quality.

(4) The collateral received shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

(5) Collateral shall be sufficiently diversified in terms of country, markets and issuers.

(6) Where there is a title transfer, the collateral received shall be held by the Depositary or one of its sub-custodians to which the Depositary has delegated the custody of such collateral. For other types of collateral arrangement, the collateral can be held by a third-party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

(7) Collateral received shall be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

(8) Subject to the above conditions, permitted forms of collateral include:

(Ⅰ) cash and cash equivalents, including short-term bank certificates and money market instruments;

(Ⅱ) government bonds with any maturity issued by countries including but not limited to the UK, the United States, France and Germany with no minimum rating.

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate haircuts which will be determined for each asset class based on the haircut policy adopted by the Management Company.

(9) Non-cash collateral received shall not be sold, re-invested or pledged.

(10) Cash collateral that is not received on behalf of currency hedged Share Classes shall only be:

(Ⅰ) placed on deposit with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a country which is an EU member state or, if the registered office of the credit institution is situated in a non-EU member state, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

(Ⅱ) invested in high-quality government bonds;

(Ⅲ) used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis;

(Ⅳ) invested in money market funds as defined in the "Guidelines on a Common Definition of European Money Market Funds", issued by ESMA (CESR/10-049) as may be amended from time to time or in money market funds as defined in the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.

Re-invested cash collateral shall be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out above. Re-investment of cash collateral involves certain risks for a Fund, as described in Appendix II.24.

Appendix II

Risks of Investment

1. General Risks

Past performance is not a guide to future performance and Shares, if any, should be regarded as a medium to long-term investment. The value of investments and the income generated by them may go down as well as up and Shareholders may not get back the amount originally invested. Where Fund Currency varies from the Investor's home currency, or where the Fund Currency varies from the currencies of the markets in which the Fund invests, there is the prospect of additional loss (or the prospect of additional gain) to the Investor greater than the usual risks of investment.

2. Investment Objective 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 macroeconomic environment, investment objectives may become more difficult or even impossible to achieve. There is no express or implied assurance as to the likelihood of achieving the investment objective for a Fund.

3. Regulatory Risk

The Company is domiciled in Luxembourg and Investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally, the Funds will be registered in non-EU jurisdictions. As a result of such registrations the Funds may be subject, without any notice to the Shareholders in the Funds concerned, to more restrictive regulatory regimes. In such cases the Funds will abide by these more restrictive requirements. This may prevent the Funds from making the fullest possible use of the investment limits.

4. Business, Legal and Tax Risks

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of Shareholders' rights under such laws and regulations may involve significant uncertainties. Furthermore, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. Some of the Funds may be subject to withholding and other taxes. Tax law and regulations of any jurisdiction are frequently reviewed and may be changed at any time, in certain cases with retrospective effect. The interpretation and applicability of tax law and regulations by tax authorities in some jurisdictions are not consistent and transparent and may vary from jurisdiction to jurisdiction and/or region to region. Any change in taxation legislation could affect the value of the investments held by and the performance of the Fund.

5. Risk Factors Relating to Industry Sectors / Geographic Areas

Funds that focus on a particular industry or geographic area are subject to the risk factors and market factors which affect this particular industry or geographic area, including legislative changes, changes in general economic conditions and increased competitive forces. This may result in a greater volatility of the Net Asset Value of the Shares of the relevant Fund. Additional risks may include greater social and political uncertainty and instability and natural disasters.

6. Risk of Suspension of Share Dealings

Investors are reminded that in certain circumstances their right to redeem or switch Shares may be suspended (see Section 2.5, "Suspensions or Deferrals").

7. Interest Rate Risk

The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the values of existing debt instruments, and rising interest rates generally reduce the value of existing debt instruments. Interest rate risk is generally greater for investments with long durations or maturities. Some investments give the issuer the option to call or redeem an investment before its maturity date. If an issuer calls or redeems an investment during a time of declining interest rates, a Fund might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates.

8. Credit Risk

The ability, or perceived ability, of an issuer of a debt security to make timely payments of interest and principal on the security will affect the value of the security. It is possible that the ability of the issuer to meet its obligation will decline substantially during the period when a Fund owns securities of that issuer, or that the issuer will default on its obligations. An actual or perceived deterioration in the ability of an issuer to meet its obligations will likely have an adverse effect on the value of the issuer's securities.

If a security has been rated by more than one nationally recognised statistical rating organisation the Fund's Investment Manager uses the highest rating for the purposes of determining whether the security is investment grade. When a Fund invests in securities which are not rated by a nationally recognised statistical rating organisation, the Fund's Investment Manager will determine the credit quality by referring to the issuer rating or otherwise as it sees fit (for example using the Fund's Investment Manager's internal rating). A Fund will not necessarily dispose of a security held by it if its rating falls below investment grade, although the Fund's Investment Manager will consider whether the security continues to be an appropriate investment for the Fund. A Fund's Investment Manager considers whether a security is investment grade only at the time of purchase. Some of the Funds will invest in securities which will not be rated by a nationally recognised statistical rating organisation, but the credit quality will be determined by the Investment Manager.

Credit risk is generally greater for investments issued at less than their face values and required to make interest payments only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition, and does not reflect an assessment of an investment's volatility and liquidity. Although investment grade

investments generally have lower credit risk than investments rated below investment grade, they may share some of the risks of lower-rated investments, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default.

9. Operational Risk

The Company's operations (including investment management, distribution and collateral management) are carried out by several service providers. The Company and/or the Management Company follow a due diligence process in selecting service providers; nevertheless operational risk can occur and have a negative effect on the Company's operations, and it can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, regulatory or contractual breaches, human error, negligent execution, employee misconduct, fraud or other criminal acts. In the event of a bankruptcy or insolvency of a service provider, Investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

10. Liquidity Risk

Liquidity risk exists when particular investments are difficult to purchase or sell. A Fund's investment in illiquid securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Illiquid securities may be highly volatile and difficult to value.

11. Inflation/Deflation Risk

Inflation is the risk that a Fund's assets or income from a Fund's investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of a Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

12. Derivatives Risk

For a Fund that uses financial derivative instruments to meet its specific investment objective, there is no guarantee that the performance of the financial derivative instruments will result in a positive effect for the Fund and its Shareholders.

Each Fund may incur costs and fees in connection with total return swaps, contracts for difference or other financial derivative instruments with similar characteristics, upon entering into these instruments and/or any increase or decrease of their notional amount. The amount of these fees may be fixed or variable. Information on costs and fees incurred by each Fund in this respect, as well as the identity of the recipients and any affiliation they may have with the Depositary, the Investment Manager or the Management Company, if applicable, may be available in the annual report.

13. Warrants Risk

When a Fund invests in warrants, the price, performance and liquidity of such warrants are typically linked to the underlying stock. However, the price, performance and liquidity of such warrants will generally fluctuate more than the underlying securities because of the greater volatility of the warrants market. In addition to the market risk related to the volatility of warrants, a Fund investing in synthetic warrants, where the issuer of the synthetic warrant is different to that of the underlying stock, is subject to the risk that the issuer of the synthetic warrant will not perform its obligations under the transactions which may result in the Fund, and ultimately its Shareholders, suffering a loss.

14. Credit Default Swap Risk

A credit default swap allows the transfer of default risk. This allows a Fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. In addition, if there is a credit event and the Fund does not hold the underlying reference obligation, there may be a market risk as the Fund may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. The Company will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

15. Futures, Options and Forward Transactions Risk

A Fund may use options, futures and forward contracts on currencies, securities, indices, volatility, inflation and interest rates for hedging and investment purposes.

Transactions in futures may carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the Fund. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options may also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the Fund is fixed, the Fund may sustain a loss well in excess of that amount. The Fund will also be exposed to the risk of the purchaser exercising the option and the Fund will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the Fund holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Forward transactions and purchasing options, in particular those traded over-the-counter and not cleared through a central counterparty, have an increased counterparty risk. If a counterparty defaults, the Fund may not get the expected payment or delivery of assets. This may result in the loss of the unrealised profit.

16. Credit Linked Note Risk

A credit linked note is a debt instrument which assumes both credit risk of the relevant reference entity (or entities) and the issuer of the credit linked note. There is also a risk associated with the coupon payment; if a reference entity in a basket of credit linked notes suffers a credit event, the coupon will be re-set and is paid on the reduced nominal amount. Both the residual capital and coupon are exposed to further credit events. In extreme cases, the entire capital may be lost. There is also the risk that a note issuer may default.

17. Equity Linked Note Risk

The return component of an equity linked note is based on the performance of a single security, a basket of securities or an equity index. Investment in these instruments may cause a capital loss if the value of the underlying security decreases. In extreme cases the entire capital may be lost. These risks are also found in investing in equity investments directly. The return payable for the note is determined at a specified time on a valuation date, irrespective of the fluctuations in the underlying stock price. There is no guarantee that a return or yield on an investment will be made. There is also the risk that a note issuer may default.

A Fund may use equity linked notes to gain access to certain markets, for example emerging and less developed markets, where direct investment is not possible. This approach may result in the following additional risks being incurred – lack of a secondary market in such instruments, illiquidity of the underlying securities, and difficulty selling these instruments at times when the underlying markets are closed.

18. Total Return Swaps Risk

A Fund may use total return swaps to, inter alia, replicate the exposure of an index or to swap the performance of one or more instruments into a stream of fixed or variable rate cashflows. In such cases, the counterparty to the transaction will be a counterparty approved and monitored by the Management Company. At no time will a counterparty in a transaction have discretion over the composition or the management of the Fund's investment portfolio or over the underlying asset of the total return swap.

19. General Risk associated with OTC Transactions

Instruments traded in OTC markets may trade in smaller volumes, and their prices may be more volatile than instruments principally traded on exchanges. Such instruments may be less liquid than more widely traded instruments. In addition, the prices of such instruments may include an undisclosed dealer mark-up which a Fund may pay as part of the purchase price.

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

The principal risk when engaging in OTC derivatives (such as non-exchange traded options, forwards, swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC derivatives may expose a Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is for OTC financial derivative instruments (other than certain foreign exchange and equity option transactions) is generally mitigated by the transfer or pledge of collateral in favour of the Fund. The value of the collateral may fluctuate, however, and it may be difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to the Fund.

A Fund may enter into OTC derivatives cleared through a clearinghouse that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate those risks completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the Fund. There is a risk of loss by a Fund of its initial and variation margin deposits in the event of default of the clearing broker with which the Fund has an open position or if margin is not identified and correctly report to the particular -Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Fund may not be able to transfer or "port" its positions to another clearing broker.

EU Regulation No 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation, or "EMIR"), which came into force on 16 August 2012, introduces uniform requirements in respect of OTC derivatives transactions by requiring certain "eligible" OTC derivatives transactions to be submitted for clearing to regulated central clearing counterparties and by mandating the reporting of certain details of derivatives transactions to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty credit risk in respect of OTC derivatives contracts which are not subject to mandatory clearing. These requirements include the exchange of margin and, where initial margin is exchanged, its segregation by the parties, including by the Company.

Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Company has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivatives are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement.

However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

20. Counterparty Risk

The Company conducts transactions through or with brokers, clearing houses, market counterparties and other agents. The Company will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A Fund may invest in instruments such as notes, bonds or warrants the performance of which is linked to a market or investment to which the Fund seeks to be exposed. Such instruments are issued by a range of counterparties and through its investment the Fund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

21. OTC Derivative Clearing Risk

A Fund's OTC derivative transactions may be cleared prior to the date on which the mandatory clearing obligation takes effect under EMIR in order to take advantage of pricing and other potential benefits. OTC derivative transactions may be cleared under the "agency" model or the "principal-to-principal" model. Under the principal-to-principal model there is usually one transaction between the Fund and its clearing broker and another back-to-back transaction between the clearing broker and the CCP whereas under the agency model there is one transaction between the Fund and the CCP. It is expected that many of a Fund's OTC derivative transactions which are cleared will be under the "principal-to-principal" model. However, the following risks are relevant to both models unless otherwise specified.

The CCP will require margin from the clearing broker which will in turn require margin from the Fund. The Fund's assets posted as margin will be held in an account maintained by the clearing broker with the CCP. Such account may contain assets of other clients of the clearing broker (an "omnibus account") and if so, in the event of a shortfall, the assets of the Fund transferred as margin may be used to cover losses relating to such other clients of the clearing broker upon a clearing broker or CCP default.

The margin provided to the clearing broker by the Fund may exceed the margin that the clearing broker is required to provide to the CCP, particularly where an omnibus account is used. The Fund will be exposed to the clearing broker in respect of any margin which has been posted to the clearing broker but not posted to and recorded in an account with the CCP. In the event of the insolvency or failure of the clearing broker, the Fund's assets posted as margin may not be as well protected as if they had been recorded in an account with the CCP.

The Fund will be exposed to the risk that margin is not identified to the particular Fund while it is in transit from the Fund's account to the clearing broker's account and onwards from the clearing broker's account to the CCP. Such margin could, prior to its settlement, be used to offset the positions of another client of the clearing broker in the event of a clearing broker or CCP default.

A CCP's ability to identify assets attributable to a particular client in an omnibus account is reliant on the correct reporting of such client's positions and margin by the relevant clearing broker to that CCP. The Fund is therefore subject to the operational risk that the clearing broker does not correctly report such positions and margin to the CCP. In such event, margin transferred by the Fund in an omnibus account could be used to offset the positions of another client of the clearing broker in that omnibus account in the event of a clearing broker or CCP default.

In the event that the clearing broker becomes insolvent, the Fund may be able to transfer or "port" its positions to another clearing broker. Porting will not always be achievable. In particular, under the principal-to-principal model, where the Fund's positions are within an omnibus account, the ability of the Fund to port its positions is dependent on the timely agreement of all other parties whose positions are in that omnibus account and so porting may not be achieved. Where porting is not achieved, the Fund's positions may be liquidated and the value given to such positions by the CCP may be lower than the full value attributed to them by the Fund. Additionally, there may be a considerable delay in the return of any net sum due to the Fund while insolvency proceedings in respect of the clearing broker are ongoing.

If a CCP becomes insolvent, subject to administration or an equivalent proceeding or otherwise fails to perform, the Fund is unlikely to have a direct claim against the CCP and any claim will be made by the clearing broker. The rights of a clearing broker against the CCP will depend on the law of the country in which the CCP is established and other optional protections the CCP may offer, such as the use of a third-party custodian to hold the Fund's margin. On the failure of a CCP, it is likely to be difficult or impossible for positions to be ported to another CCP and so transactions will likely be terminated. In such circumstances, it is likely that the clearing broker will only recover a percentage of the value of such transactions and consequently the amount the Fund will recover from the clearing broker will be similarly limited. The steps, timing, level of control and risks relating to that process will depend on the CCP, its rules and the relevant insolvency law. However, it is likely that there will be material delay and uncertainty around when and how much assets or cash, if any, the clearing broker will receive back from the CCP and consequently the amount the Fund will receive from the clearing broker.

22. Depositary Risk

Assets of the Company are safe kept by the Depositary and Investors are exposed to the risk of the Depositary not being able to fully meet its obligation to restitute in a short time frame all of the assets of the Company in the case of bankruptcy of the Depositary. The assets of the Company will be identified in the Depositary's books as belonging to the Company. Securities held by the Depositary will be segregated from other assets of the Depositary which mitigates but does not exclude the risk of non restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non restitution in case of bankruptcy. The Depositary does not keep all the assets of the Company itself but uses a network of sub-custodians which are not part of the same group of companies as the Depositary. Investors are exposed to the risk of bankruptcy of the sub-custodians where the obligation of the Depositary to replace the assets held by that sub-custodian is not triggered or where the Depositary is also bankrupt.

A Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the Depositary will have no liability.

23. Smaller and Micro-cap Companies Risk

A Fund which invests in smaller or micro-cap companies may fluctuate in value more than other Funds. Smaller companies and micro-cap companies may offer greater opportunities for capital appreciation than larger companies, but may also involve certain special risks. They are more likely than larger companies to have limited product lines, markets or financial resources, or to depend on a small, inexperienced management group. Securities of smaller or micro-cap companies may, especially during periods where markets are falling, become less liquid and experience short-term price volatility and wide spreads between dealing prices. They may also trade in the OTC market or on a regional exchange, or may otherwise have limited liquidity. Consequently investments in smaller or micro-cap companies may be more vulnerable to adverse developments than those in larger companies and the Fund may have more difficulty establishing or closing out its securities positions in such companies at prevailing market prices. Also, there may be less publicly available information about smaller and micro-cap companies or less market interest in the securities, and it may take longer for the prices of the securities to reflect the full value of the issuers' earning potential or assets.

24. Specific Risk relating to Collateral Management

Counterparty risk arising from investments in OTC financial derivative instruments (other than certain foreign exchange and equity option transactions) and securities lending transactions, repurchase agreements and buy-sell back transactions is generally mitigated by the transfer or pledge of collateral in favour of a Fund. However, transactions may not be fully collateralised. Fees and returns due to the Fund may not be collateralised. If a counterparty defaults, the Fund may need to sell non-cash collateral received at prevailing market prices. In such a case the Fund could realise a loss due, inter alia, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of the Fund to meet redemption requests.

A Fund may also incur a loss in reinvesting cash collateral received, where permitted. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Fund to the counterparty as required by the terms of the transaction. The Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Fund.

25. Technology Related Companies Risk

Investments in the technology sector may present a greater risk and a higher volatility than investments in a broader range of securities covering different economic sectors. The equity securities of the companies in which a Fund may invest are likely to be affected by world-wide scientific or technological developments, and their products or services may rapidly fall into obsolescence. In addition, some of these companies offer products or services that are subject to governmental regulation and may, therefore, be adversely affected by governmental policies. As a result, the investments made by a Fund may drop sharply in value in response to market, research or regulatory setbacks.

26. Lower Rated, Higher Yielding Debt Securities Risk

A Fund may invest in lower rated, higher yielding debt securities, which are subject to greater market and credit risks than higher rated securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate Investors for the higher risk. The lower ratings of such securities reflect the greater possibility that adverse changes in the financial condition of the issuer, or rising interest rates, may impair the ability of the issuer to make payments to holders of the securities. Accordingly, an investment in such a Fund is accompanied by a higher degree of credit risk than is present with investments in higher rated, lower yielding securities.

27. Concentration of Investments Risks

Although it will be the policy of the Company to diversify its investment portfolio, a Fund may at certain times hold relatively few investments. The Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

28. Mortgage Related and Other Asset Backed Securities Risks

Mortgage-backed securities, including collateralised mortgage obligations and certain stripped mortgage-backed securities represent a participation in, or are secured by, mortgage loans. Asset-backed securities are structured like mortgage-backed securities, but instead of mortgage loans or interests in mortgage loans, the underlying assets may include such items as motor vehicles instalment sales or instalment loan contracts, leases of various types of real and personal property and receivables from credit card agreements. Mortgage-backed and asset-backed securities are commonly used to redirect the interest and principal payments from the pool of underlying assets to Investors and can be issued at a fixed or a floating rate. The securities backed by the same pool of underlying assets may be issued in a number of different tranches, or classes, with varying risk and return characteristics depending on the priority of claim on the cash flows from the pool and the terms and conditions. The higher the risk contained in the tranche, the more the security generally pays by way of income.

Traditional debt investments typically pay a fixed rate of interest until maturity, when the entire principal amount is due. By contrast, payments on mortgage-backed and many asset-backed investments typically include both interest and partial payment of principal. Principal may also be prepaid voluntarily, or as a result of refinancing or foreclosure. A Fund may have to invest the proceeds from prepaid investments in other investments with less attractive terms and yields. As a result, these securities may have less potential for capital appreciation during periods of declining interest rates than other securities of comparable maturities, although they may have a similar risk of decline in market value during periods of rising interest rates. As the prepayment rate generally declines as interest rates rise, an increase in interest rates will likely increase the duration, and thus the volatility, of mortgage-backed and asset-backed securities. In addition to interest rate risk (as described above), investments in mortgage-backed securities composed of subprime mortgages may be subject to a higher degree of credit risk, valuation risk and liquidity risk (as described above). Duration is a measure of the expected life of a fixed income security that is used to determine the sensitivity of the security's price to changes in interest rates.

Unlike the maturity of a fixed income security, which measures only the time until final payment is due, duration takes into account the time until all payments of interest and principal on a security are expected to be made, including how these payments are affected by prepayments and by changes in interest rates.

The ability of an issuer of asset-backed securities to enforce its security interest in the underlying assets may be limited. Some mortgage-backed and asset backed investments receive only the interest portion or the principal portion of payments on the underlying assets. The yields and values of these investments are extremely sensitive to changes in interest rates and in the rate of principal payments on the underlying assets. Interest portions tend to decrease in value if interest rates decline and rates of repayment (including prepayment) on the underlying mortgages or assets increase; it is possible that a Fund may lose the entire amount of its investment in an interest portion due to a decrease in interest rates. Conversely, principal portions tend to decrease in value if interest rates rise and rates of repayment decrease. Moreover, the market for interest portions and principal portions may be volatile and limited, which may make them difficult for a Fund to buy or sell.

A Fund may gain investment exposure to mortgage-backed and asset-backed investments by entering into agreements with financial institutions to buy the investments at a fixed price at a future date. A Fund may or may not take delivery of the investments at the termination date of such an agreement, but will nonetheless be exposed to changes in the value of the underlying investments during the term of the agreement.

29. Initial Public Offerings Risk

A Fund may invest in initial public offerings, which frequently are smaller companies. Such securities have no trading history, and information about these companies may only be available for limited periods. The prices of securities involved in initial public offerings may be subject to greater price volatility than more established securities.

30. Risk Associated with Debt Securities Issued Pursuant to Rule 144A under the Securities Act of 1933

SEC Rule 144A provides a safe harbour exemption from the registration requirements of the Securities Act of 1933 for resale of restricted securities to qualified institutional buyers, as defined in the rule. The advantage for Investors may be higher returns due to lower administration charges. However, dissemination of secondary market transactions in rule 144A securities is restricted and only available to qualified institutional buyers. This might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular rule 144A security.

31. Emerging and Less Developed Markets Securities Risk

Investing in emerging markets and less developed markets securities poses risks different from, and/or greater than, risks of investing in the securities of developed countries. These risks include; smaller market-capitalisation of securities markets, which may suffer periods of relative illiquidity; significant price volatility; restrictions on foreign investment; and possible repatriation of investment income and capital. In addition, foreign Investors may be required to register the proceeds of sales, and future economic or political crisis could lead to price controls, forced mergers, expropriation or confiscatory taxation, seizure, nationalisation or the creation of government monopolies. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging and less developed countries.

Although many of the emerging and less developed market securities in which a Fund may invest are traded on securities exchanges, they may trade in limited volume and may encounter settlement systems that are less well organised than those of developed markets. Supervisory authorities may also be unable to apply standards that are comparable with those in developed markets. Thus there may be risks that settlement may be delayed and that cash or securities belonging to the relevant Fund may be in jeopardy because of failures of or defects in the systems or because of defects in the administrative operations of counterparties. Such counterparties may lack the substance or financial resources of similar counterparties in a developed market. There may also be a danger that competing claims may arise in respect of securities held by or to be transferred to the Fund and compensation schemes may be non-existent or limited or inadequate to meet the Fund's claims in any of these events.

Equity investments in Russia are currently subject to certain risks with regard to the ownership and custody of securities. This results from the fact that no physical share certificates are issued and ownership of securities is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Depositary), other than by local regulation. No certificates representing shareholdings in Russian companies will be held by the Depositary or any of its local correspondents or in an effective central depository system.

Equity investments in Russia may also be settled using the local depository, the National Settlement Depository ("NSD"). Although NSD is legally recognised as a central securities depository ("CSD"), it is not currently operated as a CSD and may not protect finality of title. Like local custodians, the NSD still has to register the equity positions with the registrar in its own nominee name.

If concerns are raised regarding a specific Investor, the whole nominee position in a depository could be frozen for a period of months until the investigation is complete. As a result, there is a risk that an Investor could be restricted from trading because of another NSD account holder. At the same time should an underlying registrar be suspended, Investors settling through registrars cannot trade, but settlement between two depository accounts can take place. Any discrepancies between a registrar and the NSD records may impact corporate entitlements and potentially settlement activity of underlying clients, which is mitigated by the frequent position reconciliations between the depositories and the registrars.

Securities traded on the Moscow Exchange can be treated as investment in securities dealt in on a Regulated Market.

Additional risks of emerging market securities may include: greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organised and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition taxation of interest and capital gains received by non-residents varies among emerging and less developed markets and, in some cases may be comparatively high. There may also be less well-

defined tax laws and procedures and such laws may permit retroactive taxation so that the Fund could in the future become subject to local tax liabilities that had not been anticipated in conducting investment activities or valuing assets.

32. Sustainability Risks

The Investment Manager takes sustainability risks into account in the management of each Fund. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment and the returns of the Fund. An example of an environmental risk is the increased likelihood of flooding due to climate change and the associated rise in sea levels. Flooding could affect a variety of issuers such as real estate companies and insurers, and could negatively impact the value of investments in those companies. An example of a social risk is the occurrence of improper working practices such as child labour. Companies that are found to have engaged in such practices, or that have engaged with suppliers that they know to have done so, may be in breach of applicable laws and/or may be perceived negatively by the market. An example of a governance risk is the need to ensure gender diversity. If a company's reporting shows a lack of diversity, or there is media coverage of discrimination within the business on the grounds of gender, this may negatively affect market sentiment with respect to the company and impact its share price. There is also the risk that new regulations, taxes or industry standards to protect or encourage sustainable businesses and practices may be introduced – such changes may negatively impact issuers that are poorly placed to adapt to new requirements.

Some Funds may have the objective of making sustainable investments and/or have environmental and/or social characteristics, which they achieve by applying sustainability criteria to the selection of investments chosen by the Investment Manager. These Funds may have limited exposure to some companies, industries or sectors as a result and may forego certain investment opportunities, or dispose of certain holdings, that do not align with their sustainability criteria. As Investors may differ in their views of what constitutes sustainable investing, such a Fund may invest in companies that do not reflect the beliefs and values of particular Investors; for example, with a view to engaging with that company to improve certain aspects of its environmental, social or governance practices.

The regulatory framework applying to sustainable products and sustainable investing is rapidly evolving. As such, the sustainable investing characteristics of a particular Fund and how they are described for Investors may be subject to change over time in order to comply with new requirements or applicable regulatory guidance.

33. Taxes associated with investing in mainland China

Income and gains derived from trading China A-Shares

The Ministry of Finance of the PRC, the State of Administration of Taxation of the PRC and the CSRC jointly issued circulars in relation to the taxation rules on the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect under Circular Caishui [2014] No.81 ("Circular 81") and Circular Caishui [2016] No. 127 ("Circular 127") on 14 November 2014 and 1 December 2016 respectively. Under Circular 81 and Circular 127, corporate income tax, individual income tax and business tax will be temporarily exempted on gains derived by overseas Investors on the trading of China A-Shares through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect with effect from 17 November 2014 and 5 December 2016 respectively. However, overseas Investors are required to pay withholding income tax (WIT) on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant in-charge PRC tax authorities by the listed companies. Dividends from China A-Shares are not within the charging scope of Value-Added Tax (VAT).

Interest income from bonds / debt securities issued in mainland China

On 22 November 2018, the Ministry of Finance ("MOF") and State Taxation Administration ("STA") of the PRC jointly issued circular Caishui [2018] No. 108 ("Circular 108") to address the tax issues in relation to bond interest income received by foreign Institutional Investors from investments in the PRC bond market. Under Circular 108, non-PRC tax residents without a permanent establishment (PE) in the PRC (or having a PE in the PRC but the income so derived in the PRC is not effectively connected with such PE), bond interest income received from 7 November 2018 to 6 November 2021 will be temporarily exempt from WIT and VAT. This is regardless of whether the non-PRC tax residents invest in the PRC bond market through QFI and/or Bond Connect. Circular 108 did not specify the WIT and VAT treatments on income received by non-PRC tax residents from investment in other fixed income securities (such as asset-backed securities, certificates of deposits, etc.).

Gains derived from trading bonds / debt securities issued in mainland China

The PRC tax authorities have verbally indicated, on numerous occasions, that capital gains realized by non-PRC tax residents from the disposal of PRC debt securities are considered non-PRC sourced income and hence not subject to PRC WIT. There is no specific written tax regulation to confirm this but, in practice, the PRC tax authorities have not actively enforced the collection of PRC WIT on gains realized by non-PRC tax residents from the disposal of PRC debt securities.

VAT treatment of gains derived from trading securities in China

Gains realized from the trading of marketable securities in the PRC are generally subject to VAT at 6%; however, various Circulars issued by the authorities provide for exemptions from VAT for non-PRC tax residents investing via QFI, the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and/or Bond Connect.

34. Specific Risks linked to Securities Lending and Repurchase Transactions

Securities lending and repurchase transactions involve certain risks. There is no assurance that a Fund will achieve the objective for which it entered into a transaction.

Repurchase transactions might expose a Fund to risks similar to those associated with optional or forward derivative financial instruments, the risks of which are described in other sections of this Prospectus. Securities loans may, in the event of a counterparty default or an operational difficulty, be recovered late and only in part, which might restrict a Fund's ability to complete the sale of securities or to meet redemption requests.

A Fund's exposure to its counterparty will be mitigated by the fact that the counterparty will forfeit its collateral if it defaults on the transaction. If the collateral is in the form of securities, there is a risk that when it is sold it will realise insufficient cash to settle the counterparty's debt to a Fund or to purchase replacements for the securities that were lent to the counterparty. In the latter case, a Fund's tri-party lending agent will indemnify a Fund against a shortfall of cash available to purchase replacement securities but there is a risk that the indemnity might be insufficient or otherwise unreliable.

In the event that a Fund reinvests cash collateral in one or more of the permitted types of investment, there is a risk that the investment will earn less than the interest that is due to the counterparty in respect of that cash and that it will return less than the amount of cash that was invested. There is also a risk that the investment will become illiquid, which would restrict a Fund's ability to recover its securities on loan, which might restrict a Fund's ability to complete the sale of securities or to meet redemption requests.

35. Potential Conflicts of Interest

The Investment Managers and Schroders may effect transactions in which the Investment Managers or Schroders have, directly or indirectly, an interest which may involve a potential conflict with the Investment Managers' duty to the Company. Neither the Investment Managers nor Schroders shall be liable to account to the Company for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Managers' fees, unless otherwise provided, be abated.

The Investment Managers will ensure that such transactions are effected on terms which are not less favourable to the Company than if the potential conflict had not existed.

Such potential conflicting interests or duties may arise because the Investment Managers or Schroders may have invested directly or indirectly in the Company.

The prospect of a Performance Fee may lead the Investment Managers to make investments that are riskier than would otherwise be the case.

36. Investment Funds

Some of the Funds may invest all or substantially all of their assets in investment funds, unless otherwise disclosed, the investment risks identified in this Appendix will apply whether a Fund invests directly, or indirectly through investment funds, in the assets concerned. The investments of the Funds in investment funds may result in an increase of total operating, administration, depositary and management fees/expenses. However the Investment Managers will seek to negotiate a reduction in management fees and any such reduction will be for the sole benefit of the relevant Fund.

37. Commodity-linked Derivatives

Investments in commodity-linked derivative instruments may subject the Company to greater volatility than instruments in traditional securities. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments.

38. Convertible Securities Risk

Convertible securities are typically bonds or preferred stocks that may be converted into a specific number of shares of the issuing company's stock at a specified conversion price.

Convertible securities combine investment characteristics and risks of equities and bonds.

Depending on the value of the underlying stock, the convertible security will behave more like a stock or like a bond.

When the price of the underlying stock exceeds the conversion price, the convertible security generally behaves more like a stock and will be more sensitive to changes in equity securities. When the price of the underlying stock is lower than the conversion price, the convertible security generally behaves more like a bond and will be more sensitive to changes in interest rates and in credit spreads.

Given the benefit provided by the potential conversion, convertible securities generally offer lower yields than non-convertible securities of similar quality.

They also can be of lower credit quality and tend to be less liquid than traditional non convertible securities. Lower credit quality debt securities are generally subject to greater market, credit and default risk compared to more highly rated securities.

39. Exchange Rates

The reference currency of each Fund is not necessarily the investment currency of the Fund concerned. Investments are made in investment funds in currencies that, in the view of the Investment Managers, best benefit the performance of the Funds.

Shareholders investing in a Fund having a reference currency that is different from their own should be aware that exchange rate fluctuations could cause the value of their investment to diminish or increase.

40. Fixed Income Securities

The value of fixed income securities held by Funds generally will vary upon changes in interest rates and such variation may affect Share prices of Funds investing in fixed income securities.

41. Equity Securities

Where a Fund invests in equity or equity-related investments, the values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse Investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities.

42. Private Equity

Investments which grant an exposure to private equity involve additional risks compared to those resulting from traditional investments. More specifically, private equity investments may imply exposure to less mature and less

liquid companies. The value of financial instruments which grant exposure to private equity may be impacted in a similar manner as direct investments in private equity.

43. Commodities

Investments which grant an exposure to commodities involve additional risks compared to those resulting from traditional investments. More specifically:

- political, military and natural events may influence the production and trading of commodities and, as a consequence, negatively influence financial instruments which grant exposure to commodities;
- terrorism and other criminal activities may have an influence on the availability of commodities and therefore also negatively impact financial instruments which grant exposure to commodities.

The performance of commodities, precious metals and commodity futures also depends on the general supply situation of the respective goods, the demand for them, the expected output, extraction and production as well as the expected demand, and can for this reason be especially volatile.

44. Sovereign Risk

There is a risk that governments or their agencies may default or not completely fulfil their obligations. In addition, there is no bankruptcy proceeding for sovereign debt securities on which money to pay the obligations of sovereign debt securities may be collected in whole or in part. As a consequence of this holders of sovereign debt securities may be requested to participate in the rescheduling of sovereign debt securities and to extend further loans to the issuers of sovereign debt securities.

45. Hedging Risk

A Fund may (directly or indirectly) employ hedging by taking long and short positions in related instruments. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of such portfolio positions or prevent losses if the values of such positions decline. Hedging transactions may limit the opportunity for gain if the value of the portfolio position should increase. In the event of an imperfect correlation between a position in a hedging instrument and the portfolio position that it is intended to protect, the desired protection may not be obtained, and a Fund may be exposed to risk of loss. In addition, it is not possible to hedge fully or perfectly against any risk, and hedging entails its own costs.

46. Synthetic Short Selling Risk

A Fund may use financial derivative instruments to implement synthetic short positions. If the price of the instrument or market which the Fund has taken a short position on increases, then the Fund will incur a loss in relation to the increase in price from the time that the short position was entered into plus any premiums and interest paid to a counterparty. Therefore, taking short positions involves the risk that losses may be exaggerated, potentially losing more money than the actual cost of the investment.

47. Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect

All Funds which can invest in China may invest in China A-Shares through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect programmes (the "Stock Connect") subject to any applicable regulatory limits. The Stock Connect is a securities trading and clearing linked programme developed by Hong Kong Exchanges and Clearing Limited ("HKEx"), the Hong Kong Securities Clearing Company Limited ("HKSCC"), Shanghai Stock Exchange or Shenzhen Stock Exchange and China Securities Depository and Clearing Corporation Limited ("ChinaClear") with an aim to achieve mutual stock market access between mainland China and Hong Kong. The Stock Connect allow foreign investors to trade certain Shanghai Stock Exchange or Shenzhen Stock Exchange listed China A-Shares through their Hong Kong based brokers.

The Funds seeking to invest in the domestic securities markets of the PRC may use the Stock Connect, in addition to the QFI schemes and, thus, are subject to the following additional risks:

General Risk: The relevant regulations are untested and subject to change. There is no certainty as to how they will be applied which could adversely affect the Funds. The Stock Connect requires use of new information technology systems which may be subject to operational risk due to its cross-border nature. If the relevant systems fail to function properly, trading in Hong Kong and Shanghai/Shenzhen markets through Stock Connect could be disrupted.

Clearing and Settlement Risk: The HKSCC and ChinaClear have established the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Legal/Beneficial Ownership: Where securities are held in custody on a cross-border basis, there are specific legal/beneficial ownership risks linked to compulsory requirements of the local Central Securities Depositaries, HKSCC and ChinaClear.

As in other emerging and less developed markets, the legislative framework is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities. In addition, HKSCC, as nominee holder, does not guarantee the title to Stock Connect securities held through it and is under no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners. Consequently, the courts may consider that any nominee or custodian as registered holder of Stock Connect securities would have full ownership thereof, and that those Stock Connect securities would form part of the pool of assets of such entity available for distribution to creditors of such entities and/or that a beneficial owner may have no rights whatsoever in respect thereof. Consequently the Funds and the Depositary cannot ensure that the Funds ownership of these securities or title thereto is assured.

To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, it should be noted that the Depositary and the Funds will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that the Funds suffer losses resulting from the performance or insolvency of HKSCC.

In the event ChinaClear defaults, HKSCC's liabilities under its market contracts with clearing participants will be limited to assisting clearing participants with claims. HKSCC will act in

good faith to seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or the liquidation of ChinaClear. In this event, the Funds may not fully recover its losses or its Stock Connect securities and the process of recovery could also be delayed.

Operational Risk: The HKSCC provides clearing, settlement, nominee functions and other related services of the trades executed by Hong Kong market participants. PRC regulations which include certain restrictions on selling and buying will apply to all market participants. In the case of sale, pre-delivery of shares are required to the broker, increasing counterparty risk. Because of such requirements, the Funds may not be able to purchase and/or dispose of holdings of China A-Shares in a timely manner.

Quota Limitations: The Stock Connect is subject to quota limitations which may restrict the Funds ability to invest in China A-Shares through the Stock Connect on a timely basis.

Investor Compensation: The Funds will not benefit from local Investor compensation schemes. Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. There may be occasions when it is a normal trading day for the PRC market but the Funds cannot carry out any China A-Shares trading. The Funds may be subject to risks of price fluctuations in China A-Shares during the time when Stock Connect is not trading as a result.

Investment Risk: securities traded via Shenzhen-Hong Kong Stock Connect may be smaller companies which are subject to "Smaller Companies Risk" as listed earlier in this Appendix.

48. The Benchmark Regulation

The London Interbank Offered Rate and other indices which are deemed "benchmarks" have been the subject of international and other regulatory guidance as well as proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any investments linked to a benchmark.

A key element of the reform of benchmarks within the EU is Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the Benchmark Regulation).

The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices such as the London Interbank Offered Rate, could also potentially apply to many other interest rate indices, as well as other indices (including "proprietary" indices or strategies) which are referenced in financial instruments (including Investments) and/or other financial contracts entered into by the Company, the Management Company or its delegates.

The Benchmark Regulation could have a material impact on any investment linked to a "benchmark" index, including in any of the following circumstances:

(A) an index which is a "benchmark" could not be used as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction which (subject to any applicable transitional provisions) does not have equivalent regulation (including potentially due to a 'no-deal' exit of the UK from the EU). In such event, depending on the particular "benchmark" and the applicable terms of the investments, the investment could be de-listed, adjusted, redeemed or otherwise impacted; and

(B) the methodology or other terms of the "benchmark" could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could lead to adjustments to the terms of the investments, including calculation agent determination of the rate or level in its discretion.

49. IBOR Reform

The term "IBOR" refers generally to any reference rate or benchmark rate that is an "interbank offered rate" intended to reflect, measure or estimate the average cost to certain banks of borrowing or obtaining unsecured short-term funds in the interbank market in the relevant currency and maturity. IBORs have been used extensively as reference rates across the financial markets for many years. A Fund may invest in securities or derivatives whose value or payments are derived from an IBOR. Bond Funds and multi-asset Funds that invest in floating rate debt securities, interest rate swaps, total return swaps and other derivatives are most likely to be adversely impacted by IBOR Reform. However, other Funds such as those that invest in contracts for difference or real estate investment trusts may also be adversely impacted.

Pursuant to recommendations of the Financial Stability Board (FSB), financial institutions and other market participants have been working to promote the development of alternative reference rates (ARRs). ARRs are in response to concerns over the reliability and robustness of IBORs. In July 2017, the UK Financial Conduct Authority (FCA) announced that the FCA would no longer use its influence or powers to persuade or compel contributing banks to make IBOR submissions after the end of 2021. Following this statement, other regulators across the globe have made announcements encouraging financial institutions and other market participants to transition from the use of IBORs to the use of new ARRs by the end of 2021. This has raised concerns about the sustainability of IBORs beyond 2021.

Regulatory and industry initiatives concerning IBORs may result in changes or modifications affecting investments referencing IBORs, including a need to determine or agree a substitute ARR, and/or a need to determine or agree a spread to be added to or subtracted from, or to make other adjustments to, such ARR to approximate an IBOR equivalent rate (as further described below), not all of which can be foreseen at the time a Fund enters into or acquires an IBOR-referencing investment.

If the composition or characteristics of an ARR differ in any material respect from those of an IBOR it may be necessary to convert the ARR into another IBOR-equivalent ARR before it is considered a suitable substitute for the relevant IBOR. Converting an ARR into one or more IBOR-equivalent rates may be possible by adding, subtracting or otherwise incorporating one or more interest rate or credit spreads, or by making other appropriate adjustments. Whether such adjustments are accurate or appropriate may depend on a variety of factors, including the impact of market conditions, liquidity, transaction volumes, the number and financial condition of contributing or reference banks and other considerations at the time of and leading up to such

conversion. Even with spreads or other adjustments, IBOR-equivalent ARRs may be only an approximation of the relevant IBOR and may not result in a rate that is the economic equivalent of the specific IBORs used in a Fund's IBOR-referencing investments. This could have a material adverse effect on a Fund.

The conversion from an IBOR to an ARR may also require the parties to agree that a payment is made from one party to the other to account for the change in the characteristics of the underlying reference rate. This payment may be required to be made by a Fund.

Until the applicable industry working group and/or market participants have agreed a standard methodology for the conversion from an IBOR to an IBOR-equivalent ARR it is difficult to determine whether and how such conversions will be made. For example, conversions and adjustments could be made by developers of ARRs or by compiling bodies, sponsors or administrators of ARRs, or by a method established by them. Conversions may instead be agreed bilaterally between a Fund and its counterparty or by the applicable calculation agent under such investments. This could lead to different results for similar IBOR-referencing investments which could have a material adverse effect on the performance of a Fund.

50. Global Minimum Tax

The Organisation for Economic Cooperation and Development (the "OECD") has been working to introduce a global minimum tax and many countries have agreed to introduce one. The global minimum tax is intended to ensure that very large businesses with companies based in two or more countries (that is, multinational groups with consolidated revenues over EUR 750 million) are subject to a minimum effective tax rate of 15% on their income arising in every country in which they operate. This is generally achieved where a company's tax liability in a country works out at under 15% by the tax liability being 'topped-up' to 15% for the company in that country.

The OECD's global minimum tax rules are complex and local implementation varies. The local rules normally contain various exemptions and exclusions. While there is generally an exclusion for investment funds, it only applies where the investment fund is the entity which owns the multinational group. Consequently, where a large multinational group invests in a Fund there is a risk of the global minimum tax rules applying to it with the result that in certain circumstances a tax or other related liability may arise to the Fund or another person. If the Fund suffers (or otherwise directly or indirectly bears the cost of) any such global minimum tax liability, this would affect the Net Asset Value of the Fund.

The EU has introduced its version of the global minimum tax rules in Council Directive (2022/2523). EU Member States were required to implement this Directive into national law by 31 December 2023 and Luxembourg implemented this via the law dated 22 December 2023, which applies to fiscal years starting on or after 31 December 2023. Other EU Member States have also implemented the Directive into their national laws.

Investors in the Funds should be aware that the Management Company may require information from them to enable it to consider any Fund's position with regard to any relevant global minimum tax rules and, if necessary to engage with the Luxembourg tax authority and any other local tax authorities as necessary.

Investors which are Institutional Investors should also be aware that they will be subject to the indemnity set out in the application form if any tax and/or other related liability arises in any jurisdiction under or in connection with global minimum tax rules to a Fund as a consequence of their investment (at any time) in the Fund.

Appendix III

Fund Details

The Funds bearing an asterisk (*) next to their name are not available for subscription at the time of issue of this Prospectus. Such Funds will be launched at the Directors' discretion, at which time this Prospectus will be updated accordingly.

The investment objectives and policies described below are binding on the Investment Manager of each Fund, although there can be no assurance that an investment objective will be met.

When a Fund states that it invests at least two-thirds of its assets in a certain way (i) the percentage is indicative only as, for example, the Investment Manager may adjust the Fund's exposure to certain asset classes in response to adverse market and/or economic conditions and/or expected volatility, when in the Investment Manager's view to do so would be in the best interests of the Fund and its shareholders; and (ii) such assets exclude cash or other liquidities which are not used as backup for derivatives unless otherwise stated. When a Fund states that it invests up to a maximum percentage of its assets (e.g. 80%) in a certain way, such assets include cash or other liquidities which are not used as backup for derivatives.

Where a Fund states that it invests at least a specific percentage of its assets in a certain way, the reference to "assets" should be understood as a reference to the relevant Fund's net assets or Net Asset Value.

The remaining one-third of the Fund's assets (excluding liquidities which are not used as backup for derivatives) may be invested in other currencies, securities, countries, regions or industries, either directly or through derivatives or as otherwise stated.

SFDR and Taxonomy

The Funds do not promote environmental or social characteristics and do not have an objective of sustainable investment (as provided by Articles 8 or 9 of SFDR).

Consideration of principal adverse impacts

For the purposes of the SFDR, as at the date of this Prospectus, the Funds do not consider principal adverse impacts on sustainability factors as the investment policies of the Funds do not promote any environmental and/or social characteristics. The situation may however be reviewed going forward.

Taxonomy

For the purposes of the Taxonomy, the Fund's investments do not take into account the EU criteria for environmentally sustainable economic activities and the Funds do not commit to make investments in taxonomy-aligned environmentally sustainable investments.

Hedged Share Classes

Share Classes may be offered in various currencies (each a "Reference Currency") at the Directors' discretion. Where offered in a currency other than the currency of the Fund (the "Fund Currency"), a Share Class may be currency denominated or currency hedged Share Class and they will be designated as such.

The aim of a hedged Share Class is to provide an Investor with the performance returns of the Fund's investments by reducing the effects of exchange rate fluctuations between the Fund Currency and the Reference Currency. In this instance currency exposures or currency hedging transactions within the Fund's portfolio will not be considered. The Management Company will review hedged positions at every valuation point to ensure that (i) over-hedged positions do not exceed 105% of the Net Asset Value of the hedged Classes and (ii) under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the hedged Classes which is to be hedged against the currency risk.

Confirmation of all the Funds and Share Classes available including currency denomination and hedging, as well as an up-to-date list of Share Classes utilising a currency overlay can be obtained from the Management Company upon request. While the Company has taken steps to ensure that the risk of contagion between Share Classes is mitigated in order to ensure that the additional risk introduced to the Fund through the use of a derivative overlay is only borne by the Shareholders in the relevant Share Class, this risk cannot be fully eliminated.

The performance of hedged Share Classes aims to be similar to the performance of equivalent Share Classes in Fund Currency. There is no assurance however that the hedging strategies employed will be effective in delivering performance differentials that are reflective only of interest rate differences adjusted for fees.

Where undertaken, the effects of this hedging will be reflected in the Net Asset Value and, therefore, in the performance of such additional Share Class. Similarly, any expenses arising from such hedging transactions (including a hedging charge of up to 0.03%) will be borne by the Share Class in relation to which they have been incurred.

Collateral received in connection with currency hedging transactions (and in particular currency forward transactions) on behalf of currency hedged Share Classes, may be reinvested, in compliance with the applicable investment policy and restrictions of the Funds.

It should be noted that these hedging transactions may be entered into whether the Reference Currency is declining or increasing in value relative to the relevant base currency and so, where such hedging is undertaken it may substantially protect Investors in the relevant Share Class against a decrease in the value of the base currency relative to the Reference Currency, but it may also preclude Investors from benefiting from an increase in the value of the Fund Currency.

In addition the Investment Manager may hedge the Fund Currency against the currencies in which the underlying assets of the Fund are denominated or the underlying unhedged assets of a target fund are denominated.

There can be no assurance that the currency hedging employed will fully eliminate the currency exposure to the Reference Currency.

The Management Company will delegate some or all of its currency and hedging policy related activities described in this Prospectus to HSBC Bank Plc as its FX overlay services provider.

RMB Hedged Share Classes

Since 2005, the RMB exchange rate is no longer pegged to the USD. RMB has now moved to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the People's Republic of China. RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and repatriation restrictions imposed by the Chinese government in coordination with the Hong Kong Monetary Authority (HKMA). The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including without limitation those foreign exchange control policies and repatriation restrictions.

Since 2005, foreign exchange control policies pursued by the Chinese government have resulted in the general appreciation of RMB (both CNH and CNY). This appreciation may or may not continue and there can be no assurance that RMB will not be subject to devaluation at some point.

The RMB Hedged Share Classes participate in the offshore RMB (CNH) market, which allows Investors to freely transact CNH outside of mainland China with approved banks in the Hong Kong market (HKMA approved banks). The RMB Hedged Share Classes will have no requirement to remit CNH to onshore RMB (CNY).

Schroder Alternative Solutions Commodity Fund

Investment Objective

The Fund aims to provide long term capital growth by investing in commodity related instruments worldwide.

Investment Policy

The Fund invests at least two-thirds of its assets in energy, agriculture, metals and other commodity linked instruments and commodity related derivatives worldwide.

As the Fund is index-unconstrained it is managed without reference to an index.

The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently. These include commodity related derivatives, such as futures (e.g. futures on commodity indices), total return swaps (e.g. swaps on physical commodities) and structured notes. Where the Fund uses total return swaps, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Investment Policy. In particular, total return swaps may be used to gain long exposure to commodities. The gross exposure of total return swaps will not exceed 100% and is expected to remain within the range of 0% to 20% of the Net Asset Value. In certain circumstances this proportion may be higher.

The Fund also invests in commodity related equity and equity related securities, fixed income securities, convertible securities and warrants of issuers in commodity related industries. The Fund may also invest in foreign currency (e. g. forward currency contracts, currency options, and swaps on currencies). The Fund may invest in money market instruments and hold cash.

The Fund will not acquire any physical commodities directly. Any commodity derivatives that call for physical delivery of the underlying commodity will be liquidated prior to delivery and procedures are in place to ensure that this occurs.

The Fund may be capacity constrained and therefore the Fund or some of its Share Classes may be closed to new subscriptions or switches in as described in section 2.3.

Leverage

Definition

Leverage is a way for the Fund to increase its exposure through the use of financial derivative instruments and/or borrowing of cash or securities where applicable.

Leverage is expressed as a ratio ('leverage ratio') between the exposure of the Fund and its Net Asset Value.

The leverage ratio is calculated in accordance with two methodologies for calculating the exposure of the Fund, the gross method and the commitment method as summarized in the below table.

The two ratios resulting from applying the gross or commitment methodology for calculating the exposure of the Fund supplement each other and provide a distinct representation of leverage.

Gross leverage is a conservative way of representing leverage as it does not:

- make a distinction between financial derivative instruments that are used for investment or hedging purposes. As a result strategies that aim to reduce risk will contribute to an increased level of leverage for the Fund.
- allow the netting of derivative positions. As a result, derivatives roll-overs and strategies relying on a combination of long and short positions may contribute to a large increase of the level of leverage when they do not increase or only cause a moderate increase of the overall Fund risk.

As a result, a Fund that exhibits a high level of gross leverage is not necessarily riskier than a Fund that exhibits a low level of gross leverage.

Commitment leverage is a more accurate representation of the true leverage of the Fund as it allows for hedging and netting arrangements under certain conditions.

Circumstances in which the Fund may use leverage and types and sources of leverage permitted

Even in extraordinary circumstances, the use of financial derivatives will not result in the Fund being leveraged nor will they be used to engage in short selling.

Maximum level of leverage

Leverage ratio	Maximum leverage ratio
'Gross leverage ratio'	Until 20/12/2026: 1.05 As from 21/12/2026: 1.15
'Commitment leverage ratio'	1.05

Liquidity risk management

The Management Company has established a liquidity risk process to assess and monitor the liquidity risk profile of the Fund on an on-going basis. This outlines techniques, tools and arrangements that enable liquidity risk of the Fund to be assessed and monitored under normal and exceptional liquidity conditions including through the use of regularly conducted stress tests.

In exceptional circumstances such as market liquidity dislocation and in the best interest of the Fund and its Shareholders, the Management Company has implemented special procedures to defer redemption requests on a temporary basis as further detailed under section 2.5 "Suspensions or Deferrals".

Leverage ratio	Exposure calculation methodology
'Gross leverage ratio'	The exposure calculated under the gross methodology consists of (i) the sum of the absolute values of all positions, (ii) the sum of the equivalent positions in the underlying assets of all financial derivative instruments entered into by the Fund in accordance with the conversion methodologies for gross exposure calculation, (iii) the exposure resulting from the reinvestment of cash borrowings where applicable and (iv) the exposure resulting from the reinvestment of collateral in relation to efficient portfolio management transactions where applicable. Cash and cash equivalent (including cash borrowing that remain in cash or cash equivalent) held in the base currency of the fund are excluded from the exposure calculation. The ratio to which the above exposure is applied is the total assets (as calculated by the respective methodologies) divided by total net assets (as calculated in accordance with the Prospectus).
'Commitment leverage ratio'	The exposure calculated with the commitment methodology consists of (i) the sum of the absolute values of all positions, (ii) the sum of the equivalent positions in the underlying assets of all financial derivative instruments entered into by the Fund in accordance with the conversion methodologies for commitment exposure calculation, (iii) the exposure resulting from the reinvestment of cash borrowings where applicable and (iv) the exposure resulting from the reinvestment of collateral in relation to efficient portfolio management transactions where applicable. Under this method, netting and hedging arrangements can be taken into consideration under certain conditions. The ratio to which the above exposure is applied is the total assets (as calculated by the respective methodologies) divided by total net assets (as calculated in accordance with the Prospectus).

Fund Characteristics

Portfolio Currency	USD
Investment Manager	Schroder Investment Management Limited
Dealing Cut-off Time	13:00 Luxembourg time on any Dealing Day
Dealing Frequency / Dealing Day	Daily, on each Business Day
Settlement period of subscription and redemption proceeds [1]	Within 3 Business Days from the relevant Dealing Day
Performance Fee	10% (the multiplier) of the absolute outperformance over a High Water Mark, as per the methodology in section 3.1 sub-section "Performance Fees" (C).

[1] Different subscription and redemption procedures may apply if applications are made through Distributors.

Share Class Features

Share Classes [2]	Minimum Initial Subscription	Minimum Additional Subscription	Minimum Holding	Initial Charge [3]
A	USD 10,000	USD 5,000	USD 10,000	Up to 5.0%
C	USD 250,000	USD 125,000	USD 250,000	Up to 1.0%
D	USD 10,000	USD 5,000	USD 10,000	Nil
J	USD 5,000,000	USD 2,500,000	USD 5,000,000	Nil
I	USD 5,000,000	USD 2,500,000	USD 5,000,000	Nil
X	USD 25,000,000	USD 12,500,000	USD 25,000,000	Nil

Share Classes [2]	Distribution Charge	Redemption Charge	Investment Management Fee [4]	Performance Fee
A	Nil	Nil	Up to 1.50%	Yes
C	Nil	Nil	1.00%	Yes
D	1.00%	Nil [5]	Up to 1.50%	Yes
J	Nil	Nil	Nil	Nil
I	Nil	Nil	Nil	Nil
X	Nil	Nil	Nil	Yes

A share class hedging charge of up to 0.03% will be borne by the currency hedged Share Classes.

[2] Other Share Classes described in section 1.3 of the Prospectus may also be available at the Management Company's discretion.
[3] Percentages are stated with reference to the net asset value of the Fund or relevant Class or the Net Asset Value per Share, as may be appropriate. The Initial Charge is expressed as a percentage of the total subscription amount. For example, up to 5% of the total subscription amount is equivalent to 5.26315% of the Net Asset Value per Share.
[4] Percentages are stated with reference to the net asset value of the Fund or relevant Class or the Net Asset Value per Share, as may be appropriate.
[5] However some charges for example redemption or administration charges may be deducted by the Distributor from the redemption proceeds as agreed separately between the shareholders and the Distributor. Shareholders should check with the respective Distributors for details of the arrangement.

Schroder Alternative Solutions Commodity Total Return Fund

Investment Objective

The Fund aims to provide capital growth over 3-5 years by investing in commodity related instruments worldwide.

Investment Policy

The Fund invests at least two-thirds of its assets in energy, agriculture, metals and other commodity linked instruments and commodity related derivatives worldwide. In exceptional circumstances (such as market dislocation), the investment strategy of the Fund and the use of derivatives may lead to situations where it is considered appropriate that prudent levels of cash and money market instruments will be maintained which may represent up to 100% of the Fund's assets.

As the Fund is index-unconstrained it is managed without reference to an index. The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently. These include futures, swaps and structured notes. Where the Fund uses total return swaps, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Investment Policy. The Fund may use leverage up to 50% of its net assets.

In particular, total return swaps may be used to gain long exposure to commodities. The gross exposure of total return swaps will not exceed 100% and is expected to remain within the range of 0% to 20% of the Net Asset Value. In certain circumstances this proportion may be higher.

The Fund will not acquire any physical commodities directly. Any commodity derivatives that call for physical delivery of the underlying commodity will be liquidated prior to delivery and procedures are in place to ensure that this occurs.

The Fund may be capacity constrained and therefore the Fund or some of its Share Classes may be closed to new subscriptions or switches in as described in section 2.3.

Leverage

Definition

Leverage is a way for the Fund to increase its exposure through the use of financial derivative instruments and/or borrowing of cash or securities where applicable.

Leverage is expressed as a ratio ('leverage ratio') between the exposure of the Fund and its Net Asset Value.

The leverage ratio is calculated in accordance with two methodologies for calculating the exposure of the Fund, the gross method and the commitment method as summarized in the below table.

The two ratios resulting from applying the gross or commitment methodology for calculating the exposure of the Fund supplement each other and provide a distinct representation of leverage.

Gross leverage is a conservative way of representing leverage as it does not:

- make a distinction between financial derivative instruments that are used for investment or hedging purposes. As a result strategies that aim to reduce risk will contribute to an increased level of leverage for the Fund.
- allow the netting of derivative positions. As a result, derivatives roll-overs and strategies relying on a combination of long and short positions may contribute to a large increase of the level of leverage when they do not increase or only cause a moderate increase of the overall Fund risk.

As a result, a Fund that exhibits a high level of gross leverage is not necessarily riskier than a Fund that exhibits a low level of gross leverage.

Commitment leverage is a more accurate representation of the true leverage of the Fund as it allows for hedging and netting arrangements under certain conditions.

Circumstances in which the Fund may use leverage and types and sources of leverage permitted

Even in extraordinary circumstances, the use of financial derivatives will not result in the Fund being leveraged nor will they be used to engage in short selling.

Maximum level of leverage

Leverage ratio	Maximum leverage ratio
'Gross leverage ratio'	1.50
'Commitment leverage ratio'	1.50

Liquidity risk management

The Management Company has established a liquidity risk process to assess and monitor the liquidity risk profile of the Fund on an on-going basis. This outlines techniques, tools and arrangements that enable liquidity risk of the Fund to be assessed and monitored under normal and exceptional liquidity conditions including through the use of regularly conducted stress tests.

In exceptional circumstances such as market liquidity dislocation and in the best interest of the Fund and its Shareholders, the Management Company has implemented special procedures to defer redemption requests on a temporary basis as further detailed under section 2.5 "Suspensions or Deferrals".

Leverage ratio	Exposure calculation methodology
'Gross leverage ratio'	The exposure calculated under the gross methodology consists of (i) the sum of the absolute values of all positions, (ii) the sum of the equivalent positions in the underlying assets of all financial derivative instruments entered into by the Fund in accordance with the conversion methodologies for gross exposure calculation, (iii) the exposure resulting from the reinvestment of cash borrowings where applicable and (iv) the exposure resulting from the reinvestment of collateral in relation to efficient portfolio management transactions where applicable. Cash and cash equivalent (including cash borrowing that remain in cash or cash equivalent) held in the base currency of the fund are excluded from the exposure calculation. The ratio to which the above exposure is applied is the total assets (as calculated by the respective methodologies) divided by total net assets (as calculated in accordance with the Prospectus).
'Commitment leverage ratio'	The exposure calculated with the commitment methodology consists of (i) the sum of the absolute values of all positions, (ii) the sum of the equivalent positions in the underlying assets of all financial derivative instruments entered into by the Fund in accordance with the conversion methodologies for commitment exposure calculation, (iii) the exposure resulting from the reinvestment of cash borrowings where applicable and (iv) the exposure resulting from the reinvestment of collateral in relation to efficient portfolio management transactions where applicable. Under this method, netting and hedging arrangements can be taken into consideration under certain conditions. The ratio to which the above exposure is applied is the total assets (as calculated by the respective methodologies) divided by total net assets (as calculated in accordance with the Prospectus).

Fund Characteristics

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[1] Different subscription and redemption procedures may apply if applications are made through Distributors.

Share Class Features

Share Classes [2]	Minimum Initial Subscription	Minimum Additional Subscription	Minimum Holding	Initial Charge
A	USD 10,000	USD 5,000	USD 10,000	Nil
C	USD 250,000	USD 125,000	USD 250,000	Nil
E	USD 500,000	USD 250,000	USD 500,000	Nil
I	USD 5,000,000	USD 2,500,000	USD 5,000,000	Nil

Share Classes [2]	Distribution Charge	Redemption Charge	Investment Management Fee [3]	Performance Fee
A	Nil	Nil	Up to 1.50%	Yes
C	Nil	Nil	0.75%	Yes
E	Nil	Nil	0.375%	Yes
I	Nil	Nil	Nil	Nil

A share class hedging charge of up to 0.03% will be borne by the currency hedged Share Classes.

[2] Other Share Classes described in section 1.3 of the Prospectus may also be available at the Management Company's discretion.
[3] Percentages are stated with reference to the net asset value of the Fund or relevant Class or the Net Asset Value per Share, as may be appropriate.

Appendix IV

Other information

(A) A list of all Funds and Share Classes may be obtained, free of charge and upon request, from the registered office of the Company.

(B) A list of the third-party delegates appointed by the Depositary pursuant to the Depositary and Custodian Agreement is available on _https://www.schroders.com/en-lu/lu/professional/funds-and-strategies/fund-administration/



EST. 1804

Schroder Investment Management (Europe) S.A.
5, Heienhaff
L-1736 Senningerberg
Grand Duchy of Luxembourg
Tel.: (+352) 341 342 202
Fax: (+352) 341 342 342

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