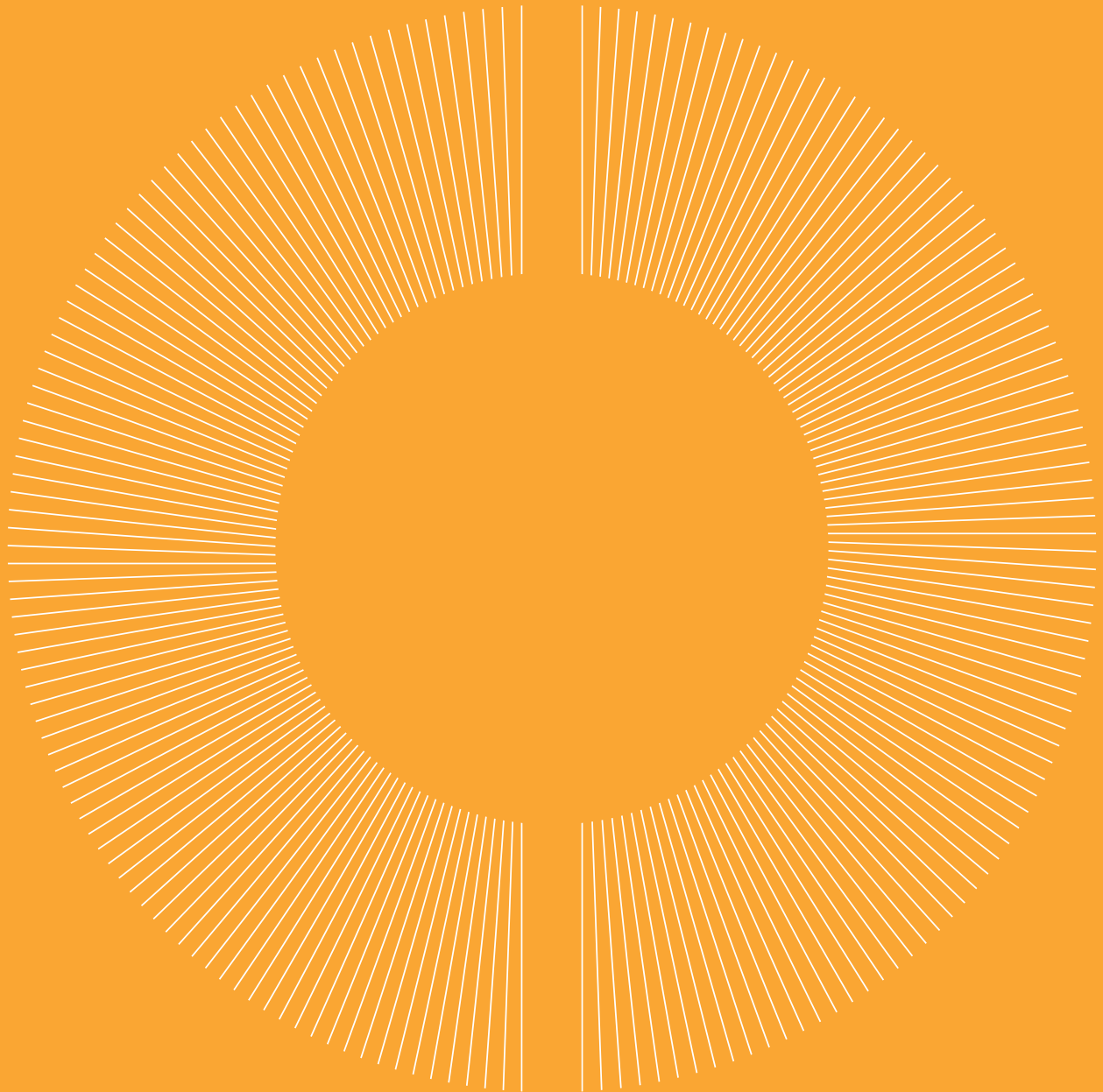


Schroder International Selection Fund Global Climate Change Equity



Schroder ISF* Global Climate Change Equity is an actively managed, global equity fund capturing opportunities around the world by investing in companies we believe will be positively impacted by efforts to transition to a low carbon economy.

Strategic Capabilities



Alpha Equity

Targeting higher active equity



Sustainability

Sustainably delivering long-term value in a fast-changing world

Why invest?

The impact of global warming on the economy and companies will be far reaching and profound. We believe that companies that recognise the threats and embrace the challenges early, or that form part of the solution to the problems linked to climate change, will ultimately outperform the broader market.

Highlights

We've been doing this a long time

Schroder ISF Global Climate Change Equity was one of the first in its field and has been successfully running since 2007.

Looking beyond the obvious

Climate change will impact every company, so we don't limit ourselves to particular sectors. This way we can build a diversified portfolio of companies, all linked to climate change. We do, however, exclude companies with ownership of fossil fuel reserves.

Diving deeper

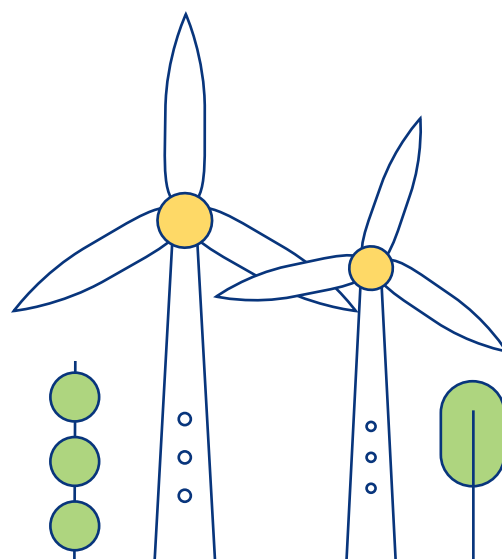
We analyse how climate change will affect revenue, margins, running costs, valuations and the impact on the entire value chain to help build a complete picture of how companies will adapt and, ultimately, their return potential.

A team of climate change specialists

Our team has investment experience in sectors like technology, energy, utilities, materials and automotive – exactly the ones set to be affected by climate change.

Our sustainability experts understand the science of climate change and how it links to economic trends, while our data scientists provide us with unique insights that others may not be able to spot.

“
We exclude any company that generates significant revenues from fossil fuels, coal, gas, or oil.
”



Investment process

Universe creation

Our investment universe comprises of those companies whose long-term outlook we believe will be positively impacted by efforts to mitigate and adapt to climate change.

This centers around 5 key themes; clean energy, sustainable transport, environmental resources, low carbon leader and energy efficiency.

Stock selection

The Global Climate Change team works with Schroders' broader equity research team and takes a bottom-up research approach to stock selection.

We also utilise ESG research from our Sustainability team and data science capabilities from our Data Insights Unit.

Portfolio construction

The portfolio comprises of 40-70 stocks which are weighted based on our risk-adjusted return expectations.

Stocks with a higher relative upside, lower fundamental risk profile and higher liquidity will receive higher active weights in the portfolio.

Ongoing stewardship

We actively engage with companies in our portfolio to encourage transparent disclosure and ESG improvements.

We evaluate voting issues on our investments and vote on them in line with our fiduciary responsibilities to clients. We vote on all resolutions unless we are restricted from doing so.

Key information

ISIN code LU0302445910

Bloomberg code SCGLLAA:LX

Fund launch date 29 June 2007

Fund base currency USD

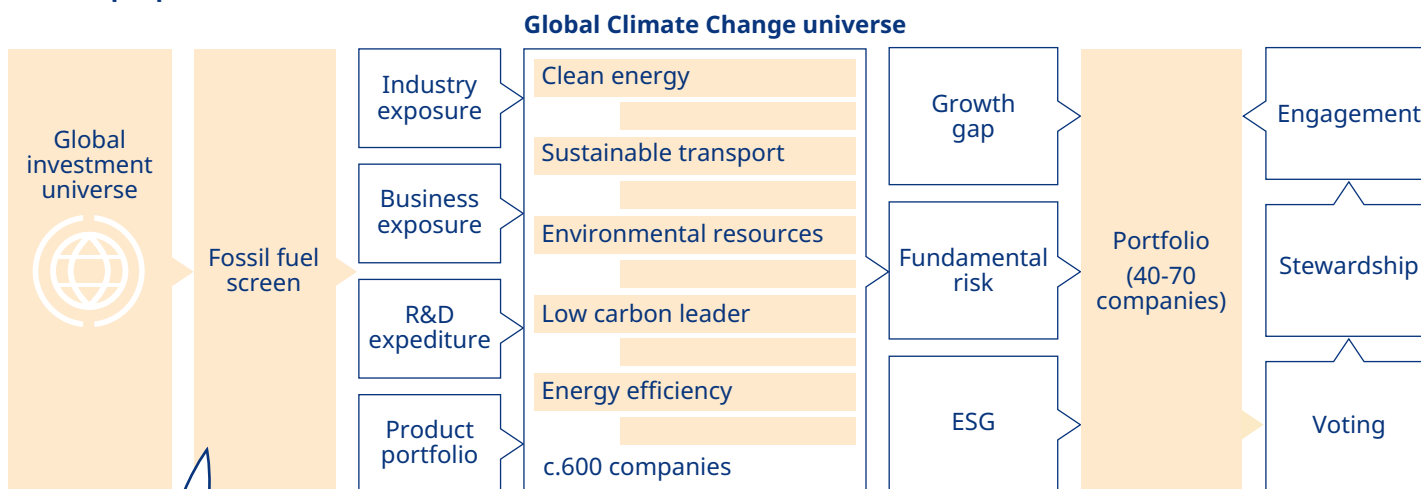
All information in the table above is for the A Accumulation share class, for further share class information please see the prospectus.

Schroders' awards

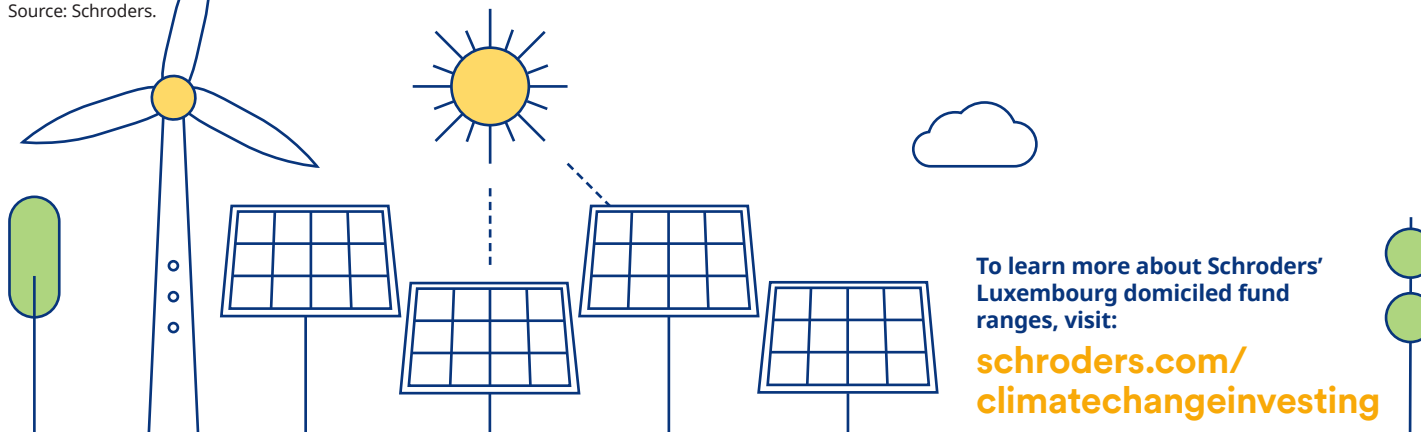


Source: Investment Europe Fund manager of the Year Awards 2019. Fitch Ratings, as at 29 September 2020.

Our unique process



Source: Schroders.



To learn more about Schroders' Luxembourg domiciled fund ranges, visit:

schroders.com/climatechangeinvesting

Risk Considerations

- Liquidity risk: In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares.
- Operational risk: Operational processes, including those related to the safekeeping of assets, may fail. This may result in losses to the fund.
- Currency risk: The fund may lose value as a result of movements in foreign exchange rates.
- Derivatives risk – Efficient Portfolio Management and Investment Purposes: Derivatives may be used to manage the portfolio efficiently. A derivative may not perform as expected, may create losses greater than the cost of the derivative and may result in losses to the fund. The fund may also materially invest in derivatives including using short selling and leverage techniques with the aim of making a return. When the value of an asset changes, the value of a derivative based on that asset may change to a much greater extent. This may result in greater losses than investing in the underlying asset.
- Emerging Markets & Frontier risk: Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty, operational and liquidity risk than developed markets.
- Counterparty risk: The fund may have contractual agreements with counterparties. If a counterparty is unable to fulfil their obligations, the sum that they owe to the fund may be lost in part or in whole.
- Performance risk: Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro economic environment, investment objectives may become more difficult to achieve.
- IBOR: The transition of the financial markets away from the use of interbank offered rates (IBORs) to alternative reference rates may impact the valuation of certain holdings and disrupt liquidity in certain instruments. This may impact the investment performance of the fund.

Important information

This document does not constitute an offer to anyone, or a solicitation by anyone, to subscribe for shares of Schroder International Selection Fund (the “Company”). Nothing in this document should be construed as advice and is therefore not a recommendation to buy or sell shares.

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

An investment in the Company entails risks, which are fully described in the prospectus.

Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get the amount originally invested.

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

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EST. 1804

Schroder Investment Management Limited

1 London Wall Place, London EC2Y 5AU, United Kingdom
T +44 (0) 20 7658 6000

 schroders.com

 [@schroders](https://twitter.com/schroders)