


The Schroders Global Transformation Range

Investing today for tomorrow's world

Marketing material for professional clients and qualified investors only



Schroders

A white humanoid robot with white sneakers is standing on a wooden platform. The robot's legs and feet are visible, showing the intricate details of the white sneakers. The background is a light-colored wall and floor.

The remarkable ability of human ingenuity to innovate and address the imbalances in our world creates compelling investment themes. These will create new markets, transform existing ones, and have significant and long-lasting impact on our lives.

Today, technological advances mean change is occurring faster than ever. We believe the sheer speed and scale of change will create a rich pool of opportunities for investors to capture.

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**The Schroders Global
Transformation Range**

Imbalances create opportunities

Addressing the world's imbalances lies at the heart of thematic investing.

Think of the pressure on scarce resources exerted by a growing global population and the impact of this in the shape of climate change.

Think too of imbalances between supply and demand within individual markets where there is unmet demand or inefficient supply. Ride-hailing and on-demand media services are some of the most mainstream examples in recent years.

Addressing these imbalances gives rise to powerful, resilient and long-term themes, characterised by businesses using their ingenuity to ignite innovation. These companies are transforming our planet and daily lives and represent attractive investment opportunities.





Why take a thematic approach?

The investment landscape is changing rapidly as a combination of economic, political, demographic, environmental and technological forces are creating both opportunities and threats. These in turn are changing the ways we will invest in the years ahead.

Thematic investing offers investors the chance to both manage the challenges that these disruptive forces pose but also grasp the exciting opportunities that come with this transformation. With investors today seeking additional sources of returns, we believe thematics can play a critical role in building a portfolio fit for the long term.



Identifying the right themes

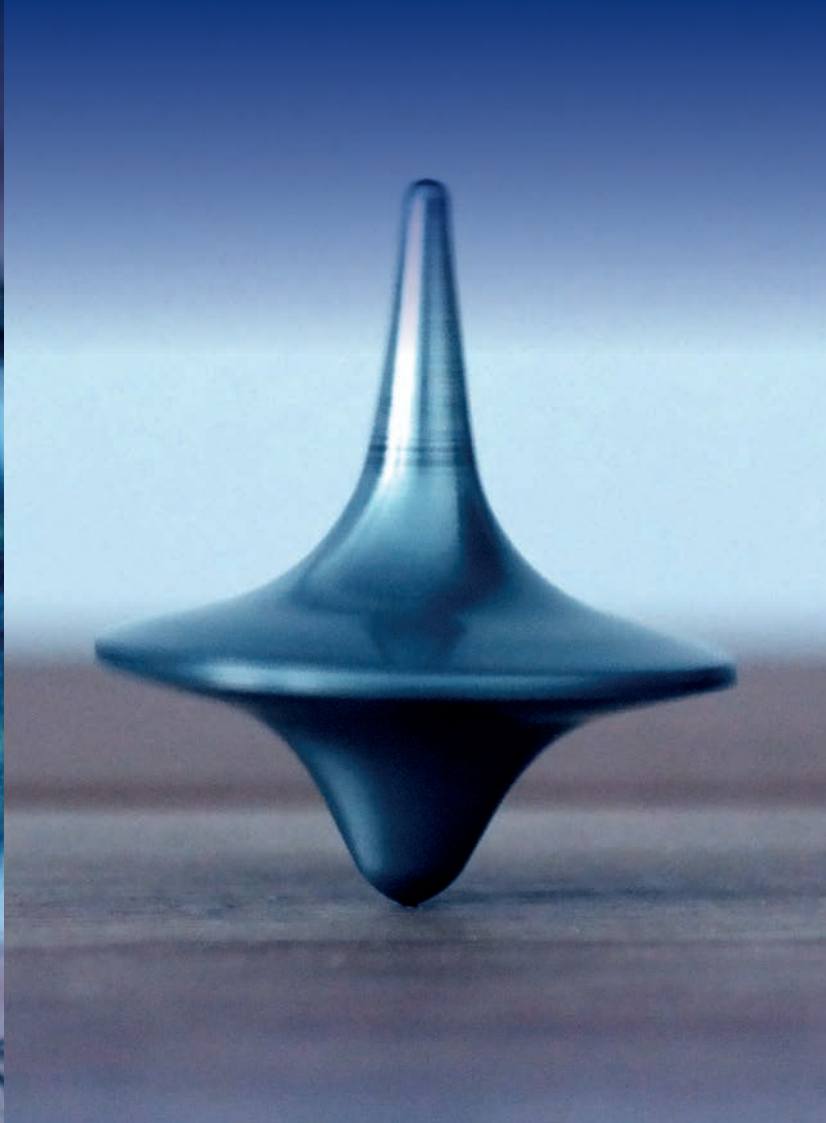
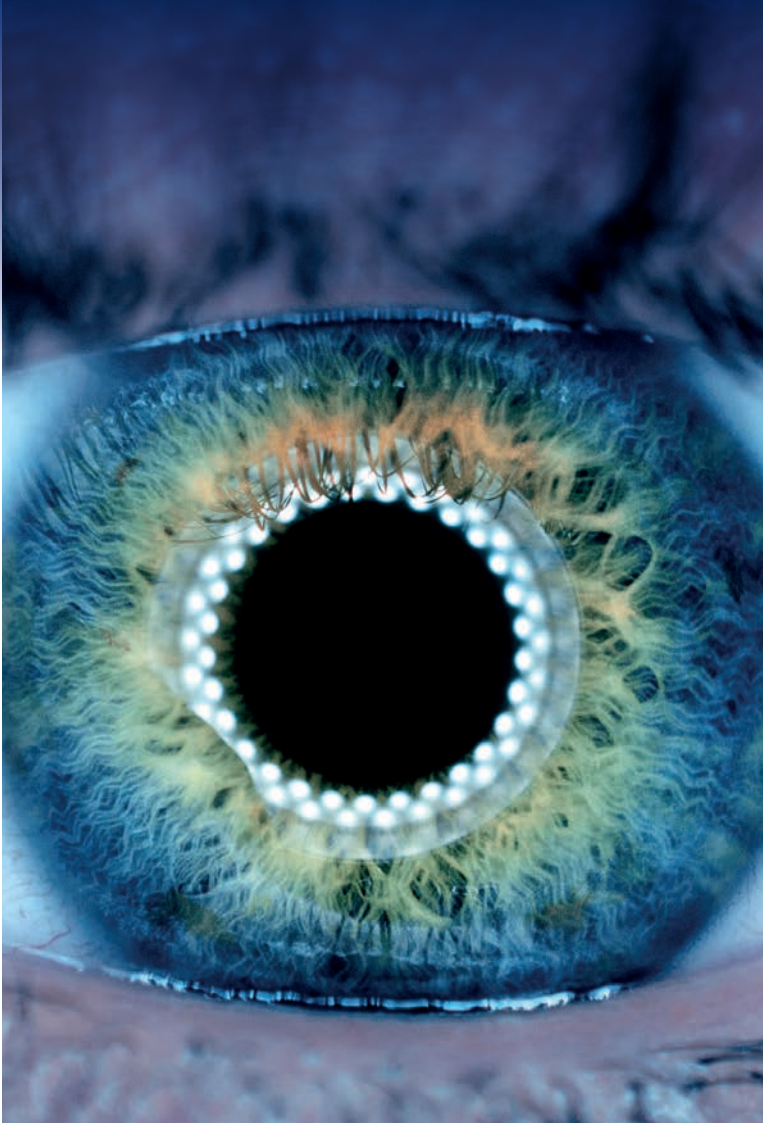
We select themes based on three criteria:



1

The theme has longevity

We invest in long-term themes, not here today, gone tomorrow trends. We select themes that have long-lasting structural characteristics so they can withstand the ups and downs of markets and deliver sustainable returns to investors.



2

Using foresight, not hindsight

In order to generate market-beating returns, you have to be different to the market. So we identify themes where we can create our own universes that better represent the investment opportunity. This ensures we have the freedom to express full conviction in a company, rather than be constrained by index weightings. After all, we're interested in a company's potential to shape the world in the future, not only its success today.

3

Balancing the opportunities

We select themes that are not too narrow nor too broad in scope. It's important to have flexibility as worthwhile themes will develop over time. So we avoid thematic universes that may contain only a handful of players. Equally, we are not simply replicating a generic equity portfolio but instead we are providing investors with the precision they want to gain genuine access to a theme. We seek this balance so we can offer investors a true thematic exposure and the best opportunity to participate in the potential returns.

The Schroders Global Transformation range

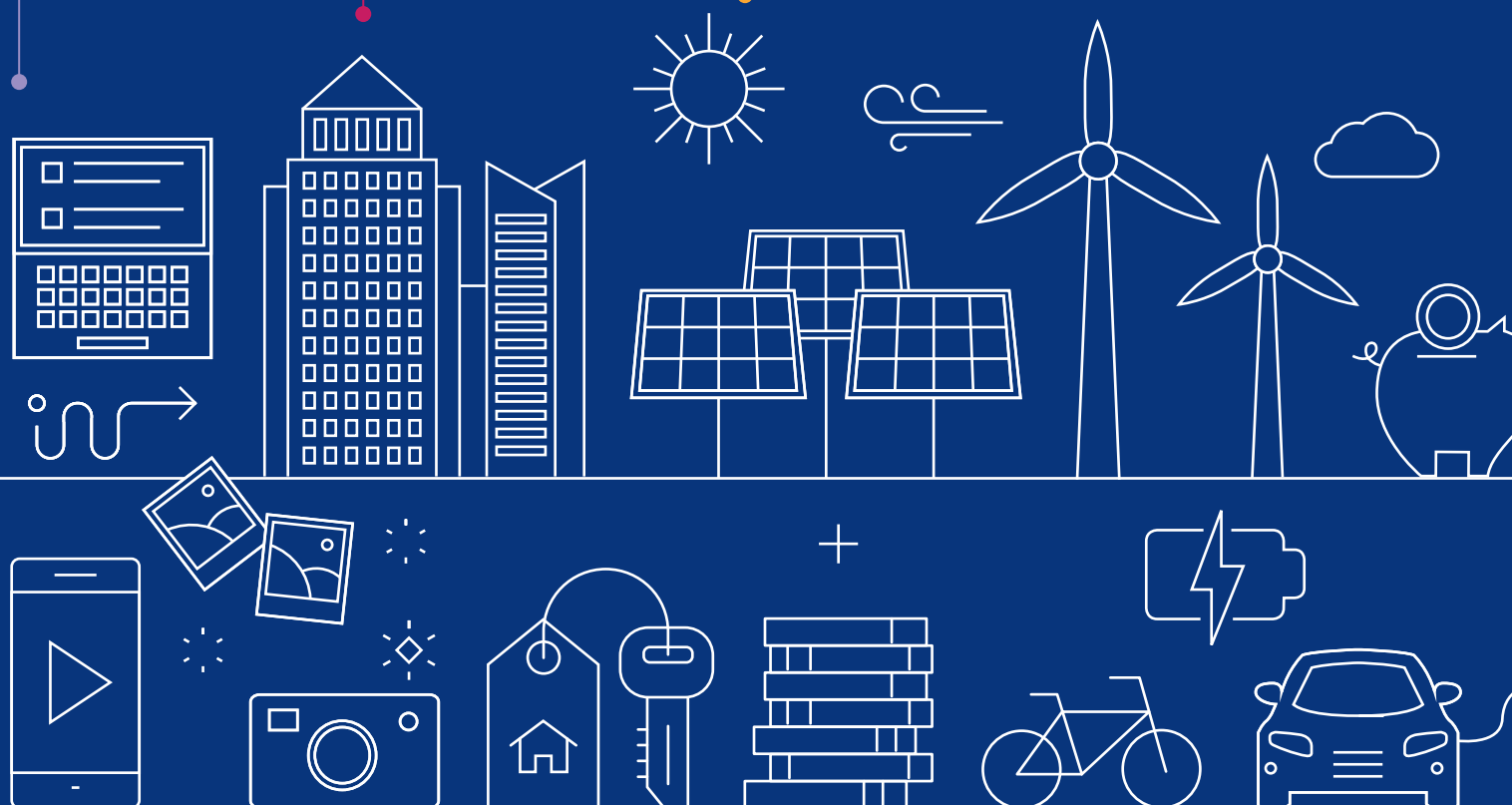
A suite of funds that gives investors long-term exposure to the most powerful and persistent themes that are transforming our planet and lives.

Schroder ISF*
Global
Disruption

Schroder ISF
Global Cities

Schroder ISF
Global Climate
Change Equity

Schroder ISF
Global Energy
Transition



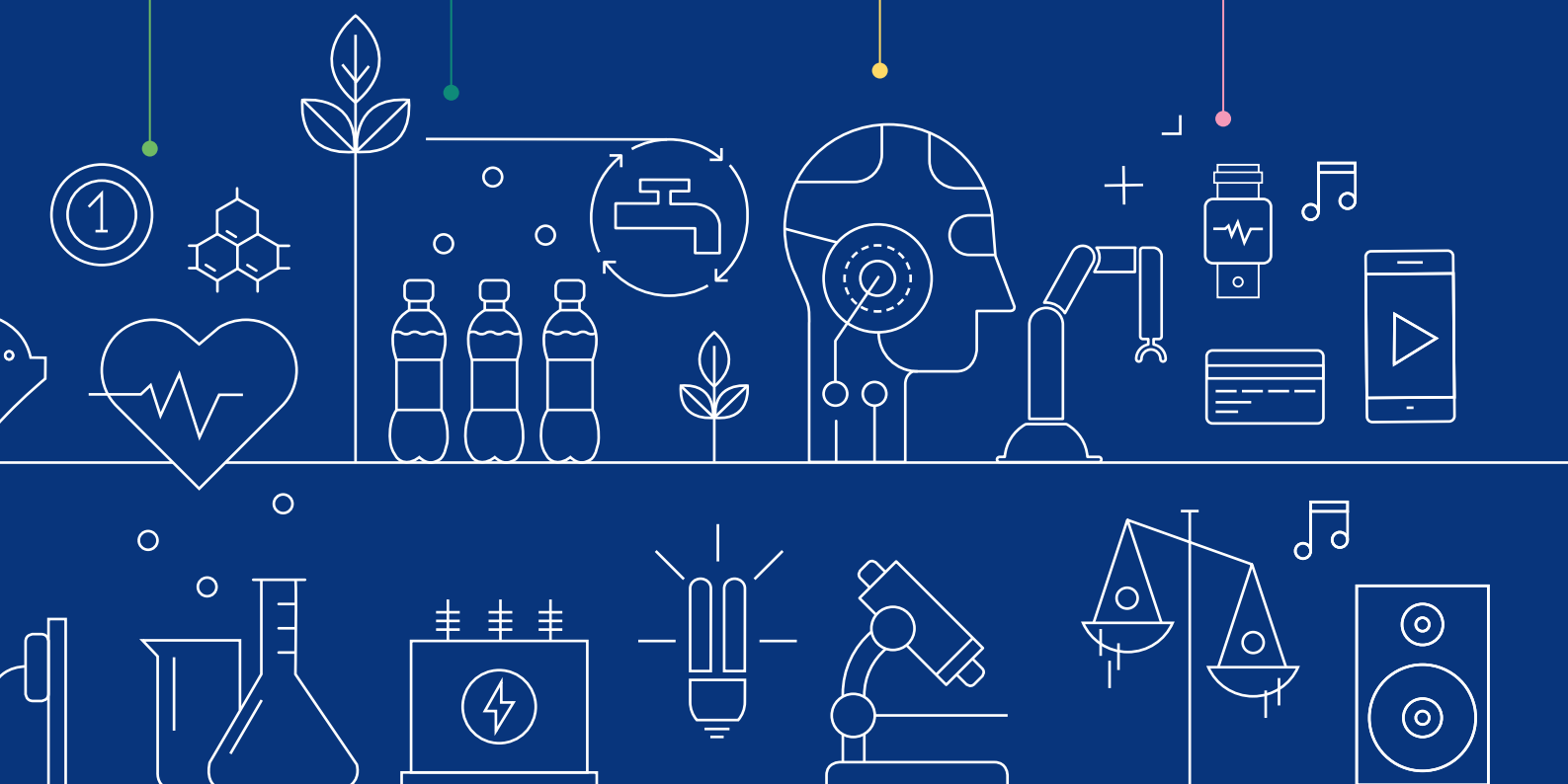
*Schroder International Selection Fund is referred to as Schroder ISF throughout.

**Schroder ISF
Healthcare
Innovation**

**Schroder ISF
Global Sustainable
Growth**

**Schroder ISF
Smart Manufacturing**

**Schroder ISF
Changing
Lifestyles**





Schroder ISF Global Disruption

Disruption is happening all around us. It transforms the way we live, displaces existing markets, and pioneers new creations we didn't even know we needed.

Disruption is not a new theme but it is accelerating due to technological advancements, providing a catalyst for both innovation and speed of change. This combination has led to a rich and fast-growing universe of transformational companies that are redefining the industries in which they operate or adapting to the change.

Schroder ISF Global Disruption scours this universe to give investors exposure to game-changing companies from around the world with strong growth potential that is yet to be recognised by the wider market.

ISIN code: LU1910165726

Fund launch date: 12 December 2018

Bloomberg code: SISFGDA:LX

Fund base currency: USD

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





Schroder ISF Global Cities

The percentage of the global population living in cities will increase from the current 50% to 70% by 2050. Knowing the cities that stand to benefit from this demographic shift means investors can target the right opportunities.

Specifically, we target 'Global Cities', which have a large and diverse economy with a strong cultural scene, skilled labour force, world-leading infrastructure and universities. These cities are home to the most in-demand real estate, which can command higher rents and values.

Schroder ISF Global Cities invests in listed property companies that own the best real estate within these Global Cities, covering a diverse range of sectors and economies.

ISIN code: LU0224508324

Fund launch date: 31 October 2005

Bloomberg code: SCHGPSA:LX

Fund base currency: USD

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



Schroder ISF Global Climate Change Equity

Climate change will transform societies, businesses and industries as we transition to a low carbon economy.

In order to meet the globally agreed limit of a 2°C temperature rise, US\$20 trillion of investment is required over the next 10 years. To put that into perspective, that is equivalent to the size of the entire US economy. Such monumental amounts of investment will create significant opportunities across a variety of sectors.

Schroder ISF Global Climate Change Equity is focused on finding the companies that are driving or will be positively impacted by efforts to transition to a zero-carbon economy in areas such as clean energy, sustainable transport, environmental resources, low-carbon leader and energy efficiency.

ISIN code: LU0302445910

Fund launch date: 29 June 2007

Bloomberg code: SCGLLAA:LX

Fund base currency: USD

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



Schroder ISF Global Energy Transition

A powerful theme today is the transition from fossil fuels to renewable energy.

This transition will have a huge impact on our path to a zero-carbon economy. Renewable energy is now the cheapest form of power in many parts of the world and alongside enhanced climate policy and increasing consumer demand, this creates a powerful investment environment.

Schroder ISF Global Energy Transition looks across the entire value chain – production, distribution and consumption – to target companies that are leading the charge in clean energy. The fund is 100% free from fossil fuels and nuclear.

ISIN code: LU1983299162

Fund launch date: 10 July 2019

Bloomberg code: SGBETRA:LX

Fund base currency: USD

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





Schroder ISF Healthcare Innovation

Innovations in healthcare and lifestyle change, combined with major technological advancements are contributing to longer, healthier lives.

Rapid advances in science and technology have resulted in new products and innovations in healthcare delivery, leading to an ever-growing market of new opportunities. We are also much better informed about the impact our lifestyle has on our health. For many of us, fitness, healthier living and wellbeing are key priorities.

Healthcare innovation is a complex, fast-moving and often misunderstood theme. So those with the knowledge, resource and experience to recognise where value is being created, stand to be well rewarded.

Schroder ISF Healthcare Innovation seeks to capture this multi-year growth opportunity by investing in companies at the forefront of advanced therapies, med tech, healthcare services, digital healthcare and wellbeing.

ISIN code: LU1983299246

Fund launch date: 31 July 2019

Bloomberg code: SHCINNA:LX

Fund base currency: USD

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



Schroder ISF Global Sustainable Growth

Sustainability is an all-encompassing theme.

It represents how companies are run, how they treat their employees, their impact on the community and society as a whole. A 'sustainable' company to us means a company that is managed for the long term and accounts for the interests of all stakeholders. It's what makes a great company, stay great.

The market is poor at valuing non-financial factors and attributing these to the long-term prospects of a company. The result is a rich pool of undervalued companies with sustainable business models that will outlast the competition and, ultimately, deliver superior growth and returns to those who know where to look.

Schroder ISF Global Sustainable Growth not only invests in these types of companies but is an active owner of them, engaging with management to enact positive change to company practices to improve shareholder returns and broader societal outcomes.

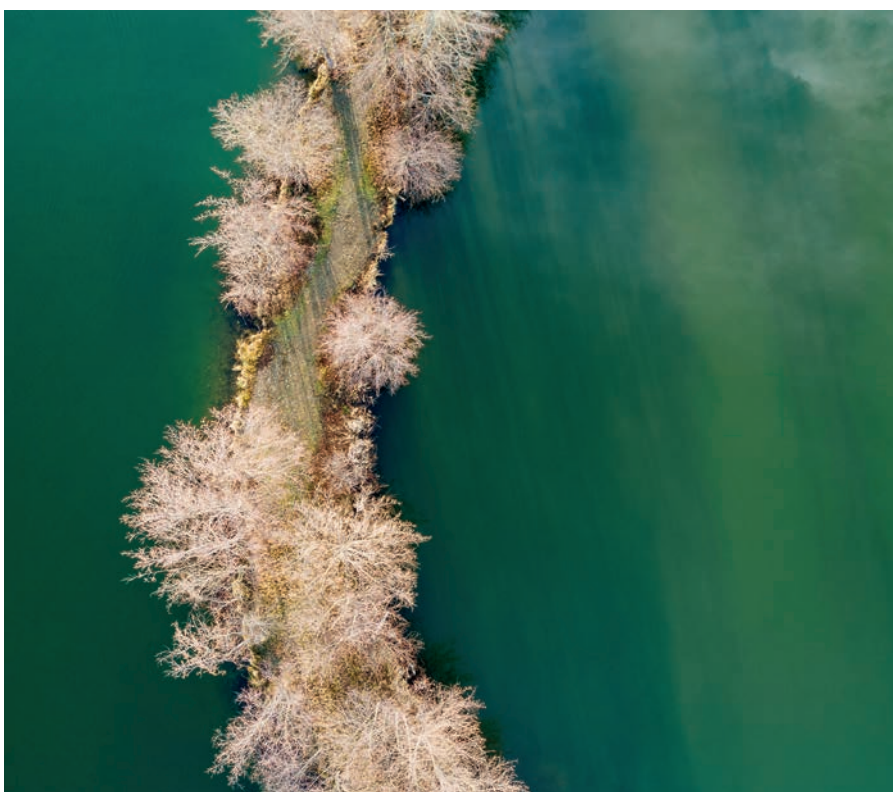
ISIN code: LU0557290698

Fund launch date: 23 November 2010

Bloomberg code: SGDWDAA:LX

Fund base currency: USD

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





Schroder ISF Smart Manufacturing

New innovations change the way businesses design, engineer, sell and service products.

From the industrial revolution in the 1700s to rapid IT advancements in the 20th century, innovation remains the driving force behind the world of manufacturing. We expect this evolution to now take one step further where the confluence of innovations in hardware, software and materials lead to a collaborative, fully integrated manufacturing system that responds in real time to meet changing conditions and demands of the factory, in the supply chain, and in customer needs.

Schroder ISF Smart Manufacturing invests in innovative companies from across a multitude of sectors that are at the forefront of this new industrial renaissance.

ISIN code: LU2097341411

Fund launch date: 13 January 2020

Bloomberg code: SCSSMAU:LX

Fund base currency: USD

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



Schroder ISF Changing Lifestyles

We spend more than six hours a day on digital media. With cloud technology interconnecting the world now more than ever, drastic changes are just around the corner.

Desire for immediacy have dramatically changed our lifestyles over the years. Rapid technological advancements have made it possible for us to access product and experiences at a touch of a button from the comfort of our homes.

With over 4.5 billion active internet users, we stream live experiences and share our healthy choices on social media around the world¹. Seamless global connectivity also allows new products and services to be created and delivered almost simultaneously. We can now count in days, rather than years or even months, for innovations to be adopted globally and to redefine norms.

Schroder ISF Changing Lifestyles invests in companies whose products or services are having a material impact on the way we live our lives.

ISIN code: LU2096785519

Fund launch date: 13 January 2020

Bloomberg code: SCSCLAU:LX

Fund base currency: USD

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

¹ Statista, as at 3 February 2020



In a world where attractive investment returns are becoming increasingly difficult to find, we strongly believe thematic investing can add real value to your portfolio.

While the short term may provide some bumps in the road, for investors willing to take a long-term, thematic view, we believe championing human ingenuity and innovation will bring financial rewards and a portfolio fit for a rapidly transforming world.

Learn more at:
schroders.com/globaltransformation



Risk considerations

Schroder ISF Global Disruption

- Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.
- The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the fund, potentially creating a partial or total loss for the fund.
- The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.
- A derivative may not perform as expected, and may create losses greater than the cost of the derivative.
- The fund uses derivatives for leverage, which makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.
- 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.

Schroder ISF Global Cities

- The capital is not guaranteed.
- Investments denominated in a currency other than that of the share-class may not be hedged. The market movements between those currencies will impact the share-class.
- Investments in small companies can be difficult to sell quickly which may affect the value of the fund and, in extreme market conditions, its ability to meet redemption requests upon demand.
- The fund will not hedge its market risk in a down cycle. The value of the fund will move similarly to the markets.
- Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund.

Schroder ISF Global Climate Change Equity

- The capital is not guaranteed.
- Investments denominated in a currency other than that of the share-class may not be hedged. The market movements between those currencies will impact the share-class.
- The fund will not hedge its market risk in a down cycle. The value of the fund will move similarly to the markets.
- Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund.

Schroder ISF Global Energy Transition

- The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the fund, potentially creating a partial or total loss for the fund.
- The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.
- A derivative may not perform as expected, and may create losses greater than the cost of the derivative.
- Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.
- The fund uses derivatives for leverage, which makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.
- 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.
- Failures at service providers could lead to disruptions of fund operations or losses.
- The fund may be concentrated in a limited number of geographical regions, industry sectors, markets and/or individual positions. This may result in large changes in the value of the fund, both up or down, which may adversely impact the performance of the fund.

Schroder ISF Healthcare Innovation

- The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the fund, potentially creating a partial or total loss for the fund.
- The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.
- A derivative may not perform as expected, and may create losses greater than the cost of the derivative.
- Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk.
- Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.

- 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.
- Failures at service providers could lead to disruptions of fund operations or losses.

Schroder ISF Global Sustainable Growth

- The capital is not guaranteed.
- Investments denominated in a currency other than that of the share-class may not be hedged. The market movements between those currencies will impact the share-class.
- The fund will not hedge its market risk in a down cycle. The value of the fund will move similarly to the markets.
- Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.
- Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund.

Schroder ISF Smart Manufacturing:

- The capital is not guaranteed.
- Investments denominated in a currency other than that of the share-class may not be hedged.
- The market movements between those currencies will impact the share-class.
- The Fund will not hedge its market risk in a down cycle.
- The value of the fund will move similarly to the markets.
- Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund.

Schroder ISF Changing Lifestyles

- The capital is not guaranteed.
- Investments denominated in a currency other than that of the share-class may not be hedged.
- The market movements between those currencies will impact the share-class.
- The Fund will not hedge its market risk in a down cycle.
- The value of the fund will move similarly to the markets.
- Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund.



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