

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase units in the product.
If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

Schroder International Opportunities Portfolio - Schroder Asian Income (the “Fund”)

Product Type	Unit Trust	Launch Date	SGD Class: 21/10/2011 AUD Hedged Class: 30/10/2012 Class X: 25/02/2013 USD Hedged Class: 12/03/2015 GBP Hedged Class: 03/10/2016
Manager	Schroder Investment Management (Singapore) Ltd	Custodian	The Hongkong and Shanghai Banking Corporation Limited
Trustee	HSBC Institutional Trust Services (Singapore) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the year ended 31 December 2015	SGD Class: 1.47% AUD Hedged Class: 1.47% Class X: 1.46% USD Hedged Class: 1.46% (annualised) GBP Hedged Class: Not available
Name of Guarantor	Not Applicable		

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek medium to long-term capital growth; and
- understand the risks associated with investing in Asian equities and Asian fixed income securities.

Further Information

Refer to Para 1 in Appendix 9 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in a unit trust constituted in Singapore that aims to provide income and capital growth over the medium to longer term by investing primarily in Asian equities (including real estate investment trusts) and Asian fixed income securities.

It is the current intention of the Manager to declare distributions at a variable percentage per annum, of the NAV per Unit to holders of the SGD Class, Class X, AUD Hedged Class, USD Hedged Class and GBP Hedged Class on a monthly basis on such date as may be determined by the Manager. Please refer to the risks relating to distributions explained at the “Key Risks” portion of this Product Highlights Sheet.

Refer to Para 1 and 13 and Para 1 and 4 in Appendix 9 of the Prospectus for further information on features of the product.

¹ The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its appointed distributors during usual office hours.

Investment Strategy

The Fund will actively allocate between Asian equities, Asian fixed income securities, cash and other permissible investments to achieve its objective. The Fund will use a cyclical approach to asset allocation where the asset mix will be adjusted according to the four phases of the economic cycle – recovery, expansion, slowdown and recession – based on a combination of fundamental and quantitative factors such as asset class valuation, macroeconomic data and liquidity. Cash will be treated as a separate asset class and will be deployed if necessary to limit downside risk during adverse market conditions. In addition to active asset allocation, the Fund will also perform active security selection for its investments in Asian equities, Asian fixed income and other permissible investments. For the Asian equities portfolio, the Fund intends to focus on companies that are able to create true shareholder value, have a strong and stable earnings stream and have a strong sustainable dividend yield. For the Asian fixed income portfolio, the Fund intends to select securities that deliver attractive yield and capital growth taking into account both fundamental and technical views such as valuation, demand/supply conditions and liquidity. The Fund will also manage the impact of interest rate movements on the value of the portfolio.

Refer to Para 15 and Para 1 in Appendix 9 of the Prospectus for further information on the investment strategy of the Fund.

The Fund may invest up to 10% of its assets in China A-Shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect.

The performance of each of the AUD Hedged Class, the USD Hedged Class and the GBP Hedged Class aims to be similar to the performance of the SGD Class by reducing the effects of exchange rate fluctuations between the AUD, the USD or the GBP (as the case may be) and the Fund's base currency.

Parties Involved

WHO ARE YOU INVESTING WITH?

- The Fund is a sub-fund of Schroder International Opportunities Portfolio.
- The Manager is Schroder Investment Management (Singapore) Ltd.
- The investment adviser to the Manager in its management of the Fund will be Schroder Investment Management (Japan) Limited.
- The Trustee is HSBC Institutional Trust Services (Singapore) Limited.
- The custodian is The Hongkong and Shanghai Banking Corporation Limited.
- The registrar is the Trustee.

Refer to Para 1, 5, 6, 8, 9, 10 and 11 of the Prospectus for further information on the role and responsibilities of these entities.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:

Refer to Para 19, 20 and 21 of the Prospectus for further information on risks of the product.

Market and Credit Risks

You are exposed to market risk in Asia.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

Refer to Para 20(i) and 20(v) of the Prospectus for further information.

You are exposed to credit risk.

- The Fund is subject to the risk that some issuers of debt securities and other investments made by the Fund may not make payments on such obligations. Further, an issuer may suffer adverse changes in its financial condition that could lower the credit quality of a security, leading to greater volatility in the price of the security and in the value of the Fund. A change in the quality rating of a security can also affect the security's liquidity and make it more difficult to sell.

Liquidity Risks

There is no secondary market for the Fund. All redemption requests should be submitted to the Manager or its appointed agents.

Refer to the "Important Information" section and Para 32 of the Prospectus for further information.

You are exposed to risks relating to investment grade, below investment grade and unrated debt securities.

- There is a risk that investment grade securities that the Fund invests in may be downgraded due to adverse market conditions. If there is a down-grading of the credit rating of a security or an issuer relating to a security that the Fund invests in, the value of the Fund may be adversely affected.
- The Fund may invest in debt securities below investment grade which are generally accompanied by a higher degree of counterparty risk, credit risk and liquidity risk than higher rated, lower yielding securities.
- Investment in unrated debt securities may be subject to risks similar to those associated with below investment grade debt securities.

Refer to Para 20(viii), 20(ix), 20(xi), 20(xiv), 20(xix), 20(xx), 20(xxii), 21, 47 and Para 4 in Appendix 9 of the Prospectus for further information.

You are exposed to risks relating to distributions.

- The Manager has the absolute discretion to determine whether a distribution is to be declared. The Manager also reserves the right to review and make changes to the distribution policy from time to time.
- Where the income generated from the investments of the Fund is insufficient to pay distributions as declared, the Manager may in its discretion (with the consent of the Trustee) determine that such distributions be paid out of the capital of the relevant Class.
- You should note that where distributions are paid out of capital of the relevant Class, the NAV of the relevant Class will be reduced.
- The difference in distribution amounts for each of the AUD Hedged Class, the USD Hedged Class and the GBP Hedged Class compared to the SGD Class is derived from capital gains or losses, and not income. If for example, the AUD Hedged Class, the USD Hedged Class or the GBP Hedged Class has a higher distribution amount than the SGD Class, this additional payout is expected to be made from capital gains and not income of the relevant Class.

You are exposed to risks relating to Hedged Classes.

- A Hedged Class of the Fund will hedge its currency of denomination against the Fund's base currency, on a best effort basis, with an aim to align the performance of the Hedged Class to that of the SGD Class. The effects of hedging will be reflected in the NAV of the Hedged Class. The success of any hedging transactions will be subject to the movements in the direction of the currency and the stability of pricing relationships.
- The Fund may enter into hedging transactions whether the Hedged Class' currency of denomination is declining or increasing in value relative to the Fund's base currency and where the Fund undertakes such hedging, the hedging may substantially protect holders in the Hedged Class against a decrease in the value of the Fund's base currency relative to the Hedged Class' currency of denomination, but it may also preclude holders from benefiting from an increase in the value of the Fund's base currency.
- There is no assurance that the hedging strategies employed will be effective in delivering performance differentials that are reflective only of interest rate differences adjusted for costs and fees. Furthermore, the volatility of the Hedged Class measured in the Fund's base currency may be higher than that of the SGD Class.

You are exposed to emerging markets and frontier risk.

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

You are exposed to derivatives risk.

- **The Fund may use derivatives.** The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Manager's predictions are wrong, or if the derivatives do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used the derivatives.

You are exposed to risks associated with investing through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively and individually referred to as the "Stock Connect").

- The Fund may invest in China A-Shares of mainland China through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect (as further described in section (A) of the Annex to the Prospectus).

- The current regulations relating to the Stock Connect are untested and subject to change which may have potential retrospective effects. The Stock Connect is subject to quota limitations which may restrict the Fund's ability to invest in China A-Shares through the Stock Connect on a timely basis. Where a suspension in the trading through the Stock Connect is effected, the Fund's ability to access the mainland China market will be adversely affected. The mainland China regulations impose certain restrictions on selling. Hence the Fund may not be able to dispose of holdings of China A-Shares in a timely manner. When a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but restricted from being bought. Due to the differences in trading days of the mainland China and the Hong Kong markets, the Fund may be subject to a risk of price fluctuations in China A-Shares during the time when the Stock Connect is not trading as a result.
- Trading in securities through the Stock Connect is subject to clearing and settlement risk. If ChinaClear defaults, the Fund may suffer delays in the recovery process or may not be able to fully recover its losses from ChinaClear. Further, the investments of the Fund are not covered by the Hong Kong's Investor Compensation Fund.
- The Stock Connect is subject to operational risk. If the systems of the SEHK and market participants fail to function properly, trading in both markets through the program could be disrupted.
- The precise nature and rights of the Fund as the beneficial owners of the China A-Shares through HKSCC as nominee is not well defined under the mainland China law. Therefore the exact nature and methods of enforcement of the rights and interests of the Fund under the mainland China law is uncertain. If HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the China A-Shares will be regarded as held for the beneficial ownership of the Fund or as part of the general assets of HKSCC available for general distribution to its creditors.
- The Fund may invest in the Small and Medium Enterprise ("SME") board and/or the ChiNext market of the Shenzhen Stock Exchange via the Shenzhen-Hong Kong Stock Connect. Investments in the SME board and/or ChiNext market may result in significant losses for the Fund and its investors. Additional risks, namely, higher fluctuation on stock prices, over-valuation risk, differences in regulations and delisting risk, apply to such investments.

You are exposed to risks specific to China.

- Changes in China's political, social or economic policies may significantly affect the value of the Fund's investments. China's tax law is also applied under policies that may change without notice and with retrospective effect.

You are exposed to onshore renminbi currency risk.

- Currency control decisions made by the Chinese government could affect the value of the Fund's investments and could cause the Fund to defer or suspend redemptions of its shares.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Sales Charge	Cash Units (applicable to all Classes) and SRS Units (applicable only to SGD Class): • Currently 5% (maximum 5%)
Realisation Charge	• Currently nil (maximum 4%)
Switching Fee	• Currently 1% (maximum of 1% and minimum of S\$5 for the SGD Class Units and the Class X Units or AUD 5 for the AUD Hedged Class Units or USD 5 for the USD Hedged Class Units or GBP 5 for the GBP Hedged Class Units)

Refer to Para 18 of the Prospectus for further information on the fees and charges of the product.

Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Manager and Trustee:

Management Fee (per annum)	Units of all Classes: • 1.25% (maximum 1.75%)
Trustee Fee (per annum)	• Currently not more than 0.05% (currently not subject to any minimum amount) • Maximum 0.25% (subject to a minimum of S\$10,000.00)

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The indicative NAV per Unit of each Class of the Fund is published on the Manager's website at <http://www.schroders.com.sg> one (1) Business Day after the relevant Dealing Day and is also available directly from the Manager.

The indicative NAV per Unit of each Class of the Fund is also published in The Straits Times and The Business Times on a periodic basis.

Refer to Para 29, 32 to 36 and 38 of the Prospectus for further information on valuation and exiting from the product.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may at any time during the life of the Fund request in writing (a "Realisation Request") to realise all or any Units held by you, subject to the minimum holding requirement as mentioned in the Prospectus. The Realisation Request must specify the Units in the relevant Class to be realised.

The realisation proceeds are paid to you within six (6) Business Days following the receipt of the Realisation Request by the Manager.

Your realisation price is determined as follows:

- If you submit the Realisation Request on or before 5 pm on a Dealing Day, you will be paid a price based on the NAV of the relevant Class on that Dealing Day.
- If you submit the Realisation Request after 5 pm on a Dealing Day, you will be paid a price based on the NAV of the relevant Class on the next Dealing Day.

The sale proceeds that you will receive will be the realisation price multiplied by the number of units realised, less any applicable Duties and Charges. Examples are as follows:

SGD Class and Class X Units:

1,000 Units	x	S\$1.100	=	S\$1,100.00
Number of Units realised		Notional realisation price (NAV per Unit)		Realisation proceeds

AUD Hedged Class Units:

1,000 Units	x	AUD1.100	=	AUD1,100.00
Number of Units realised		Notional realisation price (NAV per Unit)		Realisation proceeds

USD Hedged Class Units:

1,000 Units	x	USD1.100	=	USD1,100.00
Number of Units realised		Notional realisation price (NAV per Unit)		Realisation proceeds

GBP Hedged Class Units:

1,000 Units	x	GBP1.100	=	GBP1,100.00
Number of Units realised		Notional realisation price (NAV per Unit)		Realisation proceeds

The examples above are on the assumption that there are no Duties and Charges payable.

If applicable to you as provided in the trust deed of the Fund, you may cancel your subscription for Units by giving written notice or by submitting the cancellation form to the Manager or its distributors within 7 calendar days (or such longer period as may be agreed between the Manager and the Trustee) from the date of your subscription. However, you will have to take the risk of any price changes in the NAV of the relevant Class since the time of your subscription.

CONTACT INFORMATION

HOW CAN YOU CONTACT US?

For enquiries, please contact

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Distributor

The Singapore Representative

“AUD” means Australian dollar.

“Business Day” means any day (other than a Saturday or a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for business (or such other day as may from time to time be determined by the Manager with the approval of the Trustee).

“ChinaClear” means China Securities Depository and Clearing Corporation Limited.

“Class” means any class of Units in the Fund which may be designated as a class distinct from another class in the Fund as may be determined by the Manager from time to time.

“Dealing Day” in relation to Units of the Fund, is each Business Day after the Commencement Date in relation to the Fund and without prejudice to the generality of the foregoing, if on any day which would otherwise be a Dealing Day in relation to Units of the Fund, the recognised stock exchange or exchanges on which the authorised investment or other property comprised in, and having in aggregate values amounting to at least fifty per cent (50%) of the value (as of the immediately preceding Valuation Point) of the Fund are quoted, listed or dealt in is or are not open for normal trading, the Manager may determine that such day shall not be a Dealing Day in relation to Units of the Fund.

“Duties and Charges” means all stamp and other duties, taxes, governmental charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges whether in connection with the constitution of the deposited property of the Fund or the increase or decrease of the deposited property of the Fund or the creation, issue, sale, exchange or purchase of Units or the sale or purchase of authorised investments or otherwise, which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable but does not include commission payable to agents on sales and repurchases of Units.

“GBP” means British Pound.

“HKSCC” means Hong Kong Securities Clearing Company Limited.

“NAV” means net asset value.

“SEHK” means the Stock Exchange of Hong Kong Limited.

“SGD” or “S\$” means Singapore dollar.

“Unit” means one undivided share in the Fund.

“USD” means United States dollar.

“Valuation Point” of the Fund in relation to any Dealing Day means the close of business of the last relevant market or such other time or additional time or date determined by the Manager with the approval of the Trustee.