

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

# Fixed Maturity Bond II

a sub-fund of Schroder Special Situations Fund SICAV

Class A2 Distribution USD (LU1995616858)

This fund is managed by Schroder Investment Management (Europe) S.A., which is a member of the Schroders Group.

## Objectives and investment policy

### Objectives

The fund aims to provide income over a fixed four year period by investing in USD-denominated bonds issued by companies, governments, government agencies, and supra-nationals worldwide. The income distribution is based on the yield to maturity of the fixed income securities within the portfolio.

### Investment policy

#### The Fund invests its assets for a fixed four year period.

The fund is actively managed and invests at least two-thirds of its assets in USD-denominated bonds issued by companies, governments, government agencies and supra-nationals worldwide, including in emerging markets, with a maturity date within the fixed four year period.

The fund may invest up to 50% of its assets in sub-investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) while also aiming to achieve an average credit rating of investment grade.

The fund may invest up to 20% of its assets in asset-backed securities and mortgage-backed securities.

The fund may invest up to 10% of its assets in contingent convertible bonds.

The fund may also invest up to one-third of its assets directly or indirectly in other securities (including other asset classes), countries, regions, industries or currencies, investment funds, warrants and money market investments, and hold cash.

The fund may use derivatives with the aim of reducing risk or managing the fund more efficiently.

After these investments mature (or are sold) the fund will be authorised to hold up to 100% of its assets in deposits, cash and money market investments until it is liquidated. Whilst it is intended that the fund will hold securities until maturity, the investment manager has the discretion to sell them prior to their maturity.

The fund is categorised as "Specialist Bond Fund".

The fund is designed to be held to maturity and investors should be prepared to remain invested until the fund is liquidated (exact date to be determined by the Directors). Investors should be aware that the net asset value of the shares at the end of the investment period or thereafter may be less than the net asset value at the time of the original investment as a consequence of the fund's distribution policy or market movements.

### Benchmark

The fund's performance should be assessed by measuring the absolute performance of the fund over the fixed period for which the fund is created as stated in the fund's investment objective and investment policy.

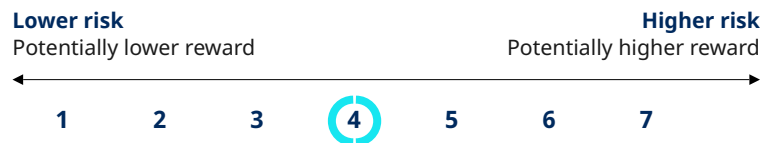
### Dealing frequency

You may redeem your investment upon demand. This fund deals daily.

### Distribution policy

This share class pays a quarterly distribution at a variable rate based on gross investment income.

## Risk and reward profile



### The risk and reward indicator

The risk category was calculated using simulated historical performance data and may not be a reliable indicator of the fund's future risk profile.

The fund's risk category is not guaranteed to remain fixed and may change over time.

A fund in the lowest category does not mean a risk-free investment.

The fund is in this category because it can take higher risks in search of higher rewards and its price may rise and fall accordingly.

### Risk factors

**Capital risk / Distribution policy:** As the fund intends to pay dividends regardless of its performance, a dividend may represent a return of part of the amount you invested.

**Currency risk:** The fund may lose value as a result of movements in foreign exchange rates.

**Derivatives risk:** 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.

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

**High yield bond risk:** High yield bonds (normally lower rated or unrated) generally carry greater market, credit and liquidity risk.

**Interest rate risk:** The fund may lose value as a direct result of interest rate changes.

**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.

**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.

## Charges

### One-off charges taken before or after you invest

<b>Entry charge</b>	2.00%
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<b>Exit charge</b>	1.50%
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This is the maximum that might be taken out of your money before it is invested.

### Charges taken from the fund over a year

<b>Ongoing charges</b>	0.83%
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### Charges taken from the fund under certain specific conditions

#### Performance fee

None

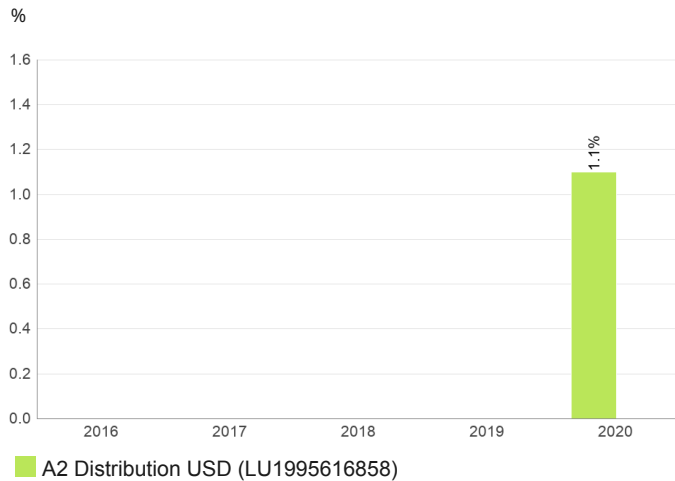
The charges you pay are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

The entry and exit charges shown are maximum figures and in some cases you might pay less. You can find out the actual entry and exit charges from your financial advisor.

The ongoing charges figure is based on the last year's expenses for the year ending December 2020 and may vary from year to year.

You can find more information about the charges in Section 3 of the fund's prospectus.

## Past performance



Past performance is not a guide to future performance and may not be repeated. The value of investments may go down as well as up and you may not get back the amount you originally invested.

The fund was launched on 27 June 2019.

The shareclass was launched on 27 June 2019.

## Practical information

**Depository:** J. P. Morgan Bank Luxembourg S.A.

**Further information:** You can get further information about this fund, including the prospectus, latest annual report, any subsequent half-yearly report and the latest price of shares from the fund's management company at 5, rue Höhenhof, L-1736 Senningerberg, Luxembourg, and from [www.schroders.lu/kiids](http://www.schroders.lu/kiids). They are available free of charge in English, German and Italian.

**Tax legislation:** The fund is subject to Luxembourg tax legislation which may have an impact on your personal tax position.

**Liability:** Schroder Investment Management (Europe) S.A. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the fund's prospectus.

**Umbrella fund:** This fund is a compartment of an umbrella fund, the name of which is at the top of this document. The prospectus and periodic reports are prepared for the entire umbrella fund. To protect investors, the assets and liabilities of each compartment are segregated by law from those of other compartments.

**Switches:** Subject to conditions, you may apply to switch your investment into another share class within this fund or in another Schroder fund. Please see the prospectus for more details.

**Remuneration policy:** A summary of Schroders' remuneration policy and related disclosures is at [www.schroders.com/remuneration-disclosures](http://www.schroders.com/remuneration-disclosures). A paper copy is available free of charge upon request.

**Glossary:** You can find an explanation of some of the terms used in this document at [www.schroders.lu/kid/glossary](http://www.schroders.lu/kid/glossary).