

18 August 2023

Dear Shareholder,

Schroder International Selection Fund (the "Company") – Multi-Asset Total Return (the "Fund")

We are writing to advise you that the investment objective and policy of Fund will change with effect from 21 September 2023 (the "Effective Date") to incorporate binding environmental and/or social characteristic(s), within the meaning of Article 8 of the SFDR.

Details of the Fund's environmental and/or social characteristics and how it seeks to achieve them will be disclosed in the Fund's investment policy and under a new section called "Sustainability Criteria" in the Fund Characteristics section of the Company's prospectus. Full details of the changes being made can be viewed in the appendix to this letter. There will also be a pre-contractual disclosure for the Fund included in Appendix IV of the prospectus containing more information relating to the environmental and/or social characteristic(s) promoted by the Fund.

The extent of the change to the risk/reward profile of the Fund as a result of these changes is non-significant.

There are no other changes to the Fund's investment style, investment philosophy, investment strategy, and the operation and/or manner in which the Funds are being managed following these changes.

All other key features of the Fund, including the relevant risk indicator and fees, will remain the same.

Redeeming or switching your shares to another Schroders fund

We hope that you will choose to remain invested in the Fund following these changes, but if you do wish to redeem your holding in the Fund or to switch into another of the Company's sub-funds before the Effective Date you may do so at any time up to and including deal cut-off on 20 September 2023. Please ensure that your redemption or switch instruction reaches HSBC Continental Europe, Luxembourg ("HSBC") before this deadline. HSBC will execute your redemption or switch instructions in accordance with the provisions of the Company's prospectus, free of charge, although in some countries local paying agents, correspondent banks or similar agents might charge transaction fees. Local agents might also have a local deal cut-off which is earlier than that described above, so please check with them to ensure that your instructions reach HSBC before the deal cut-off given above.

You can find the Fund's updated key information document (the KID) for the relevant share class and the Company's prospectus at www.schroders.lu.

If you have any questions or would like more information about Schroders' products please visit www.schroders.com or contact your local Schroders office, your usual professional adviser, or Schroder Investment Management (Europe) S.A. on (+352) 341 342 202.

Yours faithfully,

The Board of Directors

Appendix

New Wording is show in bold.

Current Investment Objective and Policy	New Investment Objective and Policy
<p>Investment Policy</p> <p>The Fund is actively managed and invests directly or indirectly (through Investment Funds and derivatives) in equity and equity related securities, fixed and floating rate securities, commodities and currencies worldwide.</p> <p>The Fund may invest in sub-investment grade securities (being securities with a credit rating below investment grade as measured by Standard & Poor's or any equivalent grade of other credit rating agencies). The Fund may invest up to 20% of its assets in asset-backed securities and mortgage-backed securities.</p> <p>The Fund intends to use derivatives (including total return swaps), long and short, with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently. Where the Fund uses total return swaps and contracts for difference, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Investment Policy. In particular, total return swaps and contracts for difference will be used on a continuous basis to gain long and short exposure on equity and equity related securities, fixed and floating rate securities and commodity indices. The gross exposure of total return swaps and contracts for difference will not exceed 25% and is expected to remain within the range of 0% to 15% of the Net Asset Value. In certain circumstances this proportion may be higher.</p> <p>The investment strategy of the Fund and its use of derivatives may lead to situations when it is considered appropriate that prudent levels of cash or cash equivalent liquidity will be maintained, which may be substantial or even represent (exceptionally) 100% of the Fund's assets. This will be limited to a maximum of six months (otherwise the Fund will be liquidated). During this period, the Fund will not fall within the scope of MMFR. The Fund may also invest in Money Market Investments.</p>	<p>Investment Policy</p> <p>The Fund is actively managed and invests directly or indirectly (through Investment Funds and derivatives) in equity and equity related securities, fixed and floating rate securities, commodities and currencies worldwide.</p> <p>The Fund may invest in sub-investment grade securities (being securities with a credit rating below investment grade as measured by Standard & Poor's or any equivalent grade of other credit rating agencies). The Fund may invest up to 20% of its assets in asset-backed securities and mortgage-backed securities.</p> <p>The Fund intends to use derivatives (including total return swaps), long and short, with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently. Where the Fund uses total return swaps and contracts for difference, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Investment Policy. In particular, total return swaps and contracts for difference will be used on a continuous basis to gain long and short exposure on equity and equity related securities, fixed and floating rate securities and commodity indices. The gross exposure of total return swaps and contracts for difference will not exceed 25% and is expected to remain within the range of 0% to 15% of the Net Asset Value. In certain circumstances this proportion may be higher.</p> <p>The investment strategy of the Fund and its use of derivatives may lead to situations when it is considered appropriate that prudent levels of cash or cash equivalent liquidity will be maintained, which may be substantial or even represent (exceptionally) 100% of the Fund's assets. This will be limited to a maximum of six months (otherwise the Fund will be liquidated). During this period, the Fund will not fall within the scope of MMFR. The Fund may also invest in Money Market Investments.</p>

<p>The Fund may invest up to 10% of its assets in open-ended Investment Funds (including other Schroder Funds).</p>	<p>The Fund may invest up to 10% of its assets in open-ended Investment Funds (including other Schroder Funds).</p> <p>The Fund maintains a higher overall sustainability score than a bespoke asset-weighted blend* of MSCI World Index (hedged to USD), MSCI Emerging Market Index (hedged to USD), Barclays Global Aggregate Corporate Bond Index (hedged to USD), Barclays Global High Yield excl CMBS & EMD 2% Index (hedged to USD), ICE BofA US Treasury Index (hedged to USD), JPM GBI Emerging Market Index - EM Local (hedged to USD), JPM EMBI Index EM Hard Currency (hedged to USD), Thomson Reuters Global Convertible Bonds Index (hedged to USD), based on the Investment Manager's rating system. More details on the investment process used to achieve this can be found in the Fund Characteristics section.*The blend will evolve over time in line with the actual asset allocation of the Fund.</p> <p>The Fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under "Sustainability Information" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc</p>
<p>Benchmark</p> <p>The Fund's performance should be assessed against its target benchmark, being to deliver ICE BofA 3 Month US Treasury Bill Index +4% per annum and compared against ICE BofA 3Month US Treasury Bill Index. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of a benchmark.</p> <p>The target benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.</p>	<p>Benchmark</p> <p>The Fund's performance should be assessed against its target benchmark, being to deliver ICE BofA 3 Month US Treasury Bill Index +4% per annum and compared against ICE BofA 3Month US Treasury Bill Index. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of a benchmark.</p> <p>The target benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.</p> <p>The benchmark(s) does/do not take into account the environmental and social characteristics or sustainable objective (as relevant) of the Fund.</p>

	<p>Risk Consideration</p> <p>The Fund has environmental and/or social characteristics (within the meaning of Article 8 SFDR). A Fund with these characteristics may have limited exposure to some companies, industries or sectors as a result and the Fund may forego certain investment opportunities, or dispose of certain holdings, that do not align with its sustainability criteria chosen by the Investment Manager. As Investors may differ in their views of what constitutes sustainable investing, the Fund may also invest in companies that do not reflect the beliefs and values of any particular Investor. Please refer to Appendix II for more details on sustainability risks.</p>
	<p>Sustainability Criteria</p> <p>The Investment Manager applies governance and sustainability criteria when selecting investments for the Fund. The investable universe is assessed using a number of proprietary tools, as well as external rating services.</p> <p>The Investment Manager will assess companies against a variety of environmental, social and governance metrics, taking into account issues such as climate change, environmental performance, labour standards and board composition. The Investment Manager will decide whether an investment is eligible for inclusion taking into account the overall ESG score. The multi-asset nature of the Fund means that the Investment Manager will analyse the ESG scores across asset classes as an input into the asset allocation of the Fund.</p> <p>The sources of information used to perform the analysis include information provided by the companies, such as company sustainability reports and other relevant company material, as well as Schroders' proprietary sustainability tools and third-party data.</p> <p>For more details on the Investment Manager's approach to sustainability and its engagement with companies are available on the webpage www.schroders.com/en/lu/private-investor/strategic-capabilities/sustainability/disclosures</p>

	<p>The Fund maintains a higher overall sustainability score than its investment universe, based on the Investment Manager's rating system.</p> <p>The Investment Manager ensures that at least:</p> <ul style="list-style-type: none"> - 90% of the portion of the Fund's Net Asset Value composed of investments in equities issued by large companies domiciled in developed countries; fixed or floating rate securities and money market instruments with an investment grade credit rating; and sovereign debt issued by developed countries; and - 75% of the portion of the Fund's Net Asset Value composed of investments in equities issued by large companies domiciled in emerging countries; equities issued by small and medium companies; fixed or floating rate securities and money market instruments with a high yield credit rating; and sovereign debt issued by emerging countries, <p>is rated against the sustainability criteria. For the purposes of this test, small companies are those with market capitalisation below €5 billion, medium companies are those between €5 billion and €10 billion and large companies are those above €10 billion.</p>
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ISIN codes of the Share Classes impacted by this change:

Share Class	Share Class Currency	ISIN Code
A Accumulation	USD	LU1520997112
C Accumulation	USD	LU1520997203
I Accumulation	USD	LU1520997385
IZ Accumulation	USD	LU2016219847
A Accumulation	EUR Hedged	LU1520997468
B Accumulation	EUR Hedged	LU1785814069
C Accumulation	EUR Hedged	LU1520997542
I Accumulation	EUR Hedged	LU1520997625
X Accumulation	GBP Hedged	LU1910290623