

**IMPORTANT: This letter is important and requires your immediate attention. If you have any questions about the content of this letter, you should seek independent professional advice. Schroder Investment Management (Europe) S.A., as the Management Company to Schroder International Selection Fund, accepts full responsibility for the accuracy of the information contained in this letter and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.**

**12 July 2022**

Dear Shareholder,

## **Schroder International Selection Fund (the "Company") - Greater China (the "Fund")**

We are writing to inform you that on 16 August 2022 (the "**Effective Date**") the Fund's permitted exposure to China A-Shares will increase from less than 30% of its assets (on a net basis) to less than 50% of its assets (on a net basis) (the "**Change**").

We have also updated the Fund's investment policy to permit investment in China A-Shares listed on the Science and Technology Innovation Board ("**STAR Board**") of the Shanghai Stock Exchange and ChiNext market of the Shenzhen Stock Exchange.

### **Background and rationale**

In recent years, the weighting of the index constituents from Chinese companies listed on the mainland China stock exchanges of the target benchmark has increased and therefore increased exposure to China A-Shares is required in order for the Fund to take larger positions in Chinese companies.

The STAR Board and ChiNext are technology based Chinese stock exchanges and are being added as part of the Fund's Chinese investment focus.

### **Implication of the proposed changes**

Save as disclosed above, (i) all other key features of the Fund (including fees chargeable in respect of the Fund as stated in the Hong Kong offering documents) will remain the same, except that the Fund will be subject to additional key risks such as the QFI risks and increased risks relevant to investment in onshore China equity securities (e.g. risks related to the People's Republic of China and risks related to investments via the Stock Connect) as a result of the changes set out above; and (ii) there will also be no material change in the operation and/or manner in which the Fund is being managed as a result of the changes set out above. The changes are not expected to materially prejudice the rights or interests of existing investors.

### **Costs and expenses in respect of the changes**

Any costs and expenses incurred in the changes including legal, audit and regulatory charges, which are estimated to be approximately less than 0.01% of the net asset value of the Fund, will be borne by the Fund. Such costs and expenses are insignificant.

The Hong Kong offering documents of the Company will be revised to reflect the above changes and will be available free of charge at [www.schroders.com.hk](http://www.schroders.com.hk)<sup>1</sup> or upon request from the Hong Kong Representative of the Company, Schroder Investment Management (Hong Kong) Limited.

### **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 authorized by the Securities and Futures Commission ("SFC")<sup>2</sup> before the Effective Date, you may do so at any time up to and including the dealing cut-off at 5:00 p.m. Hong Kong time on **15 August 2022**. Please ensure that your redemption or switch instruction reaches the Hong Kong Representative before this deadline. We will execute your redemption or switch instructions in accordance with the provisions of the Company's Hong Kong offering documents, 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 dealing cut-off which is earlier than that described above, so please check with them to ensure that your instructions reach the Hong Kong Representative before the dealing cut-off at 5:00 p.m. Hong Kong time on **15 August 2022**.

### **Enquiries**

If you have any questions or would like more information, please contact your usual professional advisor or the Hong Kong Representative at Level 33, Two Pacific Place, 88 Queensway, Hong Kong or calling the Schroders Investor Hotline on (+852) 2869 6968.

Yours faithfully,

### **The Board of Directors**

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<sup>1</sup> This website has not been reviewed by the SFC.

<sup>2</sup> SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.