

30 November 2021

Dear Shareholder,

Schroder International Selection Fund – Sustainable European Market Neutral (the “Fund”)

We are writing to advise you that the benchmark used in relation to the Fund's performance fee and as a comparator will change with effect from 1 January 2022 (the "Effective Date").

Rationale

The existing benchmark is an “interbank offered rate” (an “IBOR”). These rates are intended to reflect the average cost to certain banks of borrowing or obtaining unsecured short-term funds in the interbank market. Following regulatory developments, the use of such rates as benchmarks is being phased out. The replacement performance fee benchmark will be the Euro Short-Term Rate. It is a “risk free rate” (the theoretical return of an investment with zero risk) and such rates have been recommended by regulators and central banks as the best alternatives to IBORs.

Performance Fee Benchmark Change

The performance fee section of the Fund, which is contained in Schroder International Selection Fund's (the “Company”) prospectus, will change from:

“20% of the outperformance over 3 Month EUR London Interbank Offer Rate Act 360, subject to a High Water Mark as per the methodology in section 3.1. Performance fee will be applied to all Share Classes except the I Shares”

To

“20% of the outperformance over the Euro Short-Term Rate, subject to a High Water Mark as per the methodology in section 3.1. Performance fee will be applied to all Share Classes except the I Shares”

Comparator Benchmark Change

The 3 Month EUR London Interbank Offer Rate Act 360 will be replaced by the Euro Short-Term Rate as a comparator benchmark of the Fund.

All other key features of the Fund 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 changes become effective you may do so at any time up to and including deal cut-off on 31 December 2021. Please

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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 on 31 December 2021.

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

The Board of Directors

Appendix

ISIN codes of share classes affected by the changes

Share class	Share class currency	ISIN code
A Accumulation	EUR	LU0748063764
A Distribution	EUR	LU0748064069
A1 Accumulation	EUR	LU0801193649
B Accumulation	EUR	LU0801193722
C Accumulation	EUR	LU0748063848
E Accumulation	EUR	LU0811997104
IZ Accumulation	EUR	LU2016216157
A Distribution	GBP	LU0801193995
E Accumulation	GBP Hedged	LU0811997443
A Accumulation	USD Hedged	LU0871500038