

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. The directors of Schroder Alternative Solutions accept full responsibility for the accuracy of the information contained in this letter and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement misleading.

20 October 2017

Dear Shareholder,

Schroder Alternative Solutions

We are pleased to inform you the following changes to Schroder Alternative Solutions (the "**Company**").

1. Fee reduction

The board of directors of the Company has decided to lower the customary charges payable to Schroder Investment Management (Luxembourg) S.A., the Company's management company for its services as administration agent, coordinator, domiciliary agent, global distributor, principal paying agent and registrar and transfer agent. The charges have been reduced from a maximum of 0.3% per annum to a maximum of 0.25% with effect from 1 July 2016.

As these fees are a fixed percentage of the net asset value of a sub-fund of the Company (a "**Fund**") they will not vary with the cost of providing the relevant services. As such the management company could make a profit (or loss) on the provision of those services, which will fluctuate over time on a Fund by Fund basis.

2. Automatic Exchange of Financial Account Information

The Inland Revenue (Amendment) (No.3) Ordinance (the "**Ordinance**") came into force on 30 June 2016. This is the legislative framework for the implementation in Hong Kong of the Standard for Automatic Exchange of Financial Account Information ("**AEOI**"). The AEOI requires financial institutions ("**FI**") in Hong Kong to collect information relating to non-Hong Kong tax residents holding accounts with FIs, and to file such information with the Hong Kong Inland Revenue Department ("**IRD**") who in turn will exchange such information with the jurisdiction(s) in which that account holder is resident. Generally, tax information will be exchanged only with jurisdictions with which Hong Kong has a Competent Authority Agreement ("**CAA**"); however, FIs may further collect information relating to residents of other jurisdictions.

By investing in the Funds and/or continuing to invest in the Funds through FIs in Hong Kong, investors acknowledge that they may be required to provide additional information to the relevant FI in order for the relevant FI to comply with AEOI. The investor's information (and information on beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with such shareholders that are not natural persons), may be communicated by the IRD to authorities in other jurisdictions.

Each Shareholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Funds through FIs in Hong Kong.

3. Hedged share classes

In connection with the recommendations in the opinion published by the European Securities and Markets Authority on 30 January 2017, the management company will review hedged positions of hedged share classes at every valuation point to ensure that (i) over-hedged positions do not exceed 105% of the Net Asset Value of the hedged classes and (ii) under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the hedged classes which is to be hedged against the currency risk. An up-to-date list of the classes with a contagion risk is available upon request at the registered office of the Company.

Any expenses incurred directly as a result of making the above changes will be borne by Schroder Investment Management (Luxembourg) S.A., the Company's management company.

This notification is to provide you with updated information in relation to the Company. You are not required to take any action with respect to this letter. If you have any questions or would like more information, please contact your usual professional advisor or Schroders Investor Hotline on (+852) 2869 6968.

Yours faithfully,



Cord Rodewald
Authorised Signatory



Nick Alter
Authorised Signatory