

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.

5 May 2021

Dear Shareholder,

Schroder International Selection Fund

We are writing to inform you of the following changes or updates to the Hong Kong offering documents of the Company and its sub-funds ("**Funds**"), comprising the Prospectus and Hong Kong Covering Document of the Company and the Product Key Facts Statements of the Funds ("**Hong Kong Offering Documents**").

Any terms not defined in this letter shall have the same meaning as in the Prospectus.

I. Change of investment policy of Multi-Asset Growth and Income

With effect from 30 April 2021, the maximum exposure of Multi-Asset Growth and Income to debt instruments with loss-absorption features, i.e. instruments which may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events ("**Loss-Absorption Products**") has increased from 10% of the Fund's Net Asset Value to 15% of the Fund's Net Asset Value and the Fund may invest in senior and senior non-preferred notes, bail-in bonds, capital security bonds, subordinated Tier 2 capital notes, subordinated Additional Tier 1 capital notes and subordinated Lower Tier 2 capital notes, in addition to contingent convertible bonds ("**CoCos**"), Additional Tier 1 and Tier 2 capital notes. For the avoidance of doubt, there is no change to the maximum exposure of the Fund to CoCos as disclosed in the Prospectus.

Please refer to the risk factor headed "42. Contingent Convertible Securities Risk" under the section headed "Risks of Investment" in Appendix II of the Prospectus and the risk factor headed "Risk associated with instruments with loss-absorption features" in the Hong Kong Covering Document for the relevant risk disclosures.

II. Enhancement / clarification to the investment policies of the Funds

The investment policies of certain Funds have been enhanced or clarified. Please refer to the Appendix for details of the amendments.

III. Miscellaneous updates / changes

Further changes have been made to the Hong Kong Offering Documents, which include:

- (a) update to the “Definitions” section in the Prospectus to clarify existing definitions and include new definitions such as “Money Market Investments” and “UCITS Risk Measurement Rules”;
- (b) enhancement of disclosures regarding the Benchmark Regulation;
- (c) update to the board of directors of the Company and directors of the Management Company and their profiles;
- (d) enhancement of disclosure to set out additional circumstances for suspension or deferral of dealings and the calculation of Net Asset Value per Share of any Share Class in any Fund to better align with the Consolidated Articles of Incorporation of the Company;
- (e) update to reflect the recent changes in the rules and regulations in relation to the QFII and RQFII regimes in the People’s Republic of China including but are not limited to the merger of the QFII and RQFII regimes and such QFII and RQFII regimes are now known as Qualified Foreign Investor (“**QFI**”) regime;
- (f) enhancement of disclosure in relation to the delegation arrangement in respect of the management of the Fund’s assets. For the avoidance of doubt, there is no change to the existing delegation arrangement for the Funds. Any change in the delegation arrangement will be subject to the prior approval of the Securities and Futures Commission of Hong Kong and the relevant regulatory requirements; and
- (g) other miscellaneous updates, changes and editorial amendments.

The Company confirms that in relation to the amendments or changes set out above:

- there are no changes to how the Funds are managed;
- the investment style, investment philosophy and risk profile of the Funds remain the same; and
- the fees chargeable in respect of the Funds as stated in the Hong Kong Offering Documents remain the same.

The revised Hong Kong Offering Documents are available free of charge at www.schroders.com.hk¹ or upon request from the Hong Kong Representative of the Company, Schroder Investment Management (Hong Kong) Limited.

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,



Cecilia Vernerson
Authorised Signatory



Nirosha Jayawardana
Authorised Signatory

¹ This website has not been reviewed by the SFC.

Appendix

1. Certain Funds – Enhancement of disclosures relating to investment policies

The investment policies of the following Funds have been enhanced to provide that these Funds may invest in Loss-Absorption Products (e.g. CoCos, Additional Tier 1 and Tier 2 capital notes, senior and senior non-preferred notes, bail-in bonds, capital security bonds, subordinated Tier 2 capital notes, subordinated Additional Tier 1 capital notes and subordinated Lower Tier 2 capital notes), subject to the relevant maximum exposure as disclosed below:

Fund	Maximum exposure to Loss-Absorption Products (% of the Fund's Net Asset Value)
Asian Bond Total Return	Less than 30%
Asian Local Currency Bond	Less than 30%
Emerging Markets Debt Absolute Return	Up to 10%
Emerging Multi-Asset Income	Up to 15%
EURO Bond	Up to 25%
EURO Corporate Bond	Less than 30%
EURO Liquidity	Up to 5%
EURO Short Term Bond	Up to 25%
Global Bond	Up to 25%
Global Corporate Bond	Less than 30%
Global Credit Income	Less than 30%
Global High Yield	Less than 30%
Global Multi-Asset Income	Up to 15%
Global Target Return	Up to 20%
Hong Kong Dollar Bond	Less than 30%
Strategic Bond	Less than 30%
US Dollar Bond	Less than 30%
US Dollar Liquidity	Up to 5%

For the avoidance of doubt, there is no change to the maximum exposure of the Funds to CoCos where disclosed in the Prospectus.

Please refer to the risk factor headed "42. Contingent Convertible Securities Risk" under the section headed "Risks of Investment" in Appendix II of the Prospectus and the risk factor headed "Risk associated with instruments with loss-absorption features" in the Hong Kong Covering Document for the relevant risk disclosures.

2. Certain Funds – Enhancement of disclosures relating to investment policies

The investment policies of the following Funds have been enhanced to provide each of the Funds may 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.

All China Equity	Global Emerging Market Opportunities
Asian Bond Total Return	Global Energy
Asian Dividend Maximiser	Global Equity
Asian Equity Yield	Global Equity Alpha
Asian Local Currency Bond	Global Equity Yield
Asian Opportunities	Global High Yield

Asian Smaller Companies	Global Inflation Linked Bond
Asian Total Return	Global Smaller Companies
BRIC (Brazil, Russia, India, China)	Global Sustainable Growth
China Opportunities	Greater China
Emerging Asia	Hong Kong Dollar Bond
Emerging Europe	Hong Kong Equity
Emerging Markets	Indian Equity
EURO Bond	Japanese Equity
EURO Corporate Bond	Japanese Opportunities
EURO Equity	Japanese Smaller Companies
EURO Government Bond	Latin American
EURO Short Term Bond	Middle East
European Dividend Maximiser	QEP Global Active Value
European Large Cap	QEP Global Quality
European Smaller Companies	Strategic Bond
European Value	Taiwanese Equity
Frontier Markets Equity	UK Equity
Global Bond	US Dollar Bond
Global Cities Real Estate	US Large Cap
Global Climate Change Equity	US Small & Mid Cap Equity
Global Corporate Bond	US Smaller Companies
Global Dividend Maximiser	

3. Global Gold and Emerging Markets Debt Absolute Return – Enhancement of disclosures relating to investment policy

The investment policies of Global Gold and Emerging Markets Debt Absolute Return have been enhanced to provide that each of the Funds may 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 and warrants.

4. Global Credit Income – Enhancement of disclosures relating to investment policy

The investment policy of Global Credit Income has been enhanced to provide that the Fund may invest up to one-third of its assets directly or indirectly in other securities (including other asset classes), countries, regions, industries or currencies, warrants and Money Market Investments, and hold cash.

5. Certain Funds – Clarification regarding investments in China

The investment policies of the following Funds have been updated to clarify that the investment limits on each of the Funds' investments, directly or indirectly through derivatives in China A-Shares, through Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, RQFII (now known as QFI) scheme and Regulated Markets are with reference to the respective Fund's assets on a net basis.

All China Equity	Emerging Asia
China Opportunities	Greater China

6. Certain Funds – Clarification regarding investments in China

The investment policies of the following Funds have been updated to clarify that the investment limits on each of the Funds' investments, directly or indirectly through derivatives in China A-Shares, through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are with reference to the respective Fund's assets on a net basis.

Asian Dividend Maximiser	Global Dividend Maximiser
Asian Equity Yield	Global Equity Yield
Asian Opportunities	Global Smaller Companies
Asian Smaller Companies	Hong Kong Equity
Asian Total Return	

7. QEP Global Quality – Clarification of investment policy

The investment policy of QEP Global Quality has been amended to clarify that the Fund assesses "Quality" by looking at indicators such as a company's profitability, stability, financial strength and governance.

8. Asian Bond Total Return – Clarification on investments under exceptional circumstances

The investment policy of Asian Bond Total Return has been amended to clarify that it may hold 100% of its assets in Money Market Investments or in cash under exceptional circumstances and this will be limited to a maximum of six months (otherwise, subject to applicable regulatory approval and requirements, the Fund will be liquidated).

9. Asian Dividend Maximiser, European Dividend Maximiser and Global Dividend Maximiser – Clarification on use of derivatives

The investment policies of Asian Dividend Maximiser, European Dividend Maximiser and Global Dividend Maximiser have been clarified to provide that each of the Funds may use derivatives with the aim of achieving investment gains, reducing risk or managing the Funds more efficiently.