

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 International Selection Fund 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.

21 December 2018

Dear Shareholder,

Schroder International Selection Fund – EURO Short Term Bond

The board of directors of Schroder International Selection Fund (the "Company") has decided to adapt the expected level of leverage of Schroder International Selection Fund – EURO Short Term Bond (the "Fund").

The Fund's expected level of leverage disclosed in the Company's prospectus will increase from 150% of the total net assets to 200% of the total net assets. This increased number more accurately reflects how the leverage is measured and takes into account certain financial derivative instruments (specifically FX forwards).

The Fund's expected level of leverage, which is reflected in the Company's prospectus, is being changed from:

"Expected Leverage

150% of the total net assets"

To:

"Expected Leverage

200% of the total net assets"

All other key features of the Fund will remain the same. There will be no change to the way the Fund is managed, or to its investment style, investment philosophy or risk profile following this change. For the avoidance of doubt, there will be no change to the expected level of leverage of the Fund calculated based on commitment approach as disclosed in the "Use of financial derivatives instruments" section of the Hong Kong Covering Document dated October 2018.

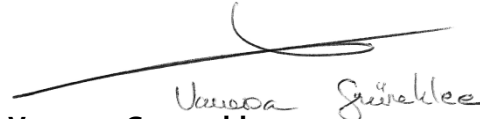
Any expenses incurred directly as a result of making this change will be borne by Schroder Investment Management (Europe) S.A., the Company's management company.

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

Yours faithfully,



Chris Burkhardt
Authorised Signatory



Vanessa Grueneklee
Authorised Signatory