

18 August 2023

Dear Shareholder,

Schroder International Selection Fund (the "Company") – All China Credit Income (the "Fund")

We are writing to inform you that on 21 September 2023 (the "Effective Date") the investment policy of the Fund will change to amend a reference that it may invest "in excess of 50%" to "up to 50%" of its assets in securities that have a below investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies for rated bonds and implied Schroders ratings for non-rated bonds).

Background and rationale

As the Fund's strategy does not require it to hold in excess of 50% of its assets in below investment grade securities and there is no intention to do so, it was decided to change the investment policy accordingly.

The Fund's investment policy has also been updated to clarify that it may invest in excess of 50% of its assets in mainland China through the Qualified Foreign Investor ("QFI") scheme or Regulated Markets (including the CIBM via Bond Connect or CIBM Direct).

Full details of the changes being made can be viewed in the Appendix to this letter.

The extent of the change to the risk/reward profile of the Fund as a result of this change is non-significant.

All other key features of the Fund, including the relevant risk indicator and fees, 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 Effective Date you may do so at any time up to and including deal cut-off on 20 September 2023. Please 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 given above.

You can find the Fund's updated key information document (the KID) for the relevant share class and the Company's Prospectus at www.schroders.lu.

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

Yours faithfully,

The Board of Directors

Appendix

Investment Policy Change

New Wording is show in bold. Removed wording is shown as strikethrough text.

Current Investment Policy	New Investment Policy
<p>Investment Policy</p> <p>The Fund is actively managed and invests at least two-thirds in of its assets in fixed and floating rate investment grade and high yield securities issued by companies in mainland China, Hong Kong and Macau.</p> <p>The Fund may invest:</p> <ul style="list-style-type: none"> – in excess of 50% of its assets in securities that have a below investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies for rated bonds and implied Schroders ratings for non-rated bonds); – up to 20% of its assets in asset-backed securities and mortgage-backed securities; – up to 20% of its assets in convertible bonds (including contingent convertible bonds); – up to 10% of its assets in open-ended Investment Funds; and – up to 30% in negotiable certificates of deposit. <p>The Fund may invest in excess of 50% of its assets in mainland China through the Qualified Foreign Investor ("QFI") scheme or Regulated Markets (including the CIBM via Bond Connect or CIBM Direct).</p> <p>The Investment Manager aims to mitigate losses by diversifying the Fund's asset allocation away from areas of the market identified as having a high risk of material negative return.</p> <p>The Fund may also 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 (subject to the restrictions provided in Appendix I).</p> <p>The Fund may use derivatives, long and short, with the aim of achieving investment gains,</p>	<p>Investment Policy</p> <p>The Fund is actively managed and invests at least two-thirds in of its assets in fixed and floating rate investment grade and high yield securities issued by companies in mainland China, Hong Kong and Macau.</p> <p>The Fund may invest:</p> <ul style="list-style-type: none"> – in excess of up to 50% of its assets in securities that have a below investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies for rated bonds and implied Schroders ratings for non-rated bonds); – up to 20% of its assets in asset-backed securities and mortgage-backed securities; – up to 20% of its assets in convertible bonds (including contingent convertible bonds); – up to 10% of its assets in open-ended Investment Funds; and – up to 30% in negotiable certificates of deposit. <p>The Fund may invest in excess of up to 50% of its assets in mainland China through the Qualified Foreign Investor ("QFI") scheme or Regulated Markets (including the CIBM via Bond Connect or CIBM Direct).</p> <p>The Investment Manager aims to mitigate losses by diversifying the Fund's asset allocation away from areas of the market identified as having a high risk of material negative return.</p> <p>The Fund may also 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 (subject to the restrictions provided in Appendix I).</p>

reducing risk or managing the Fund more efficiently.	The Fund may use derivatives, long and short, with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently.
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ISIN codes of the Share classes impacted by this change:

Share class	Share class currency	ISIN code
A Distribution	USD	LU1983298941
B Accumulation	USD	LU2070009142
C Accumulation	USD	LU2244453002
I Accumulation	USD	LU2060919755
B Accumulation	EUR Hedged	LU2070009225
I Accumulation	EUR Hedged	LU2066577151
I Accumulation	RMB Hedged	LU2066577581