

Schroder Investment Management (Europe) S.A.

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15 March 2024

Dear Unitholder,

Schroder Selection (the “Fund”) New Market Series – Emerging Bond (the “Sub-Fund”)

We are writing to inform you of some changes to the master-fund “Schroder International Selection Fund – Emerging Markets Debt Absolute Return” (the “Portfolio”), in which the Sub-Fund invests. On 21 September 2023 (the “Effective Date”) the name, investment objective and policy were changed.

From the Effective Date, the Portfolio’s name changed to “Schroder International Selection Fund – Emerging Markets Debt Total Return”.

Background and rationale

Prior to the Effective Date, the Portfolio had an “Absolute Return” objective, which means that it sought to achieve a positive return in all market conditions over rolling 12-month periods. However, following a review of the implementation of the policy, it was decided that the Portfolio’s strategy and return profile is better suited to a “Total Return” objective, which means a combination of capital growth and income. Portfolios classified as “Absolute Return” typically make use of short positions, use leverage and employ market neutral strategies. The Portfolio does not employ these techniques or instruments. The Portfolio’s core objective of investing in emerging markets debt will not change.

The Portfolio’s investment policy has also been updated to (i) reflect that the Portfolio may invest up to 15% of its assets in mainland China through regulated markets (including the China Interbank Bond Market (CIBM) via Bond Connect or CIBM direct), and (ii) clarify that in exceptional circumstances during periods of high market volatility, where the Portfolio may hold up to 40% of its assets in deposits and money market investments in developed markets, such assets will not be measured as part of the two-thirds of the assets that the Portfolio invests in fixed and floating rate securities, currencies and money market investments in emerging markets.

The extent of the change to the risk/reward profile of the Portfolio as a result of these changes is non-significant.

All other key features of the Portfolio, including the relevant risk indicator and fees, remain the same.

Further information

Please note that the March 2024 update to the Fund’s prospectus reflects these changes. All other key features of the Sub-Fund and its risk profile remain the same. There is no change in the Sub-Fund’s investment style, investment philosophy, investment strategy, and the operation and/or manner in which the Sub-Fund is being managed following this change.

You can find full details of the changes made to the Portfolio as well as the ISIN codes of the Sub-Fund’s unit classes affected by the changes in the Appendix to this letter.

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 of the Management Company

Appendix

Name change

From the Effective Date, the Portfolio's name changed from:

Schroder International Selection Fund Emerging Markets Debt Absolute Return

To:

Schroder International Selection Fund Emerging Markets Debt Total Return

Investment Objective and Policy change of the Portfolio

New wording is shown in bold.

Current Investment Objective and Policy of the Portfolio	New Investment Objective and Policy of the Portfolio
<p>Investment Objective</p> <p>The Portfolio aims to provide an absolute return of capital growth and income after fees have been deducted by investing in fixed and floating rate securities in emerging markets.</p> <p>Absolute return means the Portfolio seeks to provide a positive return over a 12 month period in all market conditions, but this cannot be guaranteed and your capital is at risk.</p>	<p>Investment Objective</p> <p>The Portfolio aims to provide capital growth and income after fees have been deducted by investing in fixed and floating rate securities issued by governments, government agencies, supra nationals and companies in emerging markets.</p> <p>The Portfolio is designed to participate in rising markets while aiming to mitigate losses in falling markets through the use of cash and derivatives. The mitigations of losses cannot be guaranteed.</p>
<p>Investment Policy</p> <p>The Portfolio is actively managed and invests at least two-thirds of its assets in fixed and floating rate securities, currencies and money market investments in emerging markets. The fixed and floating rate securities are issued by governments, government agencies, supra-nationals and companies. The Portfolio may also hold cash.</p> <p>In aiming to deliver an absolute return, the Portfolio may hold up to 40% of its assets in cash and money market investments in developed markets.</p> <p>The Portfolio may invest in excess of 50% of its assets in fixed and floating rate securities that have a below investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).</p> <p>The Portfolio may invest in mainland China through Regulated Markets (including the CIBM via Bond Connect or CIBM Direct).</p> <p>The Portfolio may also invest up to one-third of its assets directly or indirectly in other securities</p>	<p>Investment Policy</p> <p>The Portfolio is actively managed and invests at least two-thirds of its assets in fixed and floating rate securities, currencies and money market investments in emerging markets. The fixed and floating rate securities are issued by governments, government agencies, supra-nationals and companies. The Portfolio may also hold cash.</p> <p>In exceptional circumstances during periods of high market volatility, the Portfolio may hold up to 40% of its assets in deposits and money market investments in developed markets. In such instances, the two-thirds referenced above will be measured against the Portfolio's assets excluding deposits and money market instruments in developed markets.</p> <p>The Portfolio may invest in excess of 50% of its assets in fixed and floating rate securities that have a below investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).</p>

<p>(including other asset classes), countries, regions, industries or currencies, investment funds and warrants (subject to the restrictions provided in Appendix I of the Schroder International Selection Fund prospectus).</p> <p>The Portfolio may use derivatives with the aim of achieving investment gains, reducing risk or managing the Portfolio more efficiently.</p> <p>The Portfolio maintains a higher overall sustainability score than 50% JPM GBI-EM Diversified Index and 50% JPM EMBI Diversified Index based on the Investment Manager's rating criteria. More details on the investment process used to achieve this can be found in the sustainability criteria section.</p> <p>The Portfolio does not directly invest in certain activities, industries or groups of issuers above the limits listed under "Sustainability-Related Disclosure" on the Portfolio's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc</p>	<p>The Portfolio may invest up to 15% of its assets in mainland China through Regulated Markets (including the CIBM via Bond Connect or CIBM Direct).</p> <p>The Portfolio 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, investment funds and warrants (subject to the restrictions provided in Appendix I of the Schroder International Selection Fund prospectus).</p> <p>The Portfolio may use derivatives with the aim of achieving investment gains, reducing risk or managing the Portfolio more efficiently.</p> <p>The Portfolio maintains a higher overall sustainability score than 50% JPM GBI-EM Diversified Index and 50% JPM EMBI Diversified Index based on the Investment Manager's rating criteria. More details on the investment process used to achieve this can be found in the sustainability criteria section.</p> <p>The Portfolio does not directly invest in certain activities, industries or groups of issuers above the limits listed under "Sustainability-Related Disclosure" on the Portfolio's webpage, accessed via https://www.schroders.com/en/lu/individual/fund-centre</p>
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ISIN codes of the Units impacted by this change:

Unit	Unit currency	ISIN code
A Distribution	USD	LU0190290345
A Distribution	JPY Hedged	LU0190290774