

30 November 2022

Dear Shareholder,

Schroder International Selection Fund (the "Company") – Healthcare Innovation (the "Fund")

We are writing to inform you that the Fund's classification under the Sustainable Finance Disclosure Regulation (SFDR) will change from a fund falling under article 9 to article 8 on 1 January 2023 (the "Effective Date").

Background and rationale

The Fund adopts a thematic approach to investment and invests at least 75% of its assets in sustainable investments, which are investments in companies that contribute towards the advancement of one or more of the UN Sustainable Development Goals by promoting growth in healthcare provision and medical treatments and improving healthcare standards using an innovation-led approach. As a result of the regulatory clarification that a fund with a sustainable investment objective should only make sustainable investments (excluding neutral assets such as cash), the Fund considers it will no longer meet the requirements of an article 9 fund under SFDR, as it holds some non-sustainable investments within the remaining 25% of its assets, specifically holdings in industries adjacent to healthcare or healthcare-related services.

Given the Fund's investment manager's desire to maintain the current investment approach which it considers is in the best interests of investors, we have decided that the Fund should qualify under SFDR as an article 8 fund rather than an article 9 fund. This change will result in limited changes to the Fund's investment objective and policy wording, and the sustainability risk consideration, which are shown in Appendix 1 to this letter. There is no change in the previously stated investment approach or investment process.

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

All other key features of the Fund, including the synthetic risk and return indicator (the SRRI) 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 30 December 2022. 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 investor information document (the KIID) for the relevant share class and the Fund'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 1

Investment Objective

The Fund aims to provide capital growth by investing in equity and equity related securities of healthcare and medical related companies worldwide which meet the Investment Manager's sustainability criteria.

Investment Policy

The Fund is actively managed and invests at least two-thirds of its assets in equity and equity related securities of companies worldwide, which are engaged in healthcare provision, medical services and related products.

The Fund invests at least 75% of its assets in sustainable investments, which are investments in companies that contribute towards the advancement of one or more of the UN SDGs by promoting growth in healthcare provision and medical treatments and improving healthcare standards using an innovation-led approach (please see the Fund Characteristics section for more details).

The Fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under "Sustainability Information" on the Fund's webpage, accessed via www.schroders.com/en/lu/private-investor/gfc. The Fund invests in companies that do not cause significant environmental or social harm and have good governance practices, as determined by the Investment Manager's rating criteria (please see the Fund Characteristics section for more details).

The Fund may invest in companies that the Investment Manager believes will improve their sustainability practices within a reasonable timeframe, typically up to two years.

The Investment Manager may also engage with companies held by the Fund to challenge identified areas of weakness on sustainability issues. More details on the Investment

Manager's approach to sustainability and its engagement with companies are available on the website www.schroders.com/en/lu/private-investor/strategic-capabilities/sustainability/disclosures.

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, Investment Funds, warrants and Money Market Investments, and hold cash (subject to the restrictions provided in Appendix I).

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently.

Specific Risk Considerations

The Fund has environmental and/or social characteristics (within the meaning of Article 8 SFDR).

A Fund with these characteristics may have limited exposure to some companies, industries or sectors as a result and the Fund may forego certain investment opportunities, or dispose of certain holdings, that do not align with its sustainability criteria chosen by the Investment Manager. As Investors may differ in their views of what constitutes sustainable investing, the Fund may also invest in companies that do not reflect the beliefs and values of any particular Investor. Please refer to Appendix II for more details on sustainability risks.

Appendix 2

ISIN codes of the Share Classes impacted by this change:

| Share Class | Share Class Currency | ISIN Code |
|--------------------|-----------------------------|------------------|
| A Accumulation | USD | LU1983299246 |
| B Accumulation | USD | LU2075271903 |
| C Accumulation | USD | LU2016066834 |
| I Accumulation | USD | LU2016067212 |
| IZ Accumulation | USD | LU2016067568 |
| U Accumulation | USD | LU2419418848 |
| A Accumulation | EUR | LU2390151236 |
| A Distribution | EUR | LU2390151319 |
| A Accumulation | EUR Hedged | LU2191243257 |
| B Accumulation | EUR | LU2027363196 |
| B Accumulation | EUR Hedged | LU2075272034 |
| C Accumulation | EUR Hedged | LU2191243331 |
| A1 Accumulation | PLN Hedged | LU2210347329 |
| A Accumulation | CNH Hedged | LU2275663883 |
| A Accumulation | SGD | LU2345993567 |