

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.

3 September 2021

Dear Shareholder,

Schroder International Selection Fund – Asian Equity Yield (the “Fund”)

We are writing to advise you of certain changes to the Fund.

Investment Objective Change

The target benchmark of the Fund has changed from MSCI AC Pacific ex Japan (Net TR) index to **MSCI AC Asia Pacific ex Japan (Net TR) index**. The investment objective of the Fund has been revised as follows to reflect such change:

“The Fund aims to provide income and capital growth in excess of the MSCI AC Asia Pacific ex Japan (Net TR) index after fees have been deducted over a three to five year period^{Note} by investing in equity and equity related securities of Asia Pacific companies (excluding Japan).”

^{Note} For clarification purpose, this means to exceed a medium to long term return of the stated index after fees have been deducted. The three to five year period is considered as a medium to long term period, and is the period over which an investor should assess the Fund’s performance.

The Fund’s performance should be assessed against its target benchmark being to exceed the MSCI AC Asia Pacific ex Japan (Net TR) index.

Rationale

The new target benchmark better reflects the relevant geographical universe of the Fund’s investment strategy. The new target benchmark represents the broad Asia Pacific Ex Japan region, which also includes India, and is aligned with the markets where the Fund has underlying investment exposures.

Investment Policy Change

The investment policy of the Fund has been updated to provide additional means for investment in China A-Shares so that the Fund may invest less than 30% of its assets (on a net basis) directly or indirectly through derivatives in China A-Shares through the Renminbi Qualified Foreign Institutional Investor scheme (now known as the Qualified Foreign Investor scheme) and Regulated Markets, in addition to Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

Comparator benchmark change

There is an addition of a new comparator benchmark for the Fund, i.e. MSCI AC Asia Pacific ex Japan High Dividend Yield index, so that the Fund's performance will be compared against the MSCI AC Asia Pacific ex Japan High Dividend Yield index, the Morningstar Asia Pacific ex Japan Income Category and the Morningstar Asia Pacific ex Japan Equity Category.

All other key features of the Fund will remain the same. Save as disclosed above in relation to the additional means for investment in China A-Shares, there is no change in the Fund's investment style, investment philosophy, investment strategy, operation or risk profile following these changes.

Any expenses incurred directly as a result of making these changes will be borne by Schroder Investment Management (Europe) S.A., the management company of Schroder International Selection Fund ("Company").

The Hong Kong offering documents of the Company will be revised to reflect the above changes and will be 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,

The Board of Directors

¹ This website has not been reviewed by the SFC.