

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.

4 June 2018

Dear Shareholder,

Schroder International Selection Fund – Environmental, Social and Governance (ESG) factors

The board of directors of Schroder International Selection Fund (the "Company") has decided to clarify the investment policy of the Funds listed in the Appendix. Some wording has been added to describe how the investment process of the Funds listed in the Appendix takes into consideration environmental, social, and governance factors. The following disclosure will be added to the Funds' investment policies:

"The Fund is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labour standards or board composition that could impact a company's value may be considered in the assessment of companies."

All other key features of the Funds and their risk profile will remain the same. There is no change in the Funds' investment style, investment philosophy, investment strategy, and the operation and/or manner in which the Funds are being managed following this clarification. The Funds affected by the above clarification are listed in the appendix of this letter.

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

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

Yours faithfully,



Cord Rodewald
Authorised Signatory



Alastair Woodward
Authorised Signatory

Appendix

Funds affected by the change

1. Schroder International Selection Fund – Asia Pacific Cities Real Estate^{*}
2. Schroder International Selection Fund – BRIC (Brazil, Russia, India, China)
3. Schroder International Selection Fund – Emerging Europe
4. Schroder International Selection Fund – Emerging Markets
5. Schroder International Selection Fund – European Dividend Maximiser[#]
6. Schroder International Selection Fund – European Value
7. Schroder International Selection Fund – Frontier Markets Equity
8. Schroder International Selection Fund – Global Cities Real Estate^{*}
9. Schroder International Selection Fund – Global Climate Change Equity
10. Schroder International Selection Fund – Global Dividend Maximiser[#]
11. Schroder International Selection Fund – Global Emerging Market Opportunities
12. Schroder International Selection Fund – Global Equity
13. Schroder International Selection Fund – Global Equity Alpha
14. Schroder International Selection Fund – Global Equity Yield
15. Schroder International Selection Fund – Global Sustainable Growth
16. Schroder International Selection Fund – Latin American
17. Schroder International Selection Fund – Middle East
18. Schroder International Selection Fund – QEP Global Active Value
19. Schroder International Selection Fund – QEP Global Quality

* The fund is not authorized by the Securities and Futures Commission under the Code on Real Estate Investment Trusts.

The name "Dividend Maximiser" refers to the investment objective of the fund to enhance the fund dividend by generating extra income from selling covered call options on the underlying equity portfolio and this may reduce the potential capital growth and future income of the fund. It does not suggest that the manager would aim at seeking the highest possible dividends for the fund.