

18 May 2021

Dear Shareholder,

Schroder International Selection Fund – Strategic Credit (the “Fund”)

We are writing to advise you that on 21 June 2021 the investment objective and investment policy of the Fund will change.

Rationale

The Fund's investment objective currently provides that it will invest in fixed and floating rate securities issued by companies in Europe. Fixed income markets have become increasingly global, with non-European companies issuing bonds in European currencies. We do not believe that there is a benefit to the Fund in maintaining a structural bias towards European bond issuers and in order to maintain flexibility we wish to enable the Fund to invest in bonds issued by companies worldwide.

Investment Objective Investment Policy Change

The investment objective and the investment policy of the Fund, which is contained in Schroder International Selection Fund (the “Company”)'s prospectus, will change from:

“Investment Objective

The Fund aims to provide capital growth and income in excess of ICE BofA Sterling 3-Month Government Bill Index after fees have been deducted over a three to five year period by investing in fixed and floating rate securities issued by companies in Europe.

Investment Policy

The Fund is actively managed and invests at least two-thirds of its assets in fixed and floating rate securities issued by governments, government agencies, supra-nationals and companies in Europe.

The Fund may invest up to 100% of its assets in securities with a below investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies). The Fund may also seek up to 25% exposure to convertible bonds and bonds with warrants. The exposure to convertible bonds includes up to 10% in contingent convertible bonds.

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 also invest in derivatives to create long and short exposure to the underlying assets of these derivatives. The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently.”

To:

“Investment Objective

The Fund aims to provide capital growth and income in excess of ICE BofA Sterling 3-Month Government Bill Index after fees have been deducted over a three to five year period by investing in fixed and floating rate securities issued by companies worldwide.

Investment Policy

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Benchmark Change

Please note that the benchmark of the Fund has been changed from GBP 3 Month Libor (or alternative reference rate) to ICE BofA Sterling 3-Month Government Bill Index. The Fund's performance should be assessed against its target benchmark ICE BofA Sterling 3-Month Government Bill Index. The Fund's old benchmark was an “interbank offered rate” (an “IBOR”). These rates are intended to reflect the average cost to certain banks of borrowing or obtaining unsecured short-term funds in the interbank market. Following regulatory developments, the use of such rates as benchmarks is being phased out.

The new benchmark has been selected as it i) matches the tenor of the old “IBOR” benchmarks and ii) is produced by an established vendor.

The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of a benchmark. The target benchmark has been selected because the target return of the Fund is to deliver or exceed the return of the benchmark as stated in the investment objective.

All other key features of the Fund will remain the same.

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 changes become effective you may do so at any time up to and including deal cut-off on **21 June 2021**. 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 on **21 June 2021**.

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

Yours faithfully,



Cecilia Vernerson
Authorised Signatory



Nirosha Jayawardana
Authorised Signatory

Appendix

ISIN codes of share classes affected by the changes

Share class	Share class currency	ISIN code
C Distribution	GBP	LU0995123931
C Accumulation	GBP	LU0995124079
S Accumulation	GBP	LU1365048609
S Distribution	GBP	LU1046233950
Y Accumulation	GBP	LU1309081955
C Distribution	EUR	LU0995124152
A Accumulation Hedged	EUR	LU1046235732
A Distribution Hedged	EUR	LU1046236037
B Accumulation Hedged	EUR	LU1046235815
B Distribution Hedged	EUR	LU1046236110
C Accumulation Hedged	EUR	LU1046235906
C Distribution Hedged	EUR	LU0995124236
I Accumulation Hedged	EUR	LU1406013810
S Distribution Hedged	EUR	LU1365048864
C Accumulation Hedged	SEK	LU1388564616
C Distribution Hedged	SEK	LU1421270759
A Distribution Hedged	USD	LU1365048948
C Distribution Hedged	USD	LU0995846705
S Distribution Hedged	USD	LU1087978430