

Schroder International Selection Fund
Société d'Investissement à Capital Variable
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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.

12 November 2019

Dear Shareholder,

Schroder International Selection Fund – EURO Liquidity (This is not a money market fund in Hong Kong)^Δ

The board of directors of Schroder International Selection Fund (the "Company") has decided to change the investment objective and policy of Schroder International Selection Fund – EURO Liquidity (the "Fund") to align the Fund with the European Union's Money Market Funds Regulation (2017/1131) (the "MMFR").

The Fund qualifies as a Standard Variable Net Asset Value Money Market Fund in accordance with the provisions of the MMFR. **However, in Hong Kong, the Fund is not authorized as money market fund under the Securities and Futures Commission's Code of Unit Trusts and Mutual Funds. The remaining maturity of the instruments purchased by the Fund and the weighted average maturity/life of the Fund's portfolio do not meet the limits applicable to money market fund in Hong Kong. The Fund may be more negatively impacted by changes in interest rates and subject to higher credit and liquidity risks.**

The Fund's investment objective and policy, which is contained in the Company's prospectus, is being changed from:

"Investment Objective

The Fund aims to provide income by investing in short-term fixed income securities denominated in Euro. The Fund is designed to provide liquidity and aims to mitigate losses in falling markets. The mitigation of losses or provision of liquidity cannot be guaranteed.

Investment Policy

The Fund invests in money market instruments and investment grade short-term bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) that are denominated in Euro and issued by government, government agencies and companies worldwide provided that (i) at the time of acquisition, the residual maturity of all such securities held in the portfolio does not exceed 12 months, taking into account any financial instruments connected therewith, or (ii) the terms and conditions governing those securities provide that the applicable interest rate is adjusted at least annually on the basis of market conditions.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently. The Fund may also invest in money market instruments and hold cash."

To:

“Investment Objective

The Fund aims to provide income by investing in Money Market Instruments denominated in Euro. The Fund is designed to provide liquidity and aims to preserve the value of the investment in falling markets. The preservation of value or provision of liquidity cannot be guaranteed.

Investment Policy

The Fund invests in Money Market Instruments (at least rated investment grade as measured by Standard & Poor's or any equivalent grade of other credit rating agencies in addition to receiving a favourable assessment of their credit quality pursuant to the Management Company's internal credit quality assessment procedure) that are denominated in Euro and issued by government, government agencies and companies worldwide provided that (i) at the time of acquisition, the residual maturity of all such securities held in the portfolio does not exceed 12 months, taking into account any financial instruments connected therewith, or (ii) the terms and conditions governing those securities provide that the applicable interest rate is adjusted at least annually on the basis of market conditions and the residual maturity of all such securities does not exceed 2 years.

The Fund may use derivatives with the aim of hedging currency and interest rate risk. The Fund may also hold cash and make deposits with a credit institution.”

Money Market Instruments means such instruments as defined under the MMFR and as detailed in the Company's prospectus.

All other key features of the Fund and its risk profile will remain the same. There will be no change to the Fund's investment style or investment philosophy following this change.

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

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

Yours faithfully,



Nirosha Jayawardana
Authorised Signatory



Cecilia Vernerson
Authorised Signatory