

13 March 2024

Dear Shareholder,

Schroder Special Situations Fund (the "Company") – Wealth Management USD Growth (the "Fund")

We are writing to inform you that on 16 April 2024 (the "**Effective Date**") the investment objective, investment policy, target benchmark and investment manager of the Fund will change. The annual management charge (AMC) of the A share class, the C share class and S share class will be reduced. The minimum initial subscription amount of the A share class and C share class will also be reduced.

Full details of the changes being made can be viewed in Appendix B to this letter.

Background and rationale

The Fund was launched in May 2020 but has struggled to attract meaningful levels of investment from clients, and as at the end of December 2023 had assets under management (AUM) of USD 10.5 million. At this level of AUM the Fund is sub-scale, which can cause the impact of charges to be increased. In addition, we do not believe the Fund will be able to attract meaningful assets in the future based on its current investment strategy.

The Fund currently follows a multi-asset strategy with a tilt towards Asian markets. However, we believe that restructuring the Fund's strategy to a well diversified global multi-manager strategy will allow the Fund to attract greater assets in the future and that this will benefit all investors, as a larger AUM can offer economies of scale and reduce the impact of charges. As from the Effective Date, the investment policy of the Fund will be updated as indicated in Appendix B to this letter.

The Fund's performance target and time period as specified in the investment objective will change, from US CPI + 4.25% per annum before fees have been deducted over a three to five year period to US CPI + 4% per annum before fees have been deducted over a seven to ten year period. The new target and time period is a more accurate reflection of the return profile of the new strategy. On the Effective Date, the investment objective as well as the benchmark section of the Fund will be updated as indicated in Appendix B to this letter.

From the Effective Date, the investment manager of the Fund will change from Schroder & Co (Asia) Ltd in Singapore to Schroder & Co Ltd in the UK, as the new strategy will be managed centrally by the Wealth Management Investment Committee (WMIC) within Schroder & Co Ltd.

Additionally, from the Effective Date, the AMC of the A share class will reduce from 1.25% to up to 1.10%, the AMC of the C share class will reduce from up to 1.25% to up to 0.75%, and the AMC of the S share class will reduce from 0.625% to up to 0.375%.

Furthermore, the minimum initial subscription amount of the A share class and C share class will also be reduced from USD 250,000 to USD 50,000. The extent of the change to the risk/reward profile of the Fund as a result of this(ese) change(s) are insignificant.

All other key features of the Fund, including the relevant risk indicator 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 15 April 2024. 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 information document (the KID) for the relevant share class and the Company'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 A

ISIN code(s) of the Share Class(es) impacted by this change:

Share class	Share class currency	ISIN code
A Accumulation	USD	LU2124947396
S Accumulation	USD	LU2124947479
A Accumulation	SGD Hedged	LU2124947552

Appendix B

	<i>Prior to the Effective Date</i>	<i>From the Effective Date</i>
Investment Manager	Schroder & Co (Asia) Ltd	Schroder & Co Ltd
Prospectus investment objective and policy	<p><u><i>Investment Objective</i></u></p> <p>The Fund aims to provide capital growth and income of US CPI +4.25% per annum before fees have been deducted* over a three to five year period by investing in a diversified range of assets and markets worldwide.</p> <p><u><i>Investment Policy</i></u></p> <p>The Fund is actively managed and invests at least two-thirds of its assets directly or indirectly in equity and equity-related securities, fixed income securities and Alternative Asset Classes. At times, the Fund's portfolio may be concentrated in any one or more of such asset classes. Fixed income securities include fixed or floating rate securities such as government bonds, corporate bonds, emerging market debt, convertible bonds and inflation linked bonds. The Fund may invest up to 40% of its assets in below investment grade (fixed and floating rate) securities (being securities with a credit rating below investment grade as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) and unrated securities. The Fund may invest up to 10% of its assets in contingent convertible bonds.</p> <p>The Fund may invest up to 20% of its assets in China, either directly (for example, via Bond Connect) or indirectly through mainland China focused Investment Funds. The exposure to commodities, real estate and other Alternative Asset Classes is taken through eligible assets (such as exchange traded funds, closed-ended REITs or open-ended Investment Funds) as described in Appendix III of this Prospectus. The Fund may (exceptionally) hold up to 100% of its assets in cash and Money Market Investments. That period will be limited to a maximum of six months (otherwise the Fund will be liquidated). During that period, the Fund will not fall within the scope of MMFR. The Fund may invest up to 20% of its assets in open-ended Investment Funds. The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently.</p>	<p><u><i>Investment Objective</i></u></p> <p>The Fund aims to provide capital growth and income of US CPI + 4% per annum after fees have been deducted over a seven to ten year period by investing in equity and equity related securities, fixed and floating rate securities and Alternative Asset Classes worldwide. There is no guarantee that this objective will be met and your capital is at risk.</p> <p><u><i>Investment Policy</i></u></p> <p>The Fund is actively managed and invests directly or indirectly in equity and equity related securities, fixed and floating rate securities and Alternative Asset Classes worldwide. The Fund may invest up to 30% of its assets indirectly in Alternative Asset Classes (as defined in Appendix III of this prospectus) through collective investment schemes, exchange traded funds, real estate investment trusts or closed-ended funds worldwide. The Fund may invest up to 100% of its assets in Investment Funds (including Schroder funds).</p> <p>The Fund may invest up to 20% of its assets in China, either directly (for example, via Bond Connect) or indirectly through mainland China focused Investment Funds.</p> <p>The Fund may invest:</p> <ul style="list-style-type: none"> - between 0% and 30% of its assets in fixed and floating rate securities; and - between 50% and 80% of its assets in equity and equity related securities. <p>The Fund may also invest in warrants and Money Market Investments and hold cash.</p> <p>The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently.</p>
Benchmark	The Fund's performance should be assessed against its target benchmark, being to achieve US CPI +4.25% per annum before fees have been deducted over a three to five year period. The target benchmark has been selected because the target return of the Fund is to deliver the return of that benchmark as stated in the investment objective	<p>The Fund's performance should be assessed against its target benchmark, being to achieve US CPI +4% after fees have been deducted over a seven to ten year period, and compared against the Asset Risk Consultants (ARC) USD Growth Asset Private Client index.</p> <p>The comparator benchmark is only included for performance comparison purposes and does not have any bearing on how the Investment Manager invests the</p>

		Fund's assets. The target benchmark has been selected because the target return of the Fund is to deliver the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.
Management Fees by share class	A: 1.25% C: Up to 1.25% S: 0.625%	A: Up to 1.10% C: Up to 0.75% S: Up to 0.375%
Ongoing Charges by share class	A: 1.56% C: 1.56% S: 0.79%	A: No change C: No change S: 0.54%
Minimum Initial Subscription	A: USD 250,000 C: USD 250,000 S: None	A: USD 50,000 C: USD 50,000 S: No change