

3 January 2020

Dear Shareholder,

Schroder International Selection Fund – exposure to Asset Backed Securities (ABS) and Mortgage Backed Securities (MBS)

The board of directors of Schroder International Selection Fund (the "Company") has decided to change the investment policy of the funds listed in the appendix (the "Funds") with effect from 19 February 2020 (the "Effective Date").

From the Effective Date the investment policy of each of the Funds will change to increase the amount that they can invest in ABS and MBS to up to 20% of their assets. We believe this change can improve the overall risk and return characteristics of the Funds by offering protection against rising interest rates and diversifying the holdings from traditional credit.

All other key features of the Funds and their risk profiles will remain the same. There will be no change in the Funds' investment style or their investment philosophy following this change. The ISIN codes of the share classes affected by this change are listed in the appendix of this letter.

We hope that you will choose to remain invested in the Fund(s) following these changes, but if you do wish to redeem your holding in the Fund(s) 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 18 February 2020. Please ensure that your redemption or switch instruction reaches HSBC France, Luxembourg branch ("HSBC") before this deadline. As previously communicated by Schroder Investment Management (Europe) S.A. ("SIM EU"), the management company of the Company, the delegation of transfer agency ("TA") activities by SIM EU to HSBC took effect from 1 July 2019. All non-electronic applications for redemption or switch should therefore be sent to the following address:

Postal address: HSBC France, Luxembourg branch
16, Boulevard d'Avranches
BP413
L-2014 Luxembourg

Telephone: +352 404646500
Fax: +352 26378977

There have been no changes to existing electronic trading channels.

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 18 February 2020.

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,

A handwritten signature in blue ink, appearing to read 'C. Burkhardt', with a stylized flourish at the end.

Chris Burkhardt
Authorised Signatory

A handwritten signature in black ink, appearing to read 'N. Jayawardana', with a stylized flourish at the end.

Nirosha Jayawardana
Authorised Signatory

Appendix

ISIN codes of share classes affected by the change

Fund	Share class	Share class currency	ISIN code
Schroder International Selection Fund – Emerging Multi-Asset Income	A Accumulation	USD	LU1196710195
	A1 Accumulation	USD	LU1201003784
	C Accumulation	USD	LU1196710278
	I Accumulation	USD	LU1469675661
	IZ Accumulation	USD	LU2016214707
	U Accumulation	USD	LU1884786622
	A Distribution	USD	LU1196710351
	A1 Distribution	USD	LU1196710435
	AX Distribution	USD	LU1509907009
	C Distribution	USD	LU1196710518
	I Distribution	USD	LU1196710609
	U Distribution	USD	LU1884786895
	A Distribution	HKD	LU1725190679
	A Distribution	AUD Hedged	LU1196710781
	AX Distribution	AUD Hedged	LU1644499045
	U Distribution	AUD Hedged	LU1884787190
	A Distribution	EUR Hedged	LU1469675745
	B Distribution	EUR Hedged	LU1469675828
	A1 Distribution	PLN Hedged	LU1814678519
	A Distribution	SGD Hedged	LU1196710864
	AX Distribution	SGD Hedged	LU1644505205
A Distribution	ZAR Hedged	LU1884787273	
U Distribution	ZAR Hedged	LU1884787356	

Schroder International Selection Fund – Global Diversified Growth	A Accumulation	EUR	LU0776410689
	A1 Accumulation	EUR	LU0776410762
	B Accumulation	EUR	LU0776410846
	C Accumulation	EUR	LU0776410929
	IZ Accumulation	EUR	LU0776411067
	I Accumulation	EUR	LU0776411141
	IA Accumulation	EUR	LU1623362743
	IB Accumulation	EUR	LU1667007287
	IC Accumulation	EUR	LU1623368864
	X Accumulation	EUR	LU2068943344
	A Distribution	EUR	LU0776411224
	A1 Distribution	EUR	LU0776411570
	A Accumulation	CHF Hedged	LU0776411653
	C Accumulation	CHF Hedged	LU0776411737
	A Distribution	GBP Hedged	LU0776411810
	A1 Accumulation	GBP Hedged	LU0776411901
	C Accumulation	GBP Hedged	LU0776412115
	I Accumulation	GBP Hedged	LU0776412206
	IZ Accumulation	GBP Hedged	LU1136196356
	IA Accumulation	GBP Hedged	LU1631468516
	C Accumulation	JPY Hedged	LU1309081443
	A1 Accumulation	PLN Hedged	LU0776412388
	A Accumulation	USD Hedged	LU0776412461
	A1 Accumulation	USD Hedged	LU0776412545
	C Accumulation	USD Hedged	LU0776412628
	D Accumulation	USD Hedged	LU0776412974
	I Accumulation	USD Hedged	LU0968301654

Schroder International Selection Fund – Global Multi-Asset Income	A Accumulation	USD	LU0757359368
	A1 Accumulation	USD	LU0757359525
	B Accumulation	USD	LU0757359798
	C Accumulation	USD	LU0757359871
	I Accumulation	USD	LU0798851183
	IZ Accumulation	USD	LU1806361371
	A Distribution	USD	LU0757359954
	A1 Distribution	USD	LU0757360028
	B Distribution	USD	LU0757360291
	C Distribution	USD	LU0757360374
	I Distribution	USD	LU0879621992
	J Distribution	USD	LU0924044398
	X Distribution	USD	LU1476609109
	A Accumulation	HKD	LU0894485498
	A Distribution	HKD	LU0894486033
	A Distribution	SGD	LU1188199696
	A Accumulation	SGD	LU0960925559
	A Distribution	AUD Hedged	LU0911024122
	C Distribution	CHF Hedged	LU0908639247
	A Accumulation	EUR Hedged	LU0757360457
	A1 Accumulation	EUR Hedged	LU0757360531
	B Accumulation	EUR Hedged	LU0757360614
	C Accumulation	EUR Hedged	LU0757360705
	A Distribution	EUR Hedged	LU0757360960
	A1 Distribution	EUR Hedged	LU0757361000
	B Distribution	EUR Hedged	LU0757361182
	C Distribution	EUR Hedged	LU0757361265

	Z Accumulation	EUR Hedged	LU0966867227
	Z Distribution	EUR Hedged	LU0966867490
	A Accumulation	GBP Hedged	LU0903425840
	A Distribution	GBP Hedged	LU0910996080
	C Accumulation	GBP Hedged	LU0837757185
	I Accumulation	GBP Hedged	LU1365049169
	Z Accumulation	GBP Hedged	LU0966867144
	A Distribution	NOK Hedged	LU1252709727
	A1 Accumulation	PLN Hedged	LU1262172189
	A1 Distribution	PLN Hedged	LU1273673373
	A Distribution	CNY Hedged	LU0924045015
	A Accumulation	SEK Hedged	LU1252709990
	A Distribution	SEK Hedged	LU1252710493
	C Accumulation	SEK Hedged	LU1725193939
	A Distribution	SGD Hedged	LU0879622024
	A Accumulation	SGD Hedged	LU0960925393
Schroder International Selection Fund – Multi-Asset Growth and Income	A Accumulation	USD	LU1195516338
	A Distribution	USD	LU1326303135
	A Distribution	USD	LU1900986214
	A1 Accumulation	USD	LU0776416371
	B Accumulation	USD	LU1236687239
	B Distribution	USD	LU1236687403
	C Accumulation	USD	LU0776416538
	U Accumulation	USD	LU1884790228
	IZ Accumulation	USD	LU2016218013
	U Distribution	USD	LU1884790491
	A Distribution	HKD	LU1900986487

	A Distribution	AUD Hedged	LU1326303309
	A Distribution	AUD Hedged	LU1900986305
	U Distribution	AUD Hedged	LU1884790574
	A Accumulation	EUR Hedged	LU1062721409
	A Distribution	EUR Hedged	LU1732477531
	A1 Accumulation	EUR Hedged	LU1062721581
	B Accumulation	EUR Hedged	LU1476608713
	B Distribution	EUR Hedged	LU1751207934
	C Accumulation	EUR Hedged	LU1062721664
	C Distribution	EUR Hedged	LU1751208072
	I Accumulation	EUR Hedged	LU1195516411
	A Distribution	CNY Hedged	LU1326303481
	A Distribution	CNY Hedged	LU1900986560
	A Distribution	SGD Hedged	LU1326303218
	A Distribution	SGD Hedged	LU1900986644
	A Distribution	ZAR Hedged	LU1884790657
	U Distribution	ZAR Hedged	LU1884790731
Schroder International Selection Fund – Multi-Asset Total Return	A Accumulation	USD	LU1520997112
	C Accumulation	USD	LU1520997203
	I Accumulation	USD	LU1520997385
	IZ Accumulation	USD	LU2016219847
	A Accumulation	EUR Hedged	LU1520997468
	B Accumulation	EUR Hedged	LU1785814069
	C Accumulation	EUR Hedged	LU1520997542
	I Accumulation	EUR Hedged	LU1520997625
	IA Accumulation	EUR Hedged	LU2060922460
	X Accumulation	GBP Hedged	LU1910290623