

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.

3 September 2021

Dear Shareholder,

Schroder International Selection Fund – Global Smaller Companies
Schroder International Selection Fund – Japanese Equity
Schroder International Selection Fund – Japanese Opportunities
Schroder International Selection Fund – Japanese Smaller Companies
Schroder International Selection Fund – US Small & Mid Cap Equity
Schroder International Selection Fund – US Smaller Companies

(each a “Fund”, and collectively, the “Funds”)

We are writing to advise you that the target benchmarks of the Funds have been changed from gross to net variants. This means the target benchmark of each Fund has been changed as follows:

Fund	Target benchmark (gross variant) (before change)	Target benchmark (net variant) (after change)
Global Smaller Companies	S&P Developed Small Cap (Gross TR) index	S&P Developed Small Cap (Net TR) index
Japanese Equity	Tokyo Stock Exchange 1st Section index (TOPIX) (TR)	Tokyo Stock Exchange 1st Section index (TOPIX) (Net TR)
Japanese Opportunities	Tokyo Stock Exchange 1st Section index (TOPIX) (TR)	Tokyo Stock Exchange 1st Section index (TOPIX) (Net TR)
Japanese Smaller Companies	Russell Nomura Small Cap (TR) index	Russell Nomura Small Cap (Net TR) index
US Small & Mid Cap Equity	Russell 2500 Lagged (TR) index	Russell 2500 Lagged (Net TR) index
US Smaller Companies	Russell 2000 Lagged (Gross TR) index	Russell 2000 Lagged (Net TR) index

The investment objectives of the Funds have been revised as follows to reflect the relevant changes to the target benchmarks:

Fund	Changes to the target benchmarks in investment objectives
Global Smaller Companies	The Fund aims to provide capital growth in excess of the S&P Developed Small Cap (Gross <u>Net</u> TR) index after fees have been deducted over a three to five year period ^{Note} by investing in equity and equity related securities of small-sized companies worldwide.
Japanese Equity	The Fund aims to provide capital growth in excess of the Tokyo Stock Exchange 1st Section index (TOPIX) (<u>Net</u> TR) after fees have been deducted over a three to five year period ^{Note} by investing in equity and equity related securities of Japanese companies.
Japanese Opportunities	The Fund aims to provide capital growth in excess of the Tokyo Stock Exchange 1st Section index (TOPIX) (<u>Net</u> TR) after fees have been deducted over a three to five year period ^{Note} by investing in equity and equity related securities of Japanese companies.
Japanese Smaller Companies	The Fund aims to provide capital growth in excess of the Russell Nomura Small Cap (<u>Net</u> TR) index after fees have been deducted over a three to five year period ^{Note} by investing in equity and equity related securities of small-sized Japanese companies.
US Small & Mid Cap Equity	The Fund aims to provide capital growth in excess of the Russell 2500 Lagged (<u>Net</u> TR) index after fees have been deducted over a three to five year period ^{Note} by investing in equity and equity related securities of small and mid-sized US companies.
US Smaller Companies	The Fund aims to provide capital growth in excess of the Russell 2000 Lagged (Gross <u>Net</u> TR) index after fees have been deducted over a three to five year period ^{Note} by investing in equity and equity related securities of small-sized US companies.

^{Note} For clarification purpose, this means to exceed a medium to long term return of the stated index after fees have been deducted. The three to five year period is considered as a medium to long term period, and is the period over which an investor should assess the Fund's performance.

The Funds' performance should be assessed against their target benchmarks being to exceed their respective target benchmark.

Rationale

Following a review of benchmarks we have decided to change the Funds' target benchmarks to enhance the accuracy of the target benchmarks as performance targets for the Funds and consistency across the range. By using a net rather than gross variant we are able to factor in withholding tax on the target benchmarks' underlying holdings, which most accurately reflects the actual after tax returns of the Funds for most international investors.

All other key features of the Funds will remain the same. There is no change in the Funds' investment style, investment philosophy, investment strategy, operation or risk profile following these changes.

Any expenses incurred directly as a result of making these changes will be borne by Schroder Investment Management (Europe) S.A., the management company of Schroder International Selection Fund ("Company").

The Hong Kong offering documents of the Company will be revised to reflect the above changes and will be available free of charge at www.schroders.com.hk¹ or upon request from the Hong Kong Representative of the Company, Schroder Investment Management (Hong Kong) Limited.

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

Yours faithfully,

The Board of Directors

¹ This website has not been reviewed by the SFC.

此乃重要函件，務請閣下垂閱。閣下如對本函件的內容有任何疑問，應尋找獨立專業顧問的意見。施羅德環球基金系列的管理公司 **Schroder Investment Management (Europe) S.A.**就本函件所載資料之準確性承擔全部責任，並在作出一切合理查詢後確認，盡其所知所信，本函件並無遺漏足以令本函件的任何陳述具誤導成分的其他事實。

親愛的股東：

施羅德環球基金系列 – 環球小型公司

施羅德環球基金系列 – 日本股票

施羅德環球基金系列 – 日本優勢

施羅德環球基金系列 – 日本小型公司

施羅德環球基金系列 – 美國中小型股票

施羅德環球基金系列 – 美國小型公司

(分別稱為每一「基金」及合稱為「各基金」)

我們茲致函通知閣下，各基金的目標基準已由總指數變數更改為淨指數變數，各基金的目標基準已如下更改：

基金	目標基準 (總指數變數) (變更前)	目標基準 (淨指數變數) (變更後)
環球小型公司	S&P Developed Small Cap (Gross TR) index	S&P Developed Small Cap (Net TR) index
日本股票	Tokyo Stock Exchange 1st Section index (TOPIX) (TR)	Tokyo Stock Exchange 1st Section index (TOPIX) (Net TR)
日本優勢	Tokyo Stock Exchange 1st Section index (TOPIX) (TR)	Tokyo Stock Exchange 1st Section index (TOPIX) (Net TR)
日本小型公司	Russell Nomura Small Cap (TR) index	Russell Nomura Small Cap (Net TR) index
美國中小型股票	Russell 2500 Lagged (TR) index	Russell 2500 Lagged (Net TR) index

美國小型公司	Russell 2000 Lagged (Gross TR) index	Russell 2000 Lagged (Net TR) index
--------	--------------------------------------	------------------------------------

各基金的投資目標已作出以下修訂反映目標基準的相關更改：

基金	投資目標有關目標基準的更改
環球小型公司	基金旨在通過投資於全球各地小型公司的股本和股本相關證券，在三年至五年期內扣除費用後提供超過 S&P Developed Small Cap (Gross <u>Net</u> TR) index ^註 的資本增值。
日本股票	基金旨在通過投資於日本公司的股本和股本相關證券，在三年至五年期內扣除費用後提供超過 Tokyo Stock Exchange 1st Section index (TOPIX) (<u>Net</u> TR) ^註 的資本增值。
日本優勢	基金旨在通過投資於日本公司的股本和股本相關證券，在三年至五年期內扣除費用後提供超過 Tokyo Stock Exchange 1st Section index (TOPIX) (<u>Net</u> TR) ^註 的資本增值。
日本小型公司	基金旨在通過投資於日本小型公司的股本和股本相關證券，在三年至五年期內扣除費用後提供超過 Russell Nomura Small Cap (<u>Net</u> TR) index ^註 的資本增值。
美國中小型股票	基金旨在通過投資於美國中小型公司的股本和股本相關證券，在三年至五年期內扣除費用後提供超過 Russell 2500 Lagged (<u>Net</u> TR) index ^註 的資本增值。
美國小型公司	基金旨在通過投資於美國小型公司的股本和股本相關證券，在三年至五年期內扣除費用後提供超過 Russell 2000 Lagged (Gross <u>Net</u> TR) index ^註 的資本增值。

^註為清晰說明，這意即在扣除費用後，超過該指數的中長期回報。三年至五年期被視為中長期，亦為投資者評估基金表現的期間。

各基金的表現應按其目標基準評估，即超過相關目標基準。

原因

在檢討基準後，我們決定更改各基金的目標基準，以提升目標基準作為各基金表現目標的準確性及加強基金系列的一致性。運用淨指數變數而非總指數變數，我們能夠考慮到目標基準相關持倉的預扣稅，為大部份國際投資者更準確反映各基金實際的稅後回報。

各基金所有其他主要特點將維持不變。各基金的投資風格、投資理念、投資策略、營運及風險概況亦將維持不變。

因更改直接引致的任何開支將由施羅德環球基金系列（「本公司」）的管理公司Schroder Investment Management (Europe) S.A.承擔。

我們將更新本公司的香港銷售文件以反映上述變更，香港銷售文件可在www.schroders.com.hk¹免費查閱或向本公司香港代表人施羅德投資管理（香港）有限公司索取。

閣下如有任何疑問或需要更多資料，請聯絡閣下常用的專業顧問或香港代表人（地址為香港金鐘道88號太古廣場二座33字樓）或致電施羅德投資熱線電話(+852) 2869 6968查詢。

董事會

謹啟

2021 年 9 月 3 日

¹ 此網站未經證監會審閱。