

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.

26 October 2022

Dear Shareholder,

Schroder International Selection Fund (the "Company") – Changes to investment policies of the Funds

We are writing to inform you on the changes to the investment policies of the Funds (as defined below) in respect of investment in debt instruments issued by financial institutions with loss-absorption features ("**LAPs**") (e.g. contingent convertible bonds, Additional Tier 1, Tier 1 and Tier 2 capital notes, senior non-preferred notes, senior and subordinated bonds issued by holding companies of a financial institution) with effect from 28 November 2022 (the "**Effective Date**"). These changes are made in order to allow greater investment flexibility and/or expand the investment universe of the Funds.

Investment Policy Change

With effect from the Effective Date, the investment limit in LAPs of the following sub-funds of the Company (each a "**Fund**" and collectively the "**Funds**") will be changed as follows:

Funds	Limit of Fund's investment in LAPs (% of the Fund's Net Asset Value)	
	Prior to the Effective Date	With effect from the Effective Date
Schroder International Selection Fund – EURO Corporate Bond	Less than 30%	Less than 50%
Schroder International Selection Fund – Global Corporate Bond	Less than 30%	Less than 50%
Schroder International Selection Fund – US Dollar Bond	Less than 30%	Less than 50%

Schroder International Selection Fund – Emerging Markets Multi-Asset	Up to 15%	Up to 20%
Schroder International Selection Fund – Global Multi-Asset Income	Up to 15%	Up to 20%
Schroder International Selection Fund – Multi-Asset Growth and Income	Up to 15%	Up to 20%
Schroder International Selection Fund – Sustainable Multi-Asset Income	Up to 15%	Up to 20%
Schroder International Selection Fund – Global Inflation Linked Bond	0%	Up to 10%

Accordingly, with effect from the Effective Date, the investment policies of the Funds in respect of investment in LAPs will change in the manner set out below.

EURO Corporate Bond, Global Corporate Bond and US Dollar Bond

The investment policies of EURO Corporate Bond, Global Corporate Bond and US Dollar Bond will change from:

“The fund may invest less than 30% of its net asset value in debt instruments with loss-absorption features (e.g. contingent convertible bonds, Additional Tier 1 and Tier 2 capital notes, senior and senior non-preferred notes, bail-in bonds, capital security bonds, subordinated Tier 2 capital notes, subordinated Additional Tier 1 capital notes and subordinated Lower Tier 2 capital notes). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.”

To:

“The fund may invest less than 50% of its net asset value in debt instruments issued by financial institutions with loss-absorption features (e.g. contingent convertible bonds, Additional Tier 1, Tier 1 and Tier 2 capital notes, senior non-preferred notes, senior and subordinated bonds issued by holding companies of a financial institution). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.”

Emerging Markets Multi-Asset, Global Multi-Asset Income, Multi-Asset Growth and Income and Sustainable Multi-Asset Income

The investment policies of Emerging Markets Multi-Asset, Global Multi-Asset Income, Multi-Asset Growth and Income and Sustainable Multi-Asset Income will change from:

“The fund may invest up to 15% of its net asset value in debt instruments with loss-absorption features (e.g. contingent convertible bonds, Additional Tier 1 and Tier 2 capital notes, senior and senior non-preferred notes, bail-in bonds, capital security bonds, subordinated Tier 2 capital notes, subordinated Additional Tier 1 capital notes and subordinated Lower Tier 2 capital notes). These instruments may be subject to contingent

write-down or contingent conversion to ordinary shares on the occurrence of trigger events.”

To:

“The fund may invest up to 20% of its net asset value in debt instruments issued by financial institutions with loss-absorption features (e.g. contingent convertible bonds, Additional Tier 1, Tier 1 and Tier 2 capital notes, senior non-preferred notes, senior and subordinated bonds issued by holding companies of a financial institution). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.”

Global Inflation Linked Bond

The following disclosures will be added to Global Inflation Linked Bond’s investment policy:

“The fund may invest up to 10% of its net asset value in debt instruments issued by financial institutions with loss-absorption features (e.g. contingent convertible bonds, Additional Tier 1, Tier 1 and Tier 2 capital notes, senior non-preferred notes, senior and subordinated bonds issued by holding companies of a financial institution). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.”

Implication of the proposed changes

As a result of the changes in investment policies as set out above, (i) Global Inflation Linked Bond will be subject to additional risks associated with investment in LAPs (“**LAP Risks**”) (as disclosed in the Hong Kong offering documents); and (ii) EURO Corporate Bond, Global Corporate Bond and US Dollar Bond will be subject to an increased LAP Risks when utilizing the greater investment flexibility and the LAP Risks (as disclosed in the Hong Kong offering documents) will become one of the key risks for these Funds.

Save as disclosed above, (i) all other key features of the Funds (including fees chargeable in respect of the Funds as stated in the Hong Kong offering documents) will remain the same; (ii) there will be no material change to the risks applicable to the Funds and the operation and/or manner in which the Funds are being managed as a result of the changes set out above. The changes are not expected to materially prejudice the rights or interests of existing investors.

Costs and expenses in respect of the changes

Any costs and expenses incurred in the above changes including legal, audit and regulatory charges, which are estimated to be approximately less than 0.01% of the net asset value of each of the Funds, will be borne by the relevant Fund. Such costs and expenses are expected to be insignificant.

The Hong Kong offering documents of the Company (comprising the Hong Kong Covering Document and Product Key Facts Statement of the Funds) 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

¹ This website has not been reviewed by the SFC.

Hong Kong Representative of the Company, Schroder Investment Management (Hong Kong) Limited.

Redeeming or switching your shares to another Schroders fund

We hope that you will choose to remain invested in the Funds following the changes, but if you do wish to redeem your holding in the Funds or to switch into another of the Company's sub-funds authorized by the Securities and Futures Commission ("SFC")² before the Effective Date, you may do so at any time up to and including the dealing cut-off at 5:00 p.m. Hong Kong time on **25 November 2022**. Please ensure that your redemption or switch instruction reaches the Hong Kong Representative before this deadline. We will execute your redemption or switch instructions in accordance with the provisions of the Company's Hong Kong offering documents, 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 dealing cut-off which is earlier than that described above, so please check with them to ensure that your instructions reach the Hong Kong Representative before the dealing cut-off at 5:00 p.m. Hong Kong time on **25 November 2022**.

Enquiries

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

² SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

此乃重要函件，務請閣下垂閱。閣下如對本函件的内容有任何疑問，應尋找獨立專業的意見。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（「本公司」）- 各基金的投資政策的更改

我們茲致函通知閣下，各基金（定義見下文）有關投資於由金融機構發行且具虧損吸收特性的債務工具（「LAP」）（例如：由金融機構的控股公司發行的或有可轉換債券、額外一級、一級及二級資本票據、高級非優先票據、高級及後償債券）的投資政策之更改，有關更改由2022年11月28日（「生效日」）起生效。此等更改乃為提升投資靈活性及／或擴大各基金的投資領域而作出。

投資政策更改

由生效日起，本公司以下子基金（各自稱為「基金」及統稱為「各基金」）於LAP的投資限額將更改如下：

各基金	基金於 LAP 的投資限額 (基金資產淨值%)	
	於生效日前	由生效日起
施羅德環球基金系列－歐元企業債券	少於 30%	少於 50%
施羅德環球基金系列－環球企業債券	少於 30%	少於 50%
施羅德環球基金系列－美元債券	少於 30%	少於 50%
施羅德環球基金系列－新興市場股債	最多 15%	最多 20%
施羅德環球基金系列－環球股債收息	最多 15%	最多 20%
施羅德環球基金系列－環球股債增長收息	最多 15%	最多 20%

施羅德環球基金系列－可持續發展股債收息	最多 15%	最多 20%
施羅德環球基金系列－環球通貨膨脹連繫債券	0%	最多 10%

因此，由生效日起，各基金有關投資於 LAP 的投資政策將按下文所載方式更改。

歐元企業債券、環球企業債券及美元債券

歐元企業債券、環球企業債券及美元債券的投資政策將由：

「基金可將少於 30%資產淨值投資於具虧損吸收特性的債務工具（例如：或有可轉換債券、額外一級及二級資本票據、高級票據及高級非優先票據、自救性債券、資本抵押債券、後償二級資本票據、後償額外一級資本票據及後償較低二級資本票據）。一旦發生觸發事件，此等工具可能須進行或然減記，或或然轉換為普通股。」

更改為：

「基金可將少於 50%資產淨值投資於由金融機構發行且具虧損吸收特性的債務工具（例如：由金融機構的控股公司發行的或有可轉換債券、額外一級、一級及二級資本票據、高級非優先票據、高級及後償債券）。一旦發生觸發事件，此等工具可能須進行或然減記，或或然轉換為普通股。」

新興市場股債、環球股債收息、環球股債增長收息及可持續發展股債收息

新興市場股債、環球股債收息、環球股債增長收息及可持續發展股債收息的投資政策將由：

「基金可將最多 15%資產淨值投資於具虧損吸收特性的債務工具（例如：或有可轉換債券、額外一級及二級資本票據、高級票據及高級非優先票據、自救性債券、資本抵押債券、後償二級資本票據、後償額外一級資本票據及後償較低二級資本票據）。一旦發生觸發事件，此等工具可能須進行或然減記，或或然轉換為普通股。」

更改為：

「基金可將最多 20%資產淨值投資於由金融機構發行且具虧損吸收特性的債務工具（例如：由金融機構的控股公司發行的或有可轉換債券、額外一級、一級及二級資本票據、高級非優先票據、高級及後償債券）。一旦發生觸發事件，此等工具可能須進行或然減記，或或然轉換為普通股。」

環球通貨膨脹連繫債券

以下披露將新增至環球通貨膨脹連繫債券的投資政策：

「基金可將最多 10%資產淨值投資於由金融機構發行且具虧損吸收特性的債務工具（例如：由金融機構的控股公司發行的或有可轉換債券、額外一級、一級及二級資本票據、高級非優先票據、高級及後償債券）。一旦發生觸發事件，此等工具可能須進行或然減記，或或然轉換為普通股。」

建議更改的影響

由於作出上文所載的投資政策更改，(i)環球通貨膨脹連繫債券將會面臨與投資於 LAP 相關的額外風險（「LAP 風險」）（如香港發售文件所披露）；及(ii)歐元企業債券、環球企業債券及美元債券在運用更大投資靈活性時所面臨的 LAP 風險將會增加，而 LAP 風險（如香港發售文件所披露）將成為此等基金的其中一項主要風險。

除上文所披露者外，(i)各基金的所有其他主要特點（包括於香港發售文件所述應就各基金收取的費用）將維持不變；(ii)各基金所適用的風險及各基金的營運及／或管理方式將不會因上文所載的更改而有任何重大變更。預期更改不會對現有投資者的權利或權益造成重大損害。

有關更改的費用及開支

作出以上更改時招致的任何費用及開支，包括法律、審計及監管的費用（估計約為少於每一基金資產淨值的 0.01%），將由相關基金承擔。預期該等費用及開支並不重大。

本公司的香港發售文件（包括香港說明文件及各基金的產品資料概要）將作出修訂，以反映上述更改，並將可於 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。

將閣下的股份贖回或轉換至另一隻施羅德基金

我們希望在作出更改後，閣下仍將選擇投資於各基金，但如閣下有意在生效日前將閣下在各基金的持股贖回或轉換至本公司其他獲證券及期貨事務監察委員會（「證監會」）認可²的子基金，則閣下可於直至 2022 年 11 月 25 日（包括該日在內）下午 5 時正（香港時間）交易截止時間前任何時間進行有關贖回或轉換。請確保閣下的贖回或轉換指示於此截止時間前送抵香港代表人。我們將根據本公司的香港發售文件的條款免費執行閣下的贖回或轉換指示，惟在某些國家，當地付款代理人、往來銀行或類似代理

¹ 此網站未經證監會審閱。

² 證監會的認可並非對計劃作出推薦或認許，亦非對計劃的商業利弊或其業績表現的保證。證監會的認可不表示計劃適合所有投資者，或認許計劃適合任何特定投資者或某類別投資者。

人可收取交易費用。當地代理人亦可實施一個較上述時間為早的當地交易截止時間，故請與該等當地代理人確定，以確保閣下的指示可於 2022 年 11 月 25 日下午 5 時正（香港時間）交易截止時間前送抵香港代表人。

查詢

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

2022 年 10 月 26 日