

**20 January 2022**

Dear Shareholder,

**Schroder Special Situations Fund (the "Company") Fixed Maturity Bond VI (the "Fund") – changes to the distribution policy of all share classes**

We are writing to let you know that the distribution policy for all share classes of the Fund (the "Share Classes") is changing from variable distributions to distributions set at a fixed percentage of the launch net asset value ("NAV"). The affected Share Classes are listed in the appendix to this letter. The distribution frequency of the Share Classes will not change. Please note that dividends may be paid out of capital and potentially reduce the Share Classes' NAV. Dividends paid out of capital could be taxed as income in certain jurisdictions.

This change will come into effect for the distribution due to be paid on 11 April 2022 in accordance with the number of shares held by shareholders on the record date 30 March 2022 and will apply to all distributions going forward.

The fees of the Share Classes will remain unchanged and the costs of making these changes including regulatory and shareholder communication costs will be borne by Schroder Investment Management (Europe) S.A., the Company's management company.

**Rationale**

The changes to the distribution policy of the Share Classes will align the NAV per share more closely to the levels that were envisaged at launch while ensuring an appropriate level of income.

We hope that you will choose to remain invested in the Fund following these changes, but if you wish to redeem your holding in the Fund before the changes become effective, you may do so at any time up to and including deal cut-off on 30 March 2022. Please ensure that your redemption instruction reaches HSBC Continental Europe, Luxembourg ("HSBC") before this deadline. HSBC will execute your redemption instruction 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.

We advise shareholders to read the Fund's key investor information document (the KIID) for the relevant Share Class and the Company's prospectus, which are available at [www.schroders.lu](http://www.schroders.lu).

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,

**The Board of Directors**

**Appendix**

List of Share Classes with changing distribution policy in the Fund

<b>Share class</b>	<b>Share class currency</b>	<b>Current distribution policy</b>	<b>Future distribution policy</b>	<b>ISIN</b>
A Distribution	USD	Variable paid quarterly	Fixed 3.20% p.a. of launch NAV paid quarterly	LU2097434851
A1 Distribution	USD	Variable paid quarterly	Fixed 3.20% p.a. of launch NAV paid quarterly	LU2097434935
A Distribution	SGD Hedged	Variable paid quarterly	Fixed 3.20% p.a. of launch NAV paid quarterly with currency carry*	LU2097435072

\* This refers to the premium or discount that may apply to the distribution. Distributions may include a premium when the interest rate of a currency hedged share class is higher than the fund's base currency interest rate. Consequently when the interest rate of a currency hedged share class is lower than the fund's base currency interest rate, the dividend may be discounted. The level of premium or discount is determined by differences in interest rates and is not part of the fund's investment objective or investment policy.