

24 February 2022

Dear Shareholder,

Schroder Special Situations Fund (the "Company") – Managed Wealth Portfolio (the "Fund")

We are writing to inform you that on 30 March 2022 (the "Effective Date") the following changes will be made to the Fund:

- the name will change to "Cazenove GBP Balanced";
- the target benchmark will change from UK CPI + 3.5% (after fees have been deducted) to UK CPI + 3.25% (after fees have been deducted); and
- the Fund's Investment Policy restriction to invest at least 50% of its assets in collective investment schemes (including Schroder funds) will be removed and the Fund will be able to invest up to 100% of its assets in collective investment schemes (including Schroder funds).

Background and rationale

We believe changing the name of the Fund to the "Cazenove GBP Balanced" will better indicate to investors and prospective investors the medium-risk/balanced nature of the Fund.

The small reduction in the performance target benchmark reflects our modelling where, for the level of risk, we believe it is an appropriate target benchmark for this investment approach in the current low growth and low risk free rate environment. The time frame over which this performance target benchmark is judged will remain over 5-7 years. The comparator benchmark of the Fund "Asset Risk Consultants (ARC) Sterling Balanced Asset Private Client" index will remain unchanged.

Finally, currently the Fund is required to invest at least 50% of its assets in collective investment schemes (including Schroder funds). From the Effective Date, there will be no minimum requirement to invest in collective investment schemes (including Schroder funds). This amendment will permit us to include the direct use of equities and bonds, as well as having more flexibility in the construction of the portfolio. As active managers we believe this will enable us to enhance returns over time and will also reduce overall costs for investors, as the direct use of equities and bonds removes the additional layer related to third-party fund fees.

All other key features of the Fund, including the risk and return profile 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 changes become effective you may do so at any time up to and including deal cut-off on 29 March 2022. 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.

We advise shareholders to read the Fund's key investor information document (the KIID) for the relevant share class and the Company's prospectus. This is available 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

ISIN codes of the Share classes impacted by these changes:

Share class	Share class currency	ISIN code
S Accumulation	GBP	LU1604448271
S Distribution	GBP	LU1604448511