

21 December 2018

Dear Shareholder,

Schroder International Selection Fund – Multi-Asset Growth and Income

The board of directors of Schroder International Selection Fund (the "Company") has decided to clarify the investment policy of Schroder International Selection Fund – Multi-Asset Growth and Income (the "Fund").

The Fund's investment policy will be clarified to remove a provision that the Fund may hold up to 100% of its assets in money market instruments and hold cash. This flexibility is no longer required by the Investment Manager of the Fund and its removal will not change the way the Fund is managed or its risk profile.

The Fund's investment policy, which is contained in the Company's prospectus, is being clarified from:

"Investment Policy

The Fund invests at least two-thirds of its assets directly or indirectly through derivatives in equity and equity-related securities, fixed and floating rate securities issued by governments, government agencies, supra-nationals and companies worldwide in various currencies and Alternative Asset Classes. As the Fund is index-unconstrained it is managed without reference to an index.

The Fund may invest:

- up to 50% in sub-investment grade securities (being securities with a credit rating below investment grade as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).
- up to 10% of its assets in asset-backed securities, commercial mortgage-backed securities, and/or residential mortgage-backed securities issued worldwide with an investment grade or sub-investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies). Underlying assets may include credit card receivables, personal loans, auto loans, small business loans, leases, commercial mortgages and residential mortgages.

The exposure to Alternative Asset Classes is taken through eligible assets as described in Appendix III of this Prospectus.

The Fund may use derivatives (including total return swaps), long and short, with the aim of investment gains, reducing risk or managing the Fund more efficiently. Where the Fund uses total return swaps and contracts for difference, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Investment Policy. In particular, total return swaps and contracts for difference may be used to gain long and short exposure on equity and equity related securities, fixed and floating rate securities and commodity indices. The gross exposure of total return swaps and contracts for difference will not exceed 30% and is expected to remain within the range of 0% to 20% of the Net Asset Value. In certain circumstances this proportion may be higher.

The Fund may (exceptionally) hold up to 100% of its assets in cash and money market instruments. The Fund may invest up to 10% of its assets in open-ended Investment Funds."

To:

"Investment Policy

The Fund invests at least two-thirds of its assets directly or indirectly through derivatives in equity and equity-related securities, fixed and floating rate securities issued by governments, government agencies, supra-nationals and companies worldwide in various currencies and Alternative Asset Classes. As the Fund is index-unconstrained it is managed without reference to an index.

The Fund may invest:

- up to 50% in sub-investment grade securities (being securities with a credit rating below investment grade as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).
- up to 10% of its assets in asset-backed securities, commercial mortgage-backed securities, and/or residential mortgage-backed securities issued worldwide with an investment grade or sub-investment grade credit rating (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies). Underlying assets may include credit card receivables, personal loans, auto loans, small business loans, leases, commercial mortgages and residential mortgages.

The exposure to Alternative Asset Classes is taken through eligible assets as described in Appendix III of this Prospectus.

The Fund may use derivatives (including total return swaps), long and short, with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently. Where the Fund uses total return swaps and contracts for difference, the underlying consists of instruments in which the Fund may invest according to its Investment Objective and Investment Policy. In particular, total return swaps and contracts for difference may be used to gain long and short exposure on equity and equity related securities, fixed and floating rate securities and commodity indices. The gross exposure of total return swaps and contracts for difference will not exceed 30% and is expected to remain within the range of 0% to 20% of the Net Asset Value. In certain circumstances this proportion may be higher.

The Fund may invest in Money Market Instruments and hold cash. The Fund may invest up to 10% of its assets in open-ended Investment Funds."

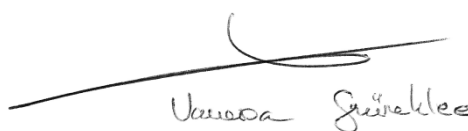
All other key features of the Fund and its risk profile will remain the same. There will be no change in the Fund's investment style or investment philosophy following this change. The ISIN codes of the share classes affected by this change are listed in the appendix of this letter.

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) 341 342 212.

Yours faithfully,



Chris Burkhardt
Authorised Signatory



Vanessa Grueneklee
Authorised Signatory

Appendix

ISIN codes of share classes affected by the clarification

Share class	Share class currency	ISIN code
A Accumulation	USD	LU1195516338
A Distribution MF	USD	LU1326303135
A Distribution MF2	USD	LU1900986214
A1 Accumulation	USD	LU0776416371
B Accumulation	USD	LU1236687239
B Distribution MV	USD	LU1236687403
C Accumulation	USD	LU0776416538
U Accumulation	USD	LU1884790228
U Distribution MF	USD	LU1884790491
A Distribution MF	HKD	LU1900986487
A Accumulation	EUR Hedged	LU1062721409
A Distribution MF	EUR Hedged	LU1732477531
A1 Accumulation	EUR Hedged	LU1062721581
B Accumulation	EUR Hedged	LU1476608713
B Distribution QV	EUR Hedged	LU1751207934
C Accumulation	EUR Hedged	LU1062721664
C Distribution QV	EUR Hedged	LU1751208072
I Accumulation	EUR Hedged	LU1195516411
A Distribution MFC	AUD Hedged	LU1326303309
A Distribution MFC2	AUD Hedged	LU1900986305
U Distribution MFC	AUD Hedged	LU1884790574
A Distribution MFC	CNY Hedged	LU1326303481
A Distribution MFC2	CNY Hedged	LU1900986560
A Distribution MF	SGD Hedged	LU1326303218

A Distribution MF2	SGD Hedged	LU1900986644
A Distribution MFC	ZAR Hedged	LU1884790657
U Distribution MFC	ZAR Hedged	LU1884790731