

**3 April 2024**

Dear Shareholder,

## **Schroder International Selection Fund (the "Company") – Strategic Bond (the "Fund")**

We are writing to inform you that on 8 May 2024 (the "Effective Date") the investment objective of the Fund will change and the current comparator benchmark, of ICE BofA 3 Month US Treasury Bill Index, will become the target benchmark.

### **Background and rationale**

The Fund's current investment objective provides that it will aim to deliver an absolute return (positive returns over a 12-month period in all market conditions). However, as bond market volatility has increased due to the recent market environment, a 12-month time horizon to achieve an absolute return has become increasingly difficult to meet. We believe that a longer-term benchmark relative approach which takes into account the performance and trends of the market will provide a more realistic target for the Fund.

To achieve this, the Fund's current comparator benchmark, of ICE BofA 3 Month US Treasury Bill Index, will become the target benchmark from the Effective Date. The Fund will no longer have a comparator benchmark, which was only included for performance comparison purposes. The new target benchmark has been selected because the target return of the Fund is to deliver the return of that benchmark as stated in the investment objective as from the Effective Date.

Full details of the changes being made can be viewed in the Appendix to this letter.

The extent of the change to the risk/reward profile of the Fund as a result of this change is non-significant.

All other key features of the Fund, including the relevant risk indicator 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 Effective Date you may do so at any time up to and including deal cut-off on 7 May 2024. 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.

You can find the Fund's updated key information document (the KID) for the relevant share class and the Company's Prospectus at [www.schroders.com](http://www.schroders.com).

If you have any questions or would like more information about Schroders' products, please visit [www.schroders.com](http://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

New wording is shown in bold. Removed wording is shown as strikethrough text.

Current investment objective	New investment objective
<p>The Fund aims to provide an absolute return after fees have been deducted by investing in fixed and floating rate securities. Absolute return means the Fund seeks to provide a positive return over a 12-month period in all market conditions, but this cannot be guaranteed and your capital is at risk.</p>	<p>The Fund aims to provide <del>an absolute return</del> <b>capital growth and income in excess of the ICE BofA 3 Month US Treasury Bill Index over a three to five year period</b> after fees have been deducted by investing in fixed and floating rate securities <b>issued by governments, government agencies, supra-nationals and companies worldwide</b>. <del>Absolute return means the Fund seeks to provide a positive return over a 12-month period in all market conditions, but this cannot be guaranteed and your capital is at risk.</del></p>
Current benchmark	New benchmark
<p>The Fund's performance should be assessed against its objective of providing a positive return over a 12-month period in all market conditions and compared against the ICE BofA US 3 Month Treasury Bill Index. The comparator benchmark is only included for performance comparison purposes and does not determine how the Investment Manager invests the Fund's assets.</p> <p>The target benchmark has been selected because the target return of the Fund is to deliver the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.</p>	<p>The Fund's performance should be assessed against its <b>target benchmark being to exceed the ICE BofA 3 Month Treasury Bill Index</b> <del>objective of providing a positive return over a 12-month period in all market conditions and compared against the ICE BofA US 3 Month Treasury Bill Index.</del> The comparator benchmark is only included for performance comparison purposes and does not determine how the Investment Manager invests the Fund's assets.</p> <p><b>The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of a benchmark.</b></p> <p>The target benchmark has been selected because the target return of the Fund is to deliver the return of that benchmark as stated in the investment objective. <del>The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.</del></p>

ISIN codes of the share classes impacted by this change:

<b>Share class</b>	<b>Share class currency</b>	<b>ISIN code</b>
A Accumulation	USD	LU0201322137
A Distribution	USD	LU0216291897
A1 Accumulation	USD	LU0201323028
B Accumulation	USD	LU0201322566
C Accumulation	USD	LU0201322640
C Distribution	USD	LU0209719755
I Accumulation	USD	LU0201323291
IZ Accumulation	USD	LU2016220779
A Accumulation	CHF Hedged	LU0952333416
C Accumulation	CHF Hedged	LU0952333762
A Accumulation	EUR Hedged	LU0201323531
A Distribution	EUR Hedged	LU0471239094
A1 Accumulation	EUR Hedged	LU0201324000
A1 Distribution	EUR Hedged	LU0471239177
B Accumulation	EUR Hedged	LU0201323614
B Distribution	EUR Hedged	LU0471239334
C Accumulation	EUR Hedged	LU0201323960
C Distribution	EUR Hedged	LU1725195553
I Accumulation	EUR Hedged	LU0201324265
A Distribution	GBP Hedged	LU0236987904
C Accumulation	GBP Hedged	LU0223051235
I Accumulation	GBP Hedged	LU0252403240
A Accumulation	SEK Hedged	LU0665709753