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Schroders

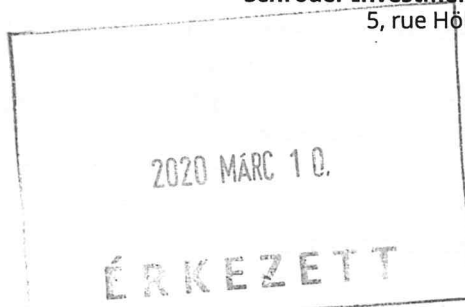
Halózat

Schroder Investment Management (Europe) S.A.

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5 March 2020

IMPORTANT: receipt of this letter does not imply that the sub-funds mentioned herein are covered by your agreement and/or are authorised for distribution to the public in the country in which you distribute, nor that the agreement you have in place with Schroder International Selection Fund (the "Company") or its management company, Schroder Investment Management (Europe) S.A., entitles you to distribute all of the Company's sub-funds and share classes which are authorised in the country in which you distribute. Please refer to your agreement for further details.

Dear Sir, Madam,

Schroder International Selection Fund – Asia Pacific Cities Real Estate Merger with Schroder International Selection Fund— Global Cities Real Estate

We are writing to advise you that on 16 April (the "Effective Date"), Schroder International Selection Fund — Asia Pacific Cities Real Estate (the "Merging Fund") will merge into Schroder International Selection Fund — Global Cities Real Estate (the "Receiving Fund").

Shareholders in the Merging Fund will receive the equivalent value of shares in the Receiving Fund in place of their current shares in the Merging Fund.

A key features comparison table of the Merging Fund and the Receiving Fund (including the share class changes) can be found in the Appendix.

The ongoing charges figure of the Receiving Fund is not expected to increase as a result of the Merger.

Dealing in the Receiving Fund will not be interrupted by the merger.

There is no change to the dealing cut-off time or the settlement periods. The dealing cut-off time of the Receiving Fund is 1.00 p.m. Luxembourg time on the dealing day.

Shareholders in the Merging Fund will be merged into a sub-fund which, the Board believes, will give shareholders access to a similar investment strategy with a similar risk profile.

The Board does not foresee any material impact on the Receiving Fund's investment portfolio or performance as a result of the merger.

Shareholders in the Receiving Fund have the right to redeem their holding or switch it into the same share class of one or more of the Company's other sub-funds prior to the merger. They may do so at any time up to and including deal cut-off at 1:00 p.m. Luxembourg time on 16 April 2020.

Shareholders who do not wish to hold shares in the Receiving Fund from the Effective Date, have the right to redeem their holding in the Merging Fund or to switch into another Schroder fund at any time up to deal cut-off at 1:00 p.m. Luxembourg time on 9 April 2020.

www.schroders.com

R.C.S. Luxembourg - B. 8202

For your security telephone conversations may be recorded

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Subscriptions or switches into the Merging Fund from new investors will not be accepted after deal cut-off on 9 March 2020. To allow sufficient time for changes to be made to regular savings plans and similar facilities, subscriptions or switches into the Merging Fund will be accepted from existing investors until 9 April 2020 (deal cut-off at 1.00 p.m. on 9 April 2020).

On 9 March 2020 we will write to the shareholders of the Merging Fund and the Receiving Fund to inform them in more detail about the changes.

If you would like more information or copies of the letters, please contact your local Schroder office or Schroder Investment Management (Europe) S.A. by sending an email to europaclientservices@schroders.com or calling (+352) 341 342 212.

Yours faithfully,



Nirosha Jayawardana
Authorised Signatory



Chris Burkhardt
Authorised Signatory

Appendix

Key Features Comparison Table

The following is a comparison of the principal features of the Merging Fund and the Receiving Fund. Both are sub-funds of the Company. Full details are set out in the Prospectus and shareholders are also advised to consult the KIID of the Receiving Fund.

	Merging Fund Schroder International Selection Fund — Asia Pacific Cities Real Estate	Receiving Fund Schroder International Selection Fund — Global Cities Real Estate
Prospectus Investment Objective and Policy	<p>Investment Objective</p> <p>The Fund aims to provide income and capital growth by investing in equity and equity related securities of real estate companies in Asia Pacific.</p> <p>Investment Policy</p> <p>The Fund invests at least two-thirds of its assets in a concentrated range of equity and equity related securities of real estate companies in Asia Pacific with a focus on companies that invest in cities that the manager believes will exhibit continued economic growth, supported by factors such as strong infrastructure and supportive planning regimes.</p> <p>The Fund typically holds fewer than 50 companies. The Fund may invest directly in China B-Shares and China H-Shares and may invest less than 30% of its assets in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labour standards or board composition that could impact a company's value may be considered in the assessment of companies.</p> <p>The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently. The Fund may invest in money market instruments and hold cash.</p>	<p>Investment Objective</p> <p>The Fund aims to provide income and capital growth by investing in equity and equity related securities of real estate companies worldwide.</p> <p>Investment Policy</p> <p>The Fund invests at least two-thirds of its assets in equity and equity related securities of real estate companies worldwide with a focus on companies that invest in cities that the manager believes will exhibit continued economic growth, supported by factors such as strong infrastructure and supportive planning regimes.</p> <p>The Fund is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labour standards or board composition that could impact a company's value may be considered in the assessment of companies.</p> <p>The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently. The Fund may invest in money market instruments and hold cash.</p>



	Merging Fund Schroder International Selection Fund — Asia Pacific Cities Real Estate	Receiving Fund Schroder International Selection Fund — Global Cities Real Estate
KIID Objectives and Investment Policy	<p>Objectives</p> <p>The fund aims to provide income and capital growth by investing in equities of real estate companies in Asia Pacific.</p> <p>Investment Policy</p> <p>The fund invests at least two-thirds of its assets in a concentrated range of equities of real estate companies in Asia Pacific with a focus on companies that invest in cities that the manager believes will exhibit continued economic growth, supported by factors such as strong infrastructure and supportive planning regimes.</p> <p>The fund typically holds fewer than 50 companies. The fund may invest directly in China B-Shares and China H-Shares and may invest less than 30% of its assets in China A-Shares through Shanghai/Shenzhen-Hong Kong Stock Connect.</p> <p>The fund is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labour standards or board composition that could impact a company's value may be considered in the assessment of companies.</p> <p>Derivatives may be used to seek to reduce risk or to manage the fund more efficiently. The fund may invest in money market instruments and hold cash.</p>	<p>Objectives</p> <p>The fund aims to provide income and capital growth by investing in equities of real estate companies worldwide.</p> <p>Investment Policy</p> <p>The fund invests at least two-thirds of its assets in equities of real estate companies worldwide with a focus on companies that invest in cities that the manager believes will exhibit continued economic growth, supported by factors such as strong infrastructure and supportive planning regimes.</p> <p>The fund is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labour standards or board composition that could impact a company's value may be considered in the assessment of companies.</p> <p>Derivatives may be used to seek to reduce risk or to manage the fund more efficiently. The fund may also hold cash.</p>
Investment Manager	Schroder Investment Management Limited	Schroder Investment Management Limited
Synthetic Risk and Reward Indicator (SRRI)	Category 5 (with the exception of Class C Acc CHF which is Category 6)	Category 5
KIID risk disclosures**	China country risk: Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund.	China country risk: Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the fund.

	Merging Fund Schroder International Selection Fund — Asia Pacific Cities Real Estate	Receiving Fund Schroder International Selection Fund — Global Cities Real Estate
	<p>Concentration risk: The fund may be concentrated in a limited number of geographical regions, industry sectors, markets and/or individual positions. This may result in large changes in the value of the fund, both up or down, which may adversely impact the performance of the fund.</p> <p>Counterparty risk: The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the fund, potentially creating a partial or total loss for the fund.</p> <p>Currency risk: The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.</p> <p>Derivatives risk: A derivative may not perform as expected, and may create losses greater than the cost of the derivative.</p> <p>Emerging markets & frontier risk: Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk.</p> <p>Equity risk: Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.</p> <p>Liquidity risk: In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares.</p> <p>Operational risk: Failures at service providers could lead to disruptions of fund operations or losses.</p> <p>Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect risk: The fund may be investing in China "A" shares via the</p>	<p>Counterparty risk: The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the fund, potentially creating a partial or total loss for the fund.</p> <p>Currency risk: The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.</p> <p>Derivatives risk: A derivative may not perform as expected, and may create losses greater than the cost of the derivative.</p> <p>Emerging markets & frontier risk: Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk.</p> <p>Equity risk: Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.</p> <p>Leverage risk: The fund uses derivatives for leverage, which makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.</p> <p>Liquidity risk: In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares.</p> <p>Operational risk: Failures at service providers could lead to disruptions of fund operations or losses.</p>



	Merging Fund Schroder International Selection Fund — Asia Pacific Cities Real Estate	Receiving Fund Schroder International Selection Fund — Global Cities Real Estate
	Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect which may involve clearing and settlement, regulatory, operational and counterparty risks.	
Profile of the Typical Investor	The Fund may be suitable for Investors who are more concerned with maximising long term returns than minimising possible short term losses.	The Fund may be suitable for Investors who are more concerned with maximising long term returns than minimising possible short term losses.
Fund Category	Specialist Equity Fund	Specialist Equity Fund
Fund Currency	USD	USD
Launch Date	27 October 2006	31 October 2005
Total Fund Size as at 30 June 2019	USD 18.2m	USD 309.3m
Dealing Cut-off Time and Settlement Periods for Subscriptions and Redemptions	Orders must reach HSBC before 13:00 Luxembourg time on the dealing day to be executed that day. The settlement periods for subscription and redemption are within three business days following a dealing day.	Orders must reach HSBC before 13:00 Luxembourg time on the dealing day to be executed that day. The settlement periods for subscription and redemption are within three business days following a dealing day.
Risk Management Method	Commitment	Commitment
Initial Charge	A: up to 5.00% of the total subscription amount (equivalent to 5.26315% of the Net Asset Value per Share) A1: up to 4.00% of the total subscription amount (equivalent to 4.16667% of the Net Asset Value per Share) B: None C: up to 1.00% of the total subscription amount (equivalent to 1.0101% of the Net Asset Value per share) I: None Z: None	A: up to 5.00% of the total subscription amount (equivalent to 5.26315% of the Net Asset Value per Share) A1: up to 4.00% of the total subscription amount (equivalent to 4.16667% of the Net Asset Value per Share) B: None C: up to 1.00% of the total subscription amount (equivalent to 1.0101% of the Net Asset Value per share) I: None Z: None

	Merging Fund Schroder International Selection Fund — Asia Pacific Cities Real Estate	Receiving Fund Schroder International Selection Fund — Global Cities Real Estate
Management Fees by Share Class	A: 1.50% per annum A1: 1.50% per annum B: 1.50% per annum C: 0.75% per annum I: 0.00% per annum Z: 0.75% per annum	A: 1.50% per annum A1: 1.50% per annum B: 1.50% per annum C: 0.75% per annum I: 0.00% per annum Z: 0.75% per annum
Performance Fees	None	None
OnGoing Charge	A: 1.88% per annum A1: 2.37% per annum B: 2.47% per annum C: 1.07% per annum I: 0.09% per annum Z: 1.07% per annum	A: 1.85% per annum A1: 2.35% per annum B: 2.45% per annum C: 1.06% per annum I: 0.06% per annum Z: 1.05% per annum
Existing and New Share Class Mapping	Existing Share Class Held	New Share Class to be Held
	A Accumulation USD	A Accumulation USD
	A Accumulation EUR	A Accumulation EUR
	A1 Accumulation USD	A1 Accumulation USD
	B Accumulation USD	B Accumulation USD
	C Accumulation USD	C Accumulation USD
	C Accumulation CHF	C Accumulation CHF*
	C Accumulation EUR	C Accumulation EUR*
	I Accumulation USD	I Accumulation USD
	Z Accumulation EUR	Z Accumulation EUR*

The Merger will also apply to any additional share classes launched prior to the Effective Date.

* This share class will be launched on the Effective Date to facilitate the Merger.



