

15 October 2021

Dear Shareholder,

Schroder International Selection Fund (the "Company") – Global High Yield (the "Fund"). Changes to the distribution policy of certain share classes (the "Share Classes")

We are writing to inform you that following a recent review, we have decided to change the distribution policy for some of the Share Classes of the Fund. The affected Share Classes are listed in the appendix of this letter. The distribution frequency of the Share Classes will not change.

This change will come into effect for the distribution due to be paid on **30 November 2021** (the "Effective Date") and will apply to all distributions going forward.

Background and rationale

As disclosed in the Company's prospectus, we periodically review the fixed distribution Share Classes and reserve the right to make changes. For example if the investment income after expenses is higher than the target fixed distribution, we may declare the higher amount to be distributed. Equally, we may deem it is appropriate to declare a dividend lower than the target fixed distribution.

To allow for a higher distribution payment to investors, we will increase the distribution policy of the Share Classes, as listed in the appendix of this letter, on the Effective Date.

If the returns generated by the Fund are not sufficient to cover the distribution payment, the distribution may be made from the capital of the Fund. This would mean that the value of your investment would decrease. This is known as 'distribution risk' and this risk is higher for share classes that have a higher distribution rate.

Meeting the distribution payments for higher paying share classes may result in a substantial amount of your capital being returned to you. This may cause the NAV of the Share Classes to drop below the minimum share class size. In this scenario, the Company can decide to close the Share Classes.

The Share Class fees 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. which is the Company's management company.

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 or share classes before the changes become effective, you may do so at any time up to and including deal cut-off on **17 November 2021**.

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.

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

List of Share Classes with changing distribution policies in Schroder International Selection Fund

Fund	Share class	Share class currency	Current distribution policy per annum	Future distribution policy per annum	ISIN
Schroder ISF Global High Yield	A Distribution	USD	Monthly Fixed 6.00%	Monthly Fixed 9.00%	LU1884791622
Schroder ISF Global High Yield	U Distribution	USD	Monthly Fixed 6.00%	Monthly Fixed 9.00%	LU1884791895
Schroder ISF Global High Yield AUD Hedged	A Distribution Hedged	AUD	Monthly Fixed 6.00%*	Monthly Fixed 9.00%*	LU1884791978
Schroder ISF Global High Yield AUD Hedged	U Distribution Hedged	AUD	Monthly Fixed 6.00%*	Monthly Fixed 9.00%*	LU1884792190
Schroder ISF Global High Yield ZAR Hedged	A Distribution Hedged	ZAR	Monthly Fixed 6.00%*	Monthly Fixed 9.00%*	LU1884792273
Schroder ISF Global High Yield ZAR Hedged	U Distribution Hedged	ZAR	Monthly Fixed 6.00%*	Monthly Fixed 9.00%*	LU1884792356

* 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.