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**IMPORTANT: This letter is important and requires your immediate attention. If you have any questions about the content of this letter, you should seek independent professional advice. The directors of Schroder International Selection Fund accept full responsibility for the accuracy of the information contained in this letter and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement misleading.**

**16 July 2014**

Dear Shareholder,

**Schroder International Selection Fund (the "Company") – Global Property Securities (the "Sub-Fund")**

As disclosed in the Company's prospectus (the "Prospectus"), the investment management function for the Sub-Fund has been delegated to EII Capital Management Inc ("EII").

Over the last eight years Schroders and EII have worked together to provide a successful, long-term partnership for our clients. Both firms now believe that this partnership has reached a natural end and Schroders will take the management of the Sub-Fund in-house.

Schroders has recruited a Global Property Securities Team who will manage our range of Global Property Securities mandates with support from regionally based analysts and portfolio managers. The team joined Schroders at the beginning of July 2014 and form part of the established indirect property team at Schroders based in London.

The Company's board of directors has consequently decided that the delegated investment manager for the Sub-Fund should be changed from EII to Schroder Investment Management Limited with effect from 15 August 2014. Schroder Investment Management Limited is also the investment manager of certain authorised sub-funds of the Company. The Company wishes to notify you of this change; you are not required to take any action.

The Company confirms that in respect of this change of investment manager:

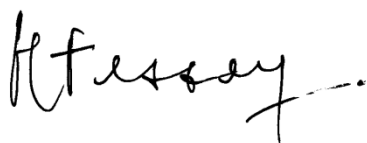
- The investment style, investment philosophy and risk profile of the Sub-Fund will remain the same;
- All fees chargeable in respect of the Sub-Fund as stated in the Prospectus will remain the same;
- If you do not wish to continue as a shareholder of the Sub-Fund you may switch into another sub-fund of the Company or redeem your investment in accordance with the terms of the Prospectus at any time up to and including deal cut-off on Thursday 14 August 2014. Schroder Investment Management (Luxembourg) S.A., acting as the Company's Management Company will execute your redemption or switch instruction in accordance with the provisions of the 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 in the Prospectus, so please check with them to ensure that your instructions reach Schroders in Hong Kong before the deal cut-off on 14 August 2014. A switching or redemption might also affect the tax status of your investment. We therefore recommend you to seek independent professional advice in these matters.

- The costs incurred in relation to this change including regulatory and Shareholder communication costs will be borne by Schroder Investment Management (Luxembourg) S.A. which is the Company's Management Company.

**Further information**

We hope that this change of investment manager will have no effect on your decision to remain invested in the Sub-Fund. If you would like more information about this change please contact your usual professional advisor or Schroders' Investor Hotline on (+852) 2869 6968.

Yours faithfully,



**Noel Fessey**  
Authorised Signatory



**Marco Zwick**  
Authorised Signatory