

Tel : (+352) 341 342 202 Fax : (+352) 341 342 342

**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.**

**1 March 2012**

Dear Shareholder,

### **Schroder International Selection Fund Asian Bond Absolute Return**

The board of directors of Schroder International Selection Fund (the "Company") has decided to amend the investment objective and to change the methodology for calculating the global risk exposure of Schroder International Selection Fund Asian Bond Absolute Return (the "Fund") with effect from 2 April 2012 (the "Effective Date").

#### **1. Amendment to the Fund's investment objective**

The purpose of this amendment is to authorise the investment manager of the Fund to implement long and short active currency positions.

The amended investment objective will be as follows (the amendment is indicated in bold type):

"To provide an absolute return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities issued by governments, government agencies, supra-national and corporate issuers in Asia excluding Japan. **As part of its primary objective, the Fund also has the flexibility to implement long and short active currency positions either via currency forwards or via the above instruments.**"

This allows the investment manager to seek additional returns from movements in currencies. However, there will not be a substantial increase in the use of financial derivative instruments by the Fund as a result of this amendment.

As with most strategies employed by the investment manager, this may increase returns but also may increase the risk of losses. Please refer to risks relating to financial derivative instruments in the Company's prospectus.

#### **2. Change of methodology to calculate the global risk exposure of the Fund**

As a result of the change referred to under item 1. above, the volatility and risk of the Fund may increase and risk will be monitored using the Value-at-Risk methodology (instead of previously the commitment approach) which is explained in more detail in the Company's prospectus.

Value-at-Risk reports will be produced and monitored on a daily basis based on the following criteria:

- 1 month holding period;
- 99% unilateral confidence interval;
- at least a one year effective historical observation period (250 days) unless market conditions require a shorter observation period; and
- parameters used in the model are updated at least quarterly.

Stress testing will also be applied at a minimum of once per month.

In addition, as a result of the implementation of the UCITS IV laws and regulations and of the change of methodology, we would like to provide you with additional information on (i) the global risk exposure of the Fund relating to its use of financial derivative instruments and on (ii) the expected level of leverage. More information on (i) the Value-at-Risk methodology and on (ii) the calculation of the level of leverage can be found in the Company's prospectus. The disclosure in the Company's prospectus is as follows for the Fund:

**Global Risk Exposure:**

"The Fund employs the absolute Value-at-Risk (VaR) approach to measure its global risk exposure."

"The absolute VaR approach is generally appropriate in the absence of an identifiable reference portfolio or benchmark, for example with absolute return funds. Under the absolute VaR approach a limit is set as a percentage of the Net Asset Value of the Fund. The absolute VaR limit of a Fund has to be set at or below 20% of its Net Asset Value. This limit is based upon a 1 month holding period and a 99% unilateral confidence interval."

**Expected level of leverage:**

"300% of the total net assets."

"The expected level of leverage may be higher when volatility decreases sustainably, when interest rates are expected to change or when credit spreads are expected to widen or tighten."

"The leverage is a measure of (i) the derivative usage and (ii) any leverage generated by the reinvestment of the cash received as collateral when using efficient portfolio management techniques, and therefore does not take into account other physical assets directly held in the portfolio of the relevant Funds.

The level of leverage is calculated by using the commitment conversion methodology (as detailed in the ESMA Guidelines 10-788) and takes into account the market value of the equivalent position in the underlying asset of the financial derivative instruments or the financial derivative instruments' notional value, as appropriate. This commitment conversion methodology allows in certain circumstances and in accordance with the provisions of the ESMA Guidelines 10-788 (i) the exclusion of certain types of non-leveraged swap transactions or certain risk free or leverage free transactions and (ii) the consideration of netting and hedging transactions.

The expected level of leverage is an indicator and not a regulatory limit. The Fund's levels of leverage may be higher than this expected level as long as the Fund remains in line with its risk profile and complies with its VaR limit.

The annual report will provide the actual level of leverage over the past period and additional explanations on this figure. "

All other key features of the Fund will remain the same. The ISIN codes of the share classes affected by this amendment are listed in the appendix of this letter.

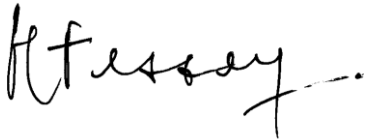
Any expenses incurred directly as a result of making this amendment will be borne by Schroder Investment Management (Luxembourg) S.A., the Company's management company.

We hope that you will remain invested in the Fund following this amendment, but if you wish to redeem your holding in the Fund or to switch into another sub-funds of the Company before the Effective Date you may do so at any time up to and including deal cut-off on Friday 30 March 2012. Schroder Investment Management (Luxembourg) S.A. 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 Schroder Investment Management (Hong Kong) Limited before the deal cut-off on 30 March 2012.

Please note that switches or redemptions might affect the tax status of your investment and you might not be able to switch into certain sub-funds if they are not registered in your countries of citizenship, domicile or residence. We therefore recommend you to seek independent professional advice in these matters.

If you would like more information, please contact your usual professional advisor or Schroders Investor Hotline on (+852) 2869 6968.

Yours faithfully,



**Noel Fessey**  
Authorised Signatory



**Gary Janaway**  
Authorised Signatory

**Appendix**

List of ISIN codes for share classes in the Fund affected by the investment objective amendment

<b>Share class</b>	<b>Share class currency</b>	<b>ISIN code</b>
A Accumulation	USD	LU0106250508
A1 Accumulation	USD	LU0133703115
B Accumulation	USD	LU0106250763
B1 Accumulation	USD	LU0133706217
C Accumulation	USD	LU0106251068
I Accumulation	USD	LU0134333219
A Distribution	USD	LU0091253459
A1 Distribution	USD	LU0160363239
B Distribution	USD	LU0091253533
B1 Distribution	USD	LU0169819827
C Distribution	USD	LU0091253616
D Distribution	USD	LU0417517975
A1 Accumulation	EUR	LU0251569942
A1 Distribution	EUR	LU0251570361
A Accumulation	HKD	LU0532872396
A Distribution	HKD	LU0532872552
A Accumulation	EUR Hedged	LU0327381843
A1 Accumulation	EUR Hedged	LU0327382148
C Accumulation	EUR Hedged	LU0327382064
I Accumulation	EUR Hedged	LU0327382221
A1 Distribution	EUR Hedged	LU0327382494
A Distribution	GBP Hedged	LU0242606829
A Accumulation	SGD Hedged	LU0358858032
I Accumulation	SGD Hedged	LU0384591714

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

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此乃重要函件，務請閣下垂閱。閣下如對本函件的内容有任何疑問，應尋找獨立專業顧問的意見。施羅德環球基金系列的董事就本函件所載資料之準確性承擔全部責任，並在作出一切合理查詢後確認，盡其所知所信，本函件並無遺漏足以令本函件的任何陳述具誤導成分的其他事實。

親愛的股東：

## 施羅德環球基金系列亞洲債券

施羅德環球基金系列（「本公司」）董事會決定 2012 年 4 月 2 日（「生效日」）起，施羅德環球基金系列亞洲債券（「本基金」）的投資目標和環球投資風險計算模式將作出修改。

### 1. 修改本基金投資目標

本修改之目的為授權本基金投資經理可積極地持有貨幣長倉及短倉。

修改後的投資目標如下（修改以粗筆體顯示）：

「主要透過投資於由亞洲(除日本外)政府、政府機構、跨國組織和公司發行的債券和其他定息及浮息證券所組成的投資組合，以提供絕對資本增值和收益。作為本基金主要目標的一部份，本基金亦可彈性地通過貨幣遠期或上述工具，積極地持有貨幣長倉及短倉。」

此修改容許投資經理從貨幣的走勢尋求額外回報，但本基金不會因而大量增加使用金融衍生工具。

正如投資經理運用的大部份策略，此策略可能增加本基金的回報，然而亦同時增加虧損的風險。詳情請參閱本公司發行章程內有關金融衍生工具風險的內容。

### 2. 更改本基金全球投資風險的計算模式

由於上述第 1. 項的修改，本基金的波動性和風險可能增加。本基金將透過風險值模式（取代以往的承諾方式）監察風險。本公司發行章程載有更詳細的說明。

基金的風險值報告將根據以下準則每日編纂並受監督：

- 一個月持有期；
- 99%單側置信區間；
- 至少一年有效往績觀察期（250日），除非市場情況需要較短觀察期；及
- 至少每季更新模式數據一次。

另外，最少每月進行一次壓力測試。

此外，因可轉讓證券集體投資計劃（UCITS IV）法規的實施和計算模式的更改，我們現就(i)有關本基金在運用金融衍生工具方面的全球投資風險，及(ii)預計槓桿水平向閣下提供額外資料。本公司發行章程載有更多關於(i)風險值的計算模式和(ii)槓桿水平計算的資料。本公司發行章程就本基金的披露如下：

## 全球投資風險

「本基金採用絕對風險值方式（VaR）量度環球投資風險。」

「一般來說，絕對 VaR 方式適用於沒有指定參考組合或基準的基金，例如絕對回報基金。在絕對 VaR 的方式下，限制設定為基金資產淨值的某個百分比。基金的絕對 VaR 限制根據一個月持有期和 99% 單側置信區間，設定為該基金資產淨值的 20% 或以下。」

### 預計槓桿水平：

「基金總淨資產的 300%。」

「當波動性持續減低、預期利率改變、或預期信貸息差擴大或收緊，預計槓桿水平便可能提高。」

「槓桿量度了(i)金融衍生工具的使用，和(ii)透過運用有效投資組合管理技術而將從抵押品收取的現金再投資而產生的任何槓桿，因此不會包括基金組合直接持有的其他實質資產。」

槓桿水平是使用承諾轉換方式（詳情見 ESMA 指引 10-788），根據金融衍生工具旗下資產的相等持股的市值，或金融衍生工具的名義價值（如適用）計算出來的。在遵守 ESMA 指引 10-788 的前提下，此承諾轉換方式容許基金在一定情況下(i)剔除某些種類的無槓桿掉期交易，或某些無風險或無槓桿的交易，及(ii)考慮進行淨額結算和對沖交易。

預計槓桿水平僅為一個指標而非監管當局的限制。只要基金與其風險概況維持一致並符合 VaR 限制，槓桿水平可能較預計水平為高。

基金年度報告將提供過去年度的實際槓桿水平和對此數字的額外解釋。」

本基金所有其他主要特色將維持不變。受這次修改影響之股份類別的 ISIN 編號列載於本函附錄。

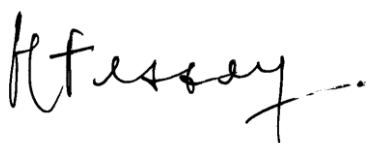
任何直接因作出本修改引致的開支將由本公司管理公司 Schroder Investment Management (Luxembourg) S.A. 承擔。

我們希望閣下於上述修改後繼續持有本基金。然而，閣下如欲於生效日前贖回所持之本基金股份或轉換持股至本公司的另一項子基金，可於 2012 年 3 月 30 日（星期五）交易截止時間或之前任何時間，作出贖回或轉換。Schroder Investment Management (Luxembourg) S.A. 將根據本公司發行章程條款免費執行閣下的贖回或轉換指示。然而，某些國家的當地收付代理人、往來銀行或類似代理人或會徵收交易費用。當地代理人的當地交易截止時間亦可能較上述的為早，請與該等當地代理人查詢以確保閣下的指示可於 2012 年 3 月 30 日交易截止時間前送抵施羅德投資管理（香港）有限公司。

敬請閣下留意，轉換或贖回股份可能會影響閣下的稅務負擔。如果其他子基金於閣下之國籍、戶籍或居住權地方未有註冊銷售，閣下或未能轉換至該等其他子基金。因此，我們建議閣下就該等事情尋求獨立專業顧問的意見。

閣下如需要更多資料，請聯絡閣下的專業顧問或致電施羅德投資熱線電話：（+852）2869 6968 查詢。

此致



**Noel Fessey**  
授權簽署



**Gary Janaway**  
授權簽署

謹啟  
2012 年 3 月 1 日

## 附錄

受修改投資目標影響的本基金股份類別 ISIN 編號一覽表

股份類別	股份類別貨幣	ISIN 編號
A 累積股份	美元	LU0106250508
A1 累積股份	美元	LU0133703115
B 累積股份	美元	LU0106250763
B1 累積股份	美元	LU0133706217
C 累積股份	美元	LU0106251068
I 累積股份	美元	LU0134333219
A 收息股份	美元	LU0091253459
A1 收息股份	美元	LU0160363239
B 收息股份	美元	LU0091253533
B1 收息股份	美元	LU0169819827
C 收息股份	美元	LU0091253616
D 收息股份	美元	LU0417517975
A1 累積股份	歐元	LU0251569942
A1 收息股份	歐元	LU0251570361
A 累積股份	港元	LU0532872396
A 收息股份	港元	LU0532872552
A 累積股份	歐元對沖	LU0327381843
A1 累積股份	歐元對沖	LU0327382148
C 累積股份	歐元對沖	LU0327382064
I 累積股份	歐元對沖	LU0327382221
A1 收息股份	歐元對沖	LU0327382494
A 收息股份	英鎊對沖	LU0242606829
A 累積股份	新加坡元對沖	LU0358858032
I 累積股份	新加坡元對沖	LU0384591714

修改將適用於本公司在生效日之前額外發行的任何股份類別。