

Schroder GAIA
Société d'Investissement à Capital Variable
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Grand Duchy of Luxembourg

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27 July 2016

Dear Shareholder,

Schroder GAIA KKR Credit

KKR Credit Advisors (UK) LLP, the Investment Manager of the Schroder GAIA KKR Credit sub-fund (the "Fund") has decided to close its credit long/short investment desk and has accordingly informed the Board of Directors of Schroder GAIA (the "Board" and the "Company" respectively). The Board has considered the possibility of appointing a replacement manager but believes that there is little prospect of reaching an agreement with a suitable manager on appropriate commercial terms within the timeframe necessary to maintain the confidence of the Fund's shareholders.

After careful analysis and review, the Board has decided, in the best interest of the shareholders and in accordance with Article 5 of the Company's Articles of Incorporation and the provisions of its prospectus, to liquidate the Fund under the terms of this letter.

Liquidation plan

The Board has appointed Schroder Investment Management (Luxembourg) S.A., (the "Management Company") to be the Fund's liquidator.

With immediate effect the Management Company will accept no further requests for subscriptions or redemptions. All pending requests, including those pending execution on Wednesday 27 July 2016 will be cancelled and all shareholders will participate in the liquidation.

The Investment Manager has started to liquidate the Fund's portfolio of investments with a target completion date of Tuesday 16 August 2016. On Friday 19 August 2016, the Management Company will pay to each shareholder, pro-rata to its respective shareholding, the cash proceeds of the liquidation. Statements of the liquidation will be sent to shareholders on the same day.

A very small part of the portfolio – about 5% by value – may take longer to liquidate, in which case the Management Company and the Investment Manager may agree a later final liquidation date and the Management Company will inform shareholders accordingly. In that case the Management Company will pay to each shareholder, pro-rata to its respective shareholding, the cash proceeds of that further liquidation within three business days of the final liquidation date.

The Management Company will bear the administration expenses incurred through the liquidation, including any legal and regulatory expenses. The Fund will bear its own securities trading expenses.

Investing into another Schroder GAIA sub-fund

Schroder GAIA offers another credit long/short sub-fund in Schroder GAIA BSP Credit. We would be pleased to facilitate your investment into this fund or any other Schroder GAIA fund which has capacity available. Please contact your local Schroders office or your usual professional adviser for further details.

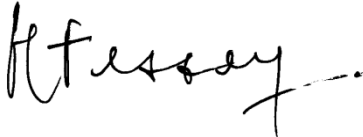
Tax status

We recommend that you seek independent professional advice on how this liquidation affects your tax status.

Further information

If you would like more information or if you have any questions about the liquidation, please contact your local Schroders office or your usual professional adviser or Schroder Investment Management (Luxembourg) S.A. by telephone at +352 341 342 212.

Yours faithfully,



Noel Fessey
Authorised Signatory



Nathalie Wolff
Authorised Signatory