



PRULink Fund Information Booklet

May 2023

PRULink Global Property Securities Fund



IMPORTANT INFORMATION

Capitalised terms used below, unless otherwise defined, shall have the same meanings ascribed to them under Glossary of Terms of this Fund Information Booklet.

This Fund Information Booklet is for information only and is not a contract of assurance. Investors should refer to the Policy Document for specific policy details applicable to their PRULink investment-linked policies. **Investors should note that this Fund Information Booklet must be read together with the accompanying Product Summary and the Product Highlights Sheet as one document.**

This Fund Information Booklet is published for informational purposes only, without regard to the specific investment objectives, financial situation and particular needs of any specific person and should not be construed as an advice or recommendation to invest in the Fund. Investors may wish to seek advice from their Prudential Financial Consultants before making a commitment to purchase the product. In the event an investor chooses not to seek advice from a Prudential Financial Consultant, he/she should consider whether the product in question is suitable for him/her. Investors are advised to read the Fund Information Booklet, the accompanying Product Summary and the Product Highlights Sheet before deciding whether to subscribe for units in this Fund.

Investors should seek professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange transactions or exchange control requirements which they may encounter under the laws of the countries of their citizenship, residence or domicile and which may be relevant to the subscription, holding or disposal of units in the Fund and/or Underlying Fund. Each investor will assume and be solely responsible for any and all tax of any jurisdiction or governmental or regulatory authority, including without limitation any state or local taxes or other like assessment or charges that may be applicable to any payment to him/her in respect of any Fund and/or Underlying Fund. None of the Fund and/or Underlying Fund will pay any additional amounts to investors to reimburse them for any tax, assessment or charge required to be withheld or deducted from any payments made to them.

The Fund and/or Underlying Fund has not been and will not be registered under the United States Investment Company Act of 1940 as amended. The units of the Fund and/or Underlying Fund have not been and will not be registered under the United States Securities Act of 1933 as amended (the “**Securities Act**”) or under the securities laws of any state of the United States of America and such shares may be offered, sold or otherwise transferred only in compliance with the 1933 Act and such state or other securities laws. The units of the Fund and/or Underlying Fund may not be offered or sold within the United States or to or for the account of any US Person as defined in Rule 902 of Regulation S under the Securities Act. Rule 902 of Regulation S under the Securities Act defines US Person to include inter alia any natural person resident of the United States and with regards to investors other than individuals, (i) a corporation or partnership organized or incorporated under the laws of the US or any state thereof; (ii) a trust: (a) of which any trustee is a US Person except if such trustee is a professional fiduciary and a co-trustee who is not a US Person has sole or shared investment discretion with regard to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person or (b) where court is able to exercise primary jurisdiction over the trust and one or more US fiduciaries have the authority to control all substantial decisions of the trust and (iii) an estate (a) which is subject to US tax on its worldwide income from all sources; or (b) for which any US Person is executor or administrator except if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with regard to the assets of the estate and the estate is governed by foreign law.

The term "US Person" also means any entity organized principally for passive investment (such as a commodity pool, investment company or other similar entity) that was formed: (a) for the purpose of facilitating investment by a US Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations promulgated by the United States Commodity Futures Trading Commission by virtue of its participants being non-US Persons or (b) by US Persons principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, unless it is formed and owned by "accredited investors" (as defined in Rule 501 (a) under the Securities Act of 1933) who are not natural persons, estates or trusts. "United States" and "US" means the United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction.

Prudential Singapore is an indirect subsidiary of Prudential plc of the United Kingdom. Prudential Singapore and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America.

This Fund Information Booklet does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such an offer or solicitation.

Investors should also consider the risks of investing in the Fund which are summarised in Section 4 of this Fund Information Booklet.

This Fund Information Booklet does not represent a contract.

PRULink Global Property Securities Fund

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PRULink Global Property Securities Fund

1. The Product Provider

Prudential Assurance Company Singapore (Pte) Limited (“**Prudential Singapore**”) [Company Registration No. 199002477Z], 30 Cecil Street, #30-01, Prudential Tower, Singapore 049712 Tel: 1800-333 0 333 is the product provider (“**Product Provider**” and includes the correlative meanings “**we**”, “**us**” and “**our**”) in respect of the PRULink Global Property Securities Fund (the “**Fund**”).

2. The Manager and the Investment Manager

2.1 The Manager

The Manager of the Funds is Eastspring Investments (Singapore) Limited, (the “**Manager**”), whose registered office is at 10 Marina Boulevard #32-01 Marina Bay Financial Centre Tower 2, Singapore 018983. The Manager is regulated by the Authority.

The Manager was incorporated in Singapore in 1994 and is Eastspring’s Singapore office. The Manager has been managing discretionary funds since 1995. The Manager manages S\$175 billion of which approximately S\$158 billion are discretionary funds managed in Singapore as at 31 December 2022. The Manager is an ultimately wholly-owned subsidiary of Prudential plc (“**Prudential**”). The Manager and Prudential are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company, a subsidiary of M&G plc, a company incorporated in the United Kingdom.

Source: Eastspring Investments (Singapore) Limited as at 31 December 2022

Past performance of the Fund and Manager is not necessarily indicative of its future performance.

2.2 Investment Manager of the Underlying Fund

PRULink Global Property Securities Fund is classified as a Specified Investment Product. The Fund is a single fund and feeds into the LaSalle Property Securities SICAV – FIS Global Property Securities Sub-fund I Class D (“**Underlying Fund**”). The Underlying Fund is managed by LaSalle Investment Management Securities, LLC (“**LaSalle Securities**” or the “**Investment Manager**”).

| Fund | | Manager |
|---|---|---|
| PRULink Global Property Securities Fund | ← | Eastspring Investments (Singapore) Limited |
| Underlying Fund | | Investment Manager |
| LaSalle Property Securities SICAV – FIS Global Property Securities Sub-fund I Class D | ← | LaSalle Investment Management Securities, LLC |

LaSalle Securities serves as the Investment Manager of all sub-funds affiliated with LaSalle Property Securities SICAV – FIS (the “**Company**”) and has the power to delegate part of its investment responsibilities for any sub-fund to fulfil its obligations under a particular sub-fund mandate. LaSalle Securities is one of the world’s leading real estate public securities investment managers. LaSalle Securities has extensive experience managing real estate securities investments for clients around the world through separate accounts and sub-advised funds.

LaSalle Securities have been investing on behalf of institutional investors for 35+ years and are currently managing about \$3.1 billion in assets for clients in the North America, Europe, the Middle

East and Asia-Pacific regions (as at 31 December 2022). LaSalle Securities is the specialist securities divisions of LaSalle Investment Management, which when combined with the above amount, manages US\$81.7 billion in direct real estate and publicly traded real estate securities (as at 30 September 2022). LaSalle Investment Management employs over 900 professionals and is a wholly owned but operationally independent subsidiary of Jones Lang LaSalle Incorporated, a global real estate services provider listed on the New York Stock Exchange (symbol: JLL).

Source: LaSalle Investment Management Securities, LLC as at 31 December 2022

Past performance of the Underlying Fund and LaSalle Securities is not necessarily indicative of future performance.

3. The Auditor

The auditor of the accounts for the Fund is Ernst & Young LLP (the “**Auditor**”) whose registered office is at One Raffles Quay North Tower, Level 18 Singapore 048583.

4. Risks

The risks set out in this section are in relation to the Fund and the Underlying Fund. Given that the Fund feeds into the Underlying Fund, it is acknowledged that the risks inherent in the Underlying Fund will also impact the Fund. As such, investors should carefully consider the risks set out in this section before deciding to invest in the Fund.

4.1 General Risks

Investors should consider and satisfy themselves as to the risks of investing in the Fund. Past performance is not necessarily indicative of future results. Investment in the Fund is intended to produce returns over the long-term. It may not be possible to obtain short-term gains from such investment.

Investors should be aware that the price of units in the Fund, and the income from them, may fall or rise and investors may not get back their original investment. Charges also affect what investors will get back and the amount returned may be less than the original investment. No guarantee is given, express or implied, that investors will receive back any amount invested.

Investors should be fully aware of the investment objective of the Fund as it may state that the Fund may invest on a limited basis in areas which are not naturally associated with the name of the Fund. These other markets and/or assets may act with more or less volatility than the core investments and performance will, in part, be dependent on these investments. All investments involve risks and there can be no guarantee against loss resulting from an investment in any units, nor can there be any assurance that the Fund’s investment objective will be attained in respect of its overall performance. Investors should therefore ensure (prior to any investment being made) that they are satisfied with the risk profile of the overall objective disclosed.

Tax laws may change in the future. Charges on the Underlying Fund may be increased in the future.

The Underlying Fund may invest in a small number of stocks or in certain overseas markets and thus may be subject to increased risk and volatility.

Inflation reduces the buying power of investors’ investment and income.

4.2 Specific Risks

Investors in the Fund should carefully consider the following:

4.2.1 Currency Risk

As the Fund is Singapore Dollar denominated and will invest in the Underlying Fund, which will invest in securities denominated in many different currencies around the world,

fluctuations in the exchange rates between the Singapore dollar and these foreign currencies may have an impact on the income and value of the investment.

It is not the intention to hedge the foreign currency exposure of the Fund and the Underlying Fund does not intend to enter into any currency based transactions to hedge foreign currency exposure.

4.2.2 Warrants

The Underlying Fund may invest in warrants. Investors should note that the gearing effect of investment in warrants and the volatility of warrant prices make the risk attached to the investment in warrants higher than in the case with investment in equities.

4.2.3 Investment in Fixed Income or Other Debt Securities

All fixed income or other debt securities have the fundamental risk that the issuer may be unable to make interest payments or repay the capital. Generally, government securities offer the lowest credit risk, which is reflected in lower yield. Corporate debt offers a higher yield due to its higher risk. However changes in economic and political outlook affect the value of such securities.

4.2.4 Interest Rate & Credit Risk

The Underlying Fund does not intend to invest in fixed income instruments or bonds, only real estate securities. Investors should be aware that real estate securities can be part financed by debt, which may be subject to interest rate fluctuations. However before a security is purchased, a full analysis of the gearing levels of a security is undertaken.

While changes in interest rates may affect the Underlying Fund's interest income, such changes may positively or negatively affect the net asset value of the Underlying Fund's shares on a daily basis.

4.2.5 Investment in Equity Securities

The Underlying Fund may invest in equity and equity related securities. The value of the Underlying Fund may be affected by changes in the stock markets and changes in the value of individual portfolio securities, as well as by economic, political, and issuer specific changes. At times, stock markets and individual securities can be volatile and prices can change substantially in short period of time. The equity securities of smaller company are more sensitive to these changes than those of larger companies. This risk will affect the value of the Underlying Fund, which will fluctuate as the value of the underlying equity securities fluctuates.

4.2.6 Investment in Emerging Markets

The Underlying Fund may invest in emerging markets which may carry risks additional to those inherent in other investments and may be subject to higher political risks, regulatory risks and liquidity risks than investments in developed markets, for example, investment and repatriation restrictions, currency fluctuations, government involvement in the private sector, investor disclosure requirements, possibility of limited legal recourse for the Company. Due to many emerging markets undergoing rapid growth, there is less regulation and there may be less public information about companies listed on such markets as compared to other stock markets. Investors would have to take into consideration that trading volume in emerging markets may be substantially less than in the world's leading stock markets and may have to be conducted at unfavourable prices. Investments in emerging markets are also subject to repatriation risks. Many emerging markets have restricted foreign investment policies although liberalisation continues. Emerging markets may not have fully developed custodian and settlement services and

therefore investments in such markets are subject to a greater degree of risk. Emerging markets may afford a lower level of information and legal protection to investors. Some countries may place controls on foreign ownership and some countries may apply

accounting standards and auditing practices which do not conform to internationally accepted accounting principles.

4.2.7 Country Risk

Investments in the Underlying Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies and other restrictions and controls which may be imposed by relevant authorities.

4.2.8 Sector Risk

The Underlying Fund will only invest in the real estate sector. Investors should be aware that their investment will only be in this sector, which does represent a greater risk compared to a fund which invests in all sectors of the market. The Underlying Fund is suitable for investors who want exposure to the real estate sector, which offers prospects of long term capital appreciation.

4.2.9 Portfolio Risk

The Underlying Fund is intended for investors who can accept the risks associated with investing primarily in real estate. Investors will be subject to the risks associated with real estate as well as equities, including fluctuations in market prices, adverse issuer or market information and the fact that equity and equity-related interests are subordinate in the right of payment to other corporate securities, including debt securities. In addition, investors should be aware of the risks associated with the active management techniques that are expected to be employed by the Underlying Fund. An investment in the Underlying Fund does not constitute a complete investment program. Investors may wish to complement an investment in the Underlying Fund with other types of investments.

4.2.10 Small Companies Risk

Investment in securities of smaller real estate companies can involve greater risk than that normally associated with larger, more established companies. In particular, smaller real estate companies are likely to own less assets and may be dependent for their management on a limited number of key individuals.

4.2.11 Derivatives Risk – Transactions in Options, Futures and Swaps

The Underlying Fund may invest in options, futures and swaps. For the purpose of hedging, efficient portfolio management, duration management and risk management of the portfolio, the Underlying Fund may seek to protect or enhance the returns from its underlying assets by using options, futures and swap contracts. The ability to use these techniques and instruments may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these techniques and instruments will be achieved. Participation in the options or futures markets, in swap contracts and in foreign exchange transactions involves investment risks and transaction costs to which the Underlying Fund would not be subject to if it did not use these techniques and instruments. If the Sub-Manager's predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to the Underlying Fund may leave the Underlying Fund in a less favourable position than if such techniques and instruments were not used.

Investment in derivatives which will be subject to risks. While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk and leverage risk.

Investments in derivatives may require the deposit or initial margin and additional margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the investment may be liquidated at a loss. Therefore, it is essential that such investments in derivatives are monitored

closely. The Underlying Fund does not intend to use derivatives transactions for speculation or leverage but may use them for efficient portfolio management and/or risk management.

4.2.12 Non-hedging Transactions

The Underlying Fund is authorized to use the Special Investment and Hedging Techniques and Instruments for non-hedging purposes as outlined in Appendix B. These non-hedging transactions constitute a higher risk than investment in transferable securities due to their greater volatility and less liquidity. These non-hedging transactions are used in a manner that does not interfere with the investment objectives and policies of the Underlying Fund.

4.2.13 Environmental Considerations

In connection with the ownership (direct or indirect), operation, management and development of real properties that may contain hazardous or toxic substances, a real estate company may be considered an owner or operator of such properties or as having arranged for the disposal or treatment of hazardous or toxic substances and, therefore, may be potentially liable for removal or remediation costs, as well as certain other costs, including governmental fines and liabilities for injuries to persons and property. The existence of any such material environmental liability could have a material adverse effect on the results of operations and cash flow of any such real estate company and, as a result, the amount available to make distributions on its shares could be reduced.

4.2.14 Pandemics and Other Public Health Crisis

Pandemics and other health crises, such as the outbreak of an infectious disease such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and COVID-19 or any other serious public health concern, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy, and business activity in any of the areas in which client investments may be located. Such disruption, or the fear of such disruption, could have a significant and adverse impact on the securities markets, lead to increased short-term market volatility or a significant market downturn, and may have adverse long-term effects on world economies and markets generally.

5. Structure

PRULink Global Property Securities Fund is a single fund and classified as a Specified Investment Product. The Fund was launched on 26 March 2007. It feeds into the LaSalle Property Securities SICAV – FIS Global Property Securities Sub-fund I Class D (“Underlying Fund”), which is domiciled in Luxembourg.

The Fund has a risk classification of Higher Risk - Narrowly Focused – Sector - Others. It is suited to an investor with a medium to long-term investment horizon.

The Fund is only suitable for investors who:

- seek long term return;
- are comfortable with the risk of a fund investing in equity of companies active in real estate business worldwide;
- understand that their capital may be at risk and that the value of their investment and any derived income may fall as well as rise.

The benchmark for this Fund is the FTSE EPRA Nareit Developed Index.

6. Investment Objective

The investment objective of the Underlying Fund is to achieve long-term growth through capital appreciation of the underlying equity portfolio. It will attempt to achieve this objective by principally investing worldwide across regions, countries and sectors in shares of companies active in the real estate business (property companies).

Investments may be made in equity securities, preference shares, debt securities convertible into common shares and warrants on transferable securities of such companies.

Companies in the real estate industry may include property development companies, companies principally engaged in the ownership of income-producing property (e.g. Real Estate Investment Trusts ('REITs')) or Real Estate Operating Companies ('REOCs') and specialised ownership vehicles such as publicly quoted property unit trusts provided that, to the extent the Underlying Fund invests in unit trusts which can be qualified as open-ended undertakings for collective investments, such investment will be made in accordance with the provisions in Appendix A.

The Underlying Fund may invest in the following property sectors office, retail, industrial, hotels, and lodging, residential, diversified and specialty. This enables the Underlying Fund to pursue a flexible, active investment policy and to seek an advantageous balance between risk and return.

The Investment Manager will work together with the Sub-Manager, and the Underlying Fund may enter into forward foreign exchange contracts for the purpose of hedging currency risk, as defined in Appendix B under section 2. The Underlying Fund does not currently intend to engage in currency hedging activities.

The Underlying Fund may hold cash and cash equivalents on an ancillary basis, but at no time more than 10% of the net assets of the Underlying Fund although during periods of subscriptions, redemptions or portfolio rebalancing this limit may be briefly exceeded for a short period of time.

The Underlying Fund is managed in accordance with the investment powers and restrictions (the "**Investment Powers and Restrictions**") specified in Appendix A, and the special investment and hedging techniques and instruments (the "**Special Investment and Hedging Techniques and Instruments**") specified in Appendix B.

The Fund shares the same investment objective as the Underlying Fund.

7. Investment Focus and Approach

LaSalle Securities' investment philosophy combines a real estate investment orientation with a valuation-based investment discipline. The Investment Manager believes that the long-term performance of real estate securities will be driven by the performance of their underlying assets and the ability of their management teams to create or detract value.

LaSalle Securities' investment research process is focused on identifying mispriced securities. By understanding that some companies and property sectors will be undervalued in every market cycle, the Investment Manager seeks to consistently find value-investment opportunities. LaSalle Securities created a valuation framework specifically for identifying relative value within the real estate securities universe.

LaSalle Securities' investment process starts with assessment of companies' relative values. The team has developed a globally-consistent investment management approach to company selection and property sector/regional allocation that identifies value. The methodology combines top-down market research with bottom-up company analysis to produce unified valuation metrics across all regions and property sectors.

LaSalle Securities' top-down research process focuses on economic, real estate market, and capital-flow conditions in our investment markets, considering particular regional economic trends, real estate fundamentals, and regional capital flows. A key factor in top-down research is the in-house work performed by the economic and market research teams at LaSalle and JLL,

with on- the-ground resources in North America, Europe, and the Asia-Pacific region. The Investment Manager's portfolio managers and securities research analysts work closely with

these groups in evaluating current conditions and identifying trends. Proprietary market and sector forecasts provided by LaSalle's Research Group assist in assessing the condition of real estate markets around the world. This information helps investment professionals analyse companies, produce earnings estimates and determine the relative value of real estate companies.

Bottom-up company-specific research is conducted in-house by the Investment Manager's securities research analysts. The emphasis of this research effort is on each company's property portfolio, financial position and management team quality. In terms of property portfolio, the analysts consider the conditions and locations of the properties, the tenants' profile, the lease duration, the supply and demand of the same type properties, etc. They also take into account the cost of leverage, the amount of leverage and the type of debt each company is undertaking.

They look at the organization structure, the quality and track record of the management team as well as the management team's ability to execute its strategies. The analysts consider the prospects for cash flow growth for each company as well as associated risks to determine relative values.

LaSalle Securities uses Intrinsic Value (IV) as our primary valuation metric. Intrinsic Value is a complete, expectations-based, going-concern valuation of a REIT's assets, capital structure and strategy. After determining the Intrinsic Value of each of the real estate securities within our investable universe, the Investment Manager seeks to buy those securities that are the most attractively priced on a relative basis.

Supplementary to IV, the Investment Manager also calculates Net Asset Value or NAV (i.e., estimated real estate market value of a company's assets less its liabilities) and Warranted Value or WV (which is NAV adjusted for factors that affect 'going concern', such as overheads, taxes and 'franchise value'). In addition to these metrics, the Investment Manager uses other supplementary valuation metrics, such as earnings multiples, growth rates, expected returns, and implied cap rates.

LaSalle Securities has three global sector portfolio managers who are responsible for constructing and managing portfolios that incorporate the ownership of the stocks with the most attractive relative valuations within their respective property sectors.

The Global Portfolio Manager is responsible for allocating capital among the property sectors and countries, with insight and oversight from the PMOC. The Global Portfolio manager compares the relative values at the global property sectors and country level and determines which countries and sectors should be held as overweights or underweights relative to the benchmark, all while maintaining an appropriate level of geographic and property-sector diversification.

The size of LaSalle Securities' stock, sector and country/sector active positions (over/underweights) depends upon the extent of valuation differential and the firm's level of conviction. All active positions increase with greater valuation differentials and greater conviction in those values. To build conviction the Investment Manager consistently reviews, compares and rates each country/sector's fundamental outlook for the economy, real estate and capital markets and risks associated with our macroeconomic and currency outlook and potential for mean reversion.

8. Performance of the Fund

8.1 Past Performance of the Fund as at 31 December 2022

| Fund Performance | Inception Date | 1 years | 3 years* | 5 years* | 10 Years* | Since Inception* |
|--|----------------|---------|----------|----------|-----------|------------------|
| PRULink Global Property Securities Fund* | 07/05/2007 | -21.52% | -3.36% | 0.06% | 3.12% | -1.36% |

| | | | | | | |
|---|--|---------|--------|--------|-------|-------|
| Benchmark – FTSE EPRA Nareit Developed Index ¹ | | -25.47% | -5.01% | -0.16% | 4.50% | 0.94% |
|---|--|---------|--------|--------|-------|-------|

¹ UBS announced the retirement of the UBS Global Real Estate Indices, effective from 1 April 2015. The affected index series includes the Fund's benchmark, UBS Global Investors Index. As a result, the Fund's benchmark was changed to the FTSE EPRA Nareit Developed Index, effective 1 April 2015.

Source: Standard Chartered Bank; SGD; net income reinvested; Bid-to-bid

Source for Benchmark: UBS Global Investors (USD); dividends reinvested; SGD used from 7/5/2007 through 31/3/2015. FTSE EPRA Nareit Developed Index (EUR); dividends reinvested; SGD.

* Annualised

Performance calculations of the Fund are based on net asset value pricing, in Singapore Dollars with all dividends or distributions reinvested, taking into account all charges which would have been payable upon such reinvestment. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Source: FTSE for performance of benchmarks

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Any past performance is not necessarily indicative of the future performance of the Funds.

8.2 Expense Ratio¹ of the Fund

| PRULink Fund | Expense Ratio As at 31 December 2022 |
|---|---|
| PRULink Global Property Securities Fund | 2.15% |

Please note that charges for insurance coverage are not applicable at the Fund level and are thus excluded from the calculation of the expense ratio. For more information on the charges for insurance coverage, please refer to the Product Summary

8.3 Turnover Ratio of the Fund and Underlying Fund

8.3.1 Turnover Ratio² of the Fund

| PRULink Fund | Turnover Ratio (for the year ended 31 December 2022) |
|--------------|---|
| | |

¹ The expense ratios are calculated in accordance with Investment Management Association of Singapore's (IMAS) guidelines on the disclosure of expense ratios and based on the Fund's latest audited account. It does not include the following expenses:

- (a) brokerage and other transaction costs;
- (b) performance fee;
- (c) foreign exchange gains and losses;
- (d) front or back-end loads arising from the purchase or sale of other funds;
- (e) tax deducted at source or arising from income received;
- (f) advertising and promotion costs; and
- (g) charges for insurance coverage#

² The turnover ratio is calculated based on the lesser of purchases or sales expressed as a percentage over average net asset value of underlying assets. Average net asset value means the net asset value for each day averaged over, as far as possible, the same period used for calculating the expense ratio.

| | |
|---|-------|
| PRULink Global Property Securities Fund | 0.97% |
|---|-------|

Source: Prudential Assurance Company Singapore (Pte) Limited

8.3.2 Turnover Ratios² of the Underlying Fund

| Underlying Fund | Turnover Ratio (For the year ended 31 December 2022) ² |
|---|--|
| LaSalle Property Securities SICAV – FIS Global Property Securities Sub-fund I Class D | 96.44% |

Source for turnover ratio of the Underlying Fund: LaSalle Investment Management Securities, LLC

9. Fees

9.1 Fees payable directly by you

Initial Investment Charge

There is a 5%* initial investment charge (bid-offer spread). This charge is reflected as the difference between the offer price and bid price of the Fund. The offer and bid prices are the buying and selling prices to an investor respectively. The Fund is valued, and charges are deducted, on a forward pricing basis.

Note: ILP Sub-Fund offered under some products are on bid-offer spread. Please refer to the Product Summary and relevant fund documentation for more information.

* Only applicable for some ILP products. Please refer to the relevant Product Summary for details of charges incurred on your plan as charges may vary from product to product and may be lower than 5%.

Redemption Fee is not applicable

9.2 Fees payable by the ILP Sub-Fund

Continuing Investment Charge

The continuing investment charge is currently 1.50% per annum. This charge is deducted from the asset value of the ILP Sub-Fund on a pro-rata basis at each unit pricing date throughout the year. We reserve the right to vary the continuing investment charge. Any increase in the continuing investment charge will be up to a maximum of 2% per annum but we will not do so before giving the investors 6 months' written notice.

Other Fees Payable by the Fund

The custodian fee is below 0.02% per annum, and it may vary depending on number and volume of transactions.

The offer and bid prices of the fund are net of these charges. Other charges are listed in the Product Summary.

10. Subscription of Units

10.1 How to Buy Units

When you apply for a policy, you can choose whether you want:

- all your allocated premium to be invested in one of the available PRULink Funds; or
- all your allocated premium to be invested in 2 or more of the available PRULink Funds.

You must invest a minimum of 5% of your premium in any PRULink Fund chosen and thereafter invest in multiples of 5% of the premium.

A percentage of premiums will be used to buy units at the bid price in the PRULink Fund or PRULink Funds chosen. Subsequent premiums must be paid within 30 days of the date they are due.

If the premiums are intended to be paid by cash, then the cash together with the proposal form should be submitted to the cashier, otherwise the proposal form should be accompanied by full payment in the form of a cheque or a banker's draft made payable to, or via telegraphic transfer to us, Prudential Assurance Company Singapore (Pte) Limited.

If the premiums are intended to be paid with Supplementary Retirement Scheme ("SRS") monies, you should instruct the relevant SRS operator bank to withdraw from your SRS account monies in respect of the policy proposed.

If the premiums are intended to be paid with Central Provident Fund ("CPF") monies, you should instruct the CPF Board to withdraw from your CPF Ordinary Account ("CPF-OA") or CPF Special Account ("CPF-SA") (as the case may be) for credit to your CPF Investment Account with a CPF agent bank in respect of the policy applied for.

Units will generally be credited to your account only when the funds are cleared, although we may at our discretion issue units before receiving full payment in cleared funds.

For compliance with applicable anti-money laundering laws and guidelines, we or the Manager reserve the right to request such information as may, in the opinion of the Manager or its approved distributors, be necessary to verify the identity of an applicant.

10.2 Dealing Deadline and Pricing Basis

Pricing of the PRULink Funds is on a forward, bid-bid basis³.

If we receive the premium:

- a) by 3pm, we will use the bid price³ calculated on the next Business Day; or
- b) after 3pm, we will use the bid price³ calculated on the second Business Day following the day we receive the premium/application.

Example

If we receive the premium by 3pm on Monday, we will use Tuesday's bid price to buy units in the Account. If we receive the premium after 3pm on Monday, we will use Wednesday's bid price.

10.3 Allotment of Units

Numerical example of units allotment:

| | | | | |
|-------------------------|-----------------------|--------------------|------------------------|--------------------------------|
| \$1,000 | X | 0% | = | \$0 |
| Your Initial Investment | | Premium Charge* | | Premium Charge |
| \$1,000 | - | \$0 | -> | \$1,000 ÷ \$1.00 = 1,000 units |
| Your Initial Investment | Premium Charge Amount | Net Investment Sum | Bid Price ³ | No. of units you will receive |

* Please refer to the applicable Premium Charge in the Product Summary.

³ Note: ILP Sub-Fund offered under some products are on bid-offer spread. Please refer to the Product Summary and relevant fund documentation for more information.

11. Withdrawal of Units

11.1 How to Withdraw Units

You can make a partial or full withdrawal by asking us to sell some or all of the units in your account.

We will sell the units as soon as practicable after receiving the application.

11.2 Minimum Withdrawal Amount and Minimum Holdings Amount

The minimum withdrawal amount is S\$1,000.

If you make a partial withdrawal, the remaining units in the Account must be worth at least S\$1,000 based on the bid price at the time of withdrawal. If not, you will not be able to make a partial withdrawal. To apply, you must use the appropriate application form and meet the conditions on it. We will notify you if we accept the application.

11.3 Dealing Deadline and Pricing Basis

Pricing of the PRULink Funds is on a forward, bid-bid basis³.

If we receive the withdrawal application:

- a) by 3pm, we will use the bid price³ calculated on the next Business Day; or
- b) after 3pm, we will use the bid price³ calculated on the second Business Day following the day we receive the withdrawal application.

Example

If we receive the withdrawal application by 3pm on Monday, we will use Tuesday's bid price to sell units in the account. If we receive the withdrawal application after 3pm on Monday, we will use Wednesday's bid price.

11.4 Calculation of Withdrawal Proceeds

Numerical example of withdrawal value based on withdrawal of 1,000 units:

| | | | | |
|---------------------------|---|-----------|---|------------------|
| 1, 000 | X | \$0.95 | = | \$950 |
| Number of Units Withdrawn | | Bid Price | | Withdrawal Value |

11.5 Settlement for Withdrawal

We will pay the withdrawal proceeds within:

- T+ 4 Business Days in respect of bond and money market funds; and
- T+ 6 Business Days in respect of funds other than bond and money market, property and hedge funds.

If you decide to surrender the policy invested in a money market and equity fund at the same time the payment of the withdrawal proceeds shall not be later than T+ 6 Business Days

If we receive your withdrawal request with all the documents and information:

- a) by 3pm, T will be on the same Business Day we receive your withdrawal request;
- b) after 3pm, T will be the next Business Day after we receive your withdrawal request. It is also considered paid on the day your account is credited or a cheque is mailed to you.

12. Switching of Fund(s)

You can switch the units in your Account into other PRULink Fund(s) that are available. The minimum amount allowed to switch out of a PRULink Fund is currently S\$200. The remaining units in the PRULink Fund that you are switching from must be worth at least S\$200 based on the bid price at the time of switching. If not, you must switch all the units out of the PRULink Fund.

To make the switch, we sell the units in the old fund at the bid price of that PRULink Fund and buy units in the new PRULink Fund at its bid price.

We currently do not charge for fund switches. However, we reserve the right to levy an administration charge but will not do so before giving 30 days' written notice.

To apply for switching, you must use the appropriate application form and meet the conditions on it. We will notify you when the application has been accepted.

13. Obtaining Prices of Units

PRULink Funds are valued every Business Day ("Pricing Date") to work out the unit price. Prices of the PRULink Funds may currently be obtained from www.prudential.com.sg*, Straits Times and the Business Times or such other publications or media as may from time to time be available.

** The actual offer and bid prices are published at the end of the first Business Day after the relevant pricing date.*

We reserve the right to change the list of sources from which the unit price can be currently obtained. We shall not be responsible for any errors in the published prices or for any late or non-publication of the prices attributable to the publishers.

14. Suspension of Dealing

The ILP Sub-Fund is not listed and you can withdraw your units only on Business Days. There is no secondary market for the units in the ILP Sub-Fund. All withdrawal application should be submitted to the Product Provider.

We reserve the right to suspend immediately any issue, withdrawal, exchange or other dealing in relation to the Fund (or the units thereunder) if the Manager of the Fund or Investment Manager of the Underlying Fund suspends the issue, withdrawal, exchange or other dealing in the units or shares of the Fund or the Underlying Fund, or any other government or regulatory body, or at our reasonable discretion, including but not limited to the following situations:

- (i) during any period when any market for any Material Proportion of the calculation of the value of units the Investments for the time being constituting the relevant Deposited Property is closed otherwise than for ordinary holidays;
- (ii) during any period when dealings on any such market are restricted or suspended;
- (iii) during any period when, in the opinion of the Manager or Investment Manager, there exists any state of affairs as a result of which withdrawal of deposits held for the account of the Fund or the realization of any Material Proportion of the Investments for the time being constituting the relevant assets comprised in the Fund cannot be effected normally or without seriously prejudicing the interests of investors of the Fund as a whole;
- (iv) during any period during which there is, in the opinion of the Manager or Investment Manager, any breakdown in the means of communication normally employed in determining the value of any of the Investments or the amount of any cash for the time being comprised in the relevant Deposited Property or when for any other reason the value of any such Investment or the amount of any such cash or liability cannot be promptly and accurately ascertained, including any period when the fair value of a

Material Proportion of the Investments for the time being constituting the relevant Deposited Property cannot be determined and for the purpose of this paragraph, “fair value” of an Investment is the price that the Fund would reasonably expect to receive upon a current sale of the Investment;

- (v) during any period when, in the opinion of the Manager or Investment Manager, the transfer of funds which will or may be involved in the realization of any Material Proportion of the Investments for the time being constituting the relevant Deposited Property cannot be effected promptly at normal rates of the exchange;
- (vi) where a PRULink Fund which is a feeder fund or fund of funds, during any period when dealings in the units or shares of the underlying funds are restricted or suspended;
- (vii) any period when dealing in units is suspended pursuant to any order or direction of the Authority;
- (viii) If the Underlying Fund receives an application for redemption on any one Business Day that represents more than 5% of the net assets of an applicable sub-fund, the Underlying Fund reserves the right to limit such redemption such that not more than 5% of the net assets of the relevant sub-fund be redeemed on such Business Day, with any extra amount being postponed to the next Business Day, and so on, until the applications are satisfied in full.
- (ix) any period when the business operations of the Product Provider/ Manager in relation to the operation of the Fund or the Underlying Fund (as the case may be) is substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God;

and payment for any units of the Fund realised before the commencement of any such suspension but for which payment has not been made before the commencement thereof may, if the Product Provider so agree, be deferred until immediately after the end of such suspension. Such suspension shall take effect forthwith upon the declaration in writing thereof by the Product Provider and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist (and such cessation having been confirmed by the Manager). The Product Provider shall as soon as practicable after its declaration of any temporary suspension of realisation and of the termination of such suspension cause such information to be published in the major local newspaper in Singapore which published the daily issue and realisation pricing of units of the Fund.

15. Soft Dollar Commissions or Arrangements

The Manager and, where applicable, the Investment Manager (together, the “**Relevant Parties**”) may be entitled to receive and/or enter into soft-dollar commissions or arrangements in respect of the Fund or the Underlying Fund (as the case may be). The Relevant Parties will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions or arrangements shall include specific advice as to the advisability of dealing in, or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, the conduct of research or analysis, or analysis of trade execution, and custodial service in relation to the investments managed for clients.

Soft-dollar commissions or arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees’ salaries or direct money payment.

The Relevant Parties shall not accept or enter into soft-dollar commission or arrangements unless (a) such soft-dollar commissions or arrangements would reasonably assist the Relevant Party concerned in the management of the Fund or the Underlying Fund (b) the Relevant Party shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and (c)

no unnecessary trades are entered into in order to qualify for such soft-dollar commissions or arrangements.

The Relevant Parties do not retain for its/their own account, cash or commission rebates arising out of transactions for the Fund or the Underlying Fund executed in or outside Singapore.

16. Conflicts of Interest

The Manager, the Investment Manager and Sub-Manager (where applicable) may own, hold, dispose or otherwise deal with units of the Fund/the Underlying Fund. In the event of any conflict of interest arising as a result of such dealing, the Manager and the Investment Manager (where applicable), following consultation, shall resolve such conflict in a just and equitable manner as they deem fit which would not prejudice the interests of investors. The Manager and the Investment Manager (where applicable) shall conduct all transactions with or for the Fund and the Underlying Fund on an arm's length basis.

The Manager, the Investment Manager and the Sub-Manager (where applicable) and their respective associates (collectively the "**Parties**") are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the management of the Fund/ the Underlying Fund. These include management of other funds, purchases and sales of securities, investment and management counselling and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Fund/the Underlying Fund may invest. Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they might have. In the event that a conflict of interest does arise, the Parties shall endeavour to ensure that it is resolved fairly and in the interest of investors.

17. Reports

The financial year-end of the PRULink Funds is 31 December of each year. You will receive the Semi-Annual Report and Annual Audited Report within 2 months and 3 months respectively from the last date of the period to which the report dates. The Semi-Annual Report and Annual Audited Report may also be obtained from www.prudential.com.sg.

18. Other Material Information

18.1 Right to Change Investment Objective

We and the Manager reserve the right to change the investment objective of the Fund from time to time. The Investment Manager and Sub-Manager reserve the right to change the investment objective of the Underlying Fund. However, 30 days' written notice will be given before doing so.

18.2 Right to Change the Underlying Fund

We and the Manager may at its sole discretion replace the Underlying Fund, subject to the applicable regulatory approval having been obtained and 30 days' prior written notice having been provided to you.

18.3 Duties and Obligations

We may have to observe certain duties and obligations (which may require the policyholder's co-operation and assistance):

- under the agreements between us and the Manager, and
- under certain statutory and regulatory requirements which may include but are not limited to notices and guidelines issued from time to time by various associations and authorities.

We may therefore require policyholder's co-operation, upon their request, to do certain acts and things, so as to allow us to carry out these duties and obligations.

18.4 Distribution of Income and Capital

Distribution of income and/or capital of the Fund (where applicable) will be at the Product Provider's and the Investment Manager's sole discretion. In the event where any distribution is made, such distribution will reduce the net asset value of the Fund.

18.5 Investment Guidelines

18.5.1 The investment guidelines for non-specialised funds (i.e. the "**Non-Specialised Funds Investment Guidelines**") issued by the Authority under the Code on Collective Investment Scheme (the "**Code**"), which may be amended from time to time, shall apply to the Fund (unless otherwise waived, exempted or not applied by the Authority).

18.5.2 In addition, the Manager will ensure compliance with the investment guidelines issued by the CPF Board, which may be amended from time to time, over and above the Non-Specialised Funds Investment Guidelines.

18.5.3 The Manager will ensure compliance with the investment guidelines issued by the Authority and the insurer, which may be amended from time to time. We reserve the right to make changes to or to change the Fund and/or Underlying Fund as may be necessary for the compliance with the investment guidelines. The investment guidelines stipulated by the authorities include but are not limited to the MAS 307 Investment-Linked Life Insurance Policies issued by the Authority.

18.6 Termination of the Fund

We reserve the right to terminate immediately (upon giving written notice) the Fund if the Manager, the Investment Manager or the Sub-Manager (where applicable) terminates the Underlying Fund, or if we are required to do so by the Investment Manager or Sub-Manager (where applicable) or any other government or regulatory body, or at our reasonable discretion, including but not limited to the following situations:

- (i) on any date if on such date the value of the relevant assets comprised in the Fund is less than S\$5 million or its equivalent in any applicable foreign currency;
- (ii) if any law is passed or any direction is given by the Authority which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue the Fund or if any approval or authorization of the Fund is revoked or withdrawn;
- (iii) if the Manager is of the view that it is not in the best interest of policyholders in the Fund to continue the Fund; or
- (iv) in the event of the amalgamation, reconstruction, reorganization, dissolution, liquidation, merger or consolidation of any one of the funds within the Underlying Fund, if any, or a change in the Sub-Manager of the relevant Underlying Fund or the corresponding fund (as the case may be).

If we terminate the Fund, we will sell units in the Fund based on the bid price calculated after liquidating all Investments in that Fund. Upon completion, we will return you the value of units in your account.

Appendix A – Investment Powers and Restrictions

In order to achieve LaSalle Property Securities SICAV – FIS's (the "Company") investment objectives and policies, the directors of the Company have determined that the following investment powers and restrictions shall apply to all investments by the Company:

The Company, in the Underlying Fund, may not in principle:

- a) invest more than 10% of its assets in securities not listed on a stock exchange nor dealt in on another regulated market which operates regularly and is recognized and open to the public ("**Regulated Market**");
- b) acquire more than 15% of the securities of the same kind issued by the same issuing body;
- c) invest more than 20% of its net assets in securities issued by the same issuing body.

The threshold of a), b) and c) above do not apply in case of holding by the Company, in the Underlying Fund, of securities issued by a wholly-owned intermediary company. A wholly owned intermediary company may be set up in order to organise the acquisition of investments by the Company on its own account. The wholly owned intermediary company can be any local or foreign corporation or partnership. It may not have any activity other than the holding of investment instruments, which qualify under the investment objective and the policy of the Underlying Fund. In addition the following conditions will have to be met: (i) the majority of the managers or board members of the wholly owned intermediary company are board members of the Company where permissible under local law, (ii) the accounts of the wholly owned intermediary company are audited by or under the supervision of the auditor of the Company and (iii) to the extent required under applicable rules and regulations, the wholly owned intermediary company is consolidated in the annual reports of the Company (containing the audited accounts).

The restrictions mentioned under thresholds a), b) and c) above are further not applicable to securities issued or guaranteed by a member state of the Organisation for Economic Co-operation and Development ("**OECD**") or their local authorities or public international bodies with European Union, regional or worldwide scope.

The restriction mentioned in b) above is applicable to the purchase of undertaking for collective investment ("**UCIs**") of the open-ended type if such UCIs are not subject to risk diversification requirements comparable to those provided for UCIs subject to Part II of the UCI Law and if these are not submitted to a supervisory authority pursuing the aim of protecting the investors of such UCIs.

The Company may invest up to 10% of the net assets of the Underlying Fund in securities of other open-end UCIs. In the case of a UCI linked to the Company by common management or control or by a substantial direct or indirect holding, investment in the securities of such UCI shall be permitted only if the fees or costs which arise out of such investments are specified in the LaSalle Property Securities SICAV – FIS latest offering document.

The Company may borrow the equivalent of up to 25% of the net assets of the Underlying Fund without restriction in respect of the intended use thereof.

The Company may enter into securities lending transactions provided that it complies with the following rules:

- a) The Company may only lend securities through a standardised system organised by a recognised clearing institution or through a first class financial institution specialising in this type of transaction.

As part of its lending transactions, the Company must in principle receive collateral, the value of which at the conclusion of the contract must be at least equal to the global valuation of the securities lent.

Such collateral shall not be required if the securities lending is made through Clearstream Banking or Euroclear or through any other organisations ensuring to the lender a reimbursement of the value of the securities lent by way of a guarantee or otherwise.

This collateral must be given in the form of liquid assets and/or in the form of securities issued or guaranteed by a member state of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or world-wide nature and blocked in the name of the Company until the expiry of the loan contract.

- b) Securities lending transactions may not exceed 50% of their global valuation of the securities portfolio of the Underlying Fund. This limitation does not apply where the Company is entitled at all times to the cancellation of the contract and the restitution of the securities lent.
- c) Securities lending transactions may not extend beyond a period of 30 days.
- d) All incremental income under securities lending transactions accrues to the Underlying Fund in accordance with the relevant authorities lending contracts.

The Company may enter into repurchase (“réméré”) transactions which consist of the purchase and sale of securities with a clause reserving to the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual agreement.

The Company can act either as a purchaser or seller in réméré transactions. Its involvement in such transactions is however subject to the following rules:

- a) The Company may not buy or sell securities using a réméré transaction unless the counterpart in such transaction is a first class financial institution specialising in this type of transaction.
- b) During the life of a réméré contract of purchase, the Company cannot sell the securities that are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired.
- c) Where the Company is exposed to repurchases, it must take care to ensure that the level of its exposure to réméré transactions is such that it is able, at all times, to meet its repurchase

Appendix B – Special Investment and Hedging Techniques and Instruments

1) Techniques and Instruments related to Transferable Securities

For the purpose of hedging, efficient portfolio management, duration management and risk management of the portfolio, the Company may, in the Underlying Fund, use the following techniques and instruments relating to transferable securities:

a) Transactions Relation to Options on Transferable Securities

The Company may buy and sell call or put options on transferable securities provided that these options are traded on a Regulated Market.

The Company shall further comply with the following rules:

- i) The total amount of premiums paid for the purchase of call and put options, together with the total amount of premiums paid for the purchase of call and put options described under paragraph 1)b)ii) below, may not in respect of the Underlying Fund exceed 15% of its Net Asset Value;
- ii) The total commitment arising from (a) the sale of call and put options (excluding the sale of call options for which there is adequate cover) and (b) transactions for the purposes other than hedging as referred to under paragraphs 1)b)ii) and 1)c) below, may not exceed the Net Asset Value of the Underlying Fund at any time. In this context, the commitment on call and put options sold is equivalent to the aggregate amount of the exercise prices of those options;
- iii) When selling call options, the Company must hold either the underlying transferable securities, or matching call options or any other instruments (such as warrants) providing sufficient cover. The cover for call options sold may not be disposed of as long as the options exist, unless they are covered in turn by matching options or other instruments used for the same purpose. Notwithstanding the foregoing, the Company may sell uncovered call options if the Company is, at all times, able to cover positions taken on such sale and if the exercise prices of such options do not exceed 25% of the Net Asset Value of the Underlying Fund;
- iv) When selling put options, the Company must be covered during the full duration of the option by sufficient cash or liquid assets to pay for the transferable securities deliverable to the Company by the counterparty on the exercise of the options.

b) Transactions Relating to Futures, Options and Swap Contracts Relating to Financial Instruments

Except as regards transactions by private contract that may be traded as provided for under paragraph 1)b)ii)bb) below, or the type of swap contracts provided for below, all transactions described herein may only relate to contracts that are dealt in on Regulated Market. Subject to the following conditions, such transactions may be made for hedging purposes and for other purposes.

i) Hedging

aa) Risks relating to movement of stock markets

As a hedge against risk of unfavourable stock market movements, the Company may sell futures on stock market indices or other financial instruments or indices. For the same purpose, the Company may sell call options or buy put options on stock market indices. The objective between these hedging operations assumes that a sufficient correlation exists between the composition of the index used and the Company's corresponding portfolios. The total commitment relating to futures and options relating to stock market indices may not exceed the total valuation of securities held by the Underlying Fund in the market corresponding to each index.

bb) Hedging interest rates

As a hedge against interest rate fluctuations, the Company may sell interest rate futures contracts. For the same purpose, it can also sell call options or buy put options on interest rates or make interest rate swaps on a mutual agreement basis with first class financial institution specialising in this type of transaction.

The total commitment on interest rate futures contracts, options contracts on interest rates and interest rate swaps may not exceed the total valuation of the assets and liabilities to be hedged by the Underlying Fund in the currency corresponding to these contracts.

ii) Trading – Non-hedging Transactions

Besides option contracts on transferable securities and contracts on currencies, the Company may, for a purpose other than hedging:

- aa) buy and sell futures contracts and options contracts, on any type of financial instrument, provided that the total commitment arising on these purchase and sale transactions, together with the total commitment arising on the sale of call and put options on transferable securities mentioned under paragraphs 1)a)ii) above, 1)b)ii)bb) below and 1)c) below in respect of the Underlying Fund, at no time exceeds the Net Asset Value of the Underlying Fund.

Sales of call options on transferable securities for which the Company has sufficient cover are not included in the calculation of the total commitment referred to above.

In this context, the commitment arising on transactions that do not relate to options on transferable securities is defined as follows:

- the commitment arising on futures contracts is equal to the liquidation value of the net position of contracts relating to identical financial instruments (after netting between purchase and sale positions), without taking into account the respective maturity dates; and
- the commitment relating to options bought and sold is equal to the sum of the exercise prices of those options representing the net uncovered sales positions in respect of the same underlying asset, without taking into account the respective maturity dates.

The total of premiums paid to acquire call and put options as described above, together with the total of the premiums paid to acquire call and put options on transferable securities as described under paragraph 1)a) above, may not exceed in respect of Underlying Fund 15% of the net assets of the Underlying Fund.

- bb) enter into swap contracts in which the Company and the counterparty agree to exchange the returns generated by a security, instrument, basket or index thereof for the returns generated by another security, instrument, basket or index thereof. The payments made by the Company to the counterparty and vice versa are calculated by reference to a specific security, index or instrument and an agreed upon notional amount. The relevant indices include, but are not limited to, currencies, fixed interest rates, prices and total return on interest rate indices, fixed income indices, stock indices, and commodity indices.

The Company may enter into swap contracts relating to any financial instrument or index provided that the total commitment arising from such transactions together with the total commitments mentioned under paragraph 1)a)ii) above, 1)b)ii)aa) above and 1)c) below in respect of the Underlying Fund at no time exceeds the Net Asset Value of the Underlying Fund and the counterparty to the swap contract is first class financial institution that specialises in that type of transaction.

In this context, the commitment arising on a swap transaction is equal to the value of the net position under the contract marked to market daily. Any accrued, but unpaid, net amounts owed to a swap counterparty will be covered by cash or transferable securities.

c) Forward Purchase Settlement Transactions

The Company may, to a limited extent and within the limits set forth below, enter into forward purchase settlement transactions for the purpose of efficient portfolio management or hedging with broker-dealers who make markets in these transactions and who are first class financial institutions that specialises in these types of transaction and are participants in the over-the-counter markets; such transactions consist of the purchase of debt securities at their current price with delivery and settlement at a specific future date (which could be in two to twelve months' time).

As settlement date approaches, the Company may agree with the relevant broker-dealer either to sell the debt securities back to such broker-dealer or to roll the trade over for a further period with any gains or loss realised on the trade paid to, or received from, the broker-dealer. Such transactions are, however, entered into by the Company with a view to acquiring the relevant debt securities.

The Company will pay customary fees to the relevant broker-dealer in order to finance the cost to such broker-dealer of the delayed settlement.

The total commitment arising on these forward purchase settlement transactions together with the total commitment arising on the transactions, referred to under paragraphs 1)a)ii) and 1)b)ii) above in respect of the Underlying Fund at no time exceed the Net Asset Value of the Underlying Fund.

The Company must also at all times have sufficient liquid assets available to meet the commitments arising on such transactions and redemption requests.

2) Currency Hedging

In order to protect its present and future assets and liabilities against the fluctuation of currencies, the Company may enter into transactions the object of which is the purchase or the sale of forward foreign exchange contracts, the purchase or the sale of call options or put options in respect of currencies, the purchase or the sale of currency forwards or the exchange of currencies on a mutual agreement basis provided that these transactions be made on a Regulated Market.

The objective of transactions referred to above presupposes the existence of a direct relationship between the contemplated transaction and the assets and liabilities to be hedged and implies that, in principle, transactions in a given currency may not exceed the total valuation of such assets and liabilities nor may they, as regards their duration, exceed the period in which such assets are held or anticipated to be acquired or for which such liabilities are incurred or anticipated to be incurred.

In case a certain currency is not sufficiently correlated with other currencies in the same Sub-fund, transactions concluded in this currency should neither exceed the value of the Sub-fund's assets that are denominated in this currency nor the holding period or residual maturity of these assets. If there is a sufficient correlation, the currency risk can also be hedged by selling a currency with which the currency in which the assets are denominated is closely correlated. In this case the volume of these transactions in a specific currency may not exceed the total value of this Sub-fund in all currencies which closely correlate to the currency concerned, and the maturities of these transactions may not exceed the duration of the Sub-fund. Correlating currencies are those currencies belonging to the same currency bloc as defined below:

European currency bloc: EUR Pounds Sterling currency bloc: GBP Dollar currency bloc: USD, SGD, HKD, TWD. The Company is responsible for the composition of each currency bloc.

GLOSSARY OF TERMS

| | |
|---------------------------------|---|
| “Authority” | means the Monetary Authority of Singapore |
| “CPF” | means Central Provident Fund |
| “Business Day” | means any day other than Saturday or Sunday on which commercial banks in Singapore are generally open for business, or where the context expressly requires, any day other than Saturday or Sunday on which commercial banks in Singapore or elsewhere are generally open for business, or any other day as the Manager and the Trustee (where applicable) may agree in writing |
| “Deposited Property” | means all of the assets for the time being comprised in the Fund or the Underlying Fund for account of the Fund or the Underlying Fund excluding any amount for the time being standing to the credit of the distribution account of the Fund or the Underlying Fund as the case may be |
| “Custodian of the PRULink Fund” | means Standard Chartered Bank (Singapore) Limited |
| “Custodian” | means RBC Investor Services Bank S.A. |
| “Investment” | means any share, stock, bond, note, debenture, debenture stock, warrant, option, securities, unit or sub-unit in a unit trust scheme, participation in a mutual fund or similar scheme, loan convertible into security, money market instrument, loan stock, certificate of deposits, deposits, commercial paper, promissory notes, treasury bills, fixed and floating rate instruments, bankers’ acceptance, derivative instruments including index future and forward currency exchange contract, swap, cap, collar, floor, sale and repurchase transaction or other derivatives or financial transaction or instruments or any other security which may be selected by the Manager for the purpose of investment of any Deposited Property or which may for the time being form part thereof |
| “Material Proportion” | in relation to Investments means such proportion of the Investments which when sold would in the opinion of the Manager in consultation with the Trustee (where applicable) cause the value of that Deposited Property to be significantly reduced |
| “NAV” | Net Asset Value |
| “PRULink Fund” | means any one of the PRULink Funds that is available to Prudential Singapore policyholders |
| “PRULink Funds” | means the whole range of investment-linked funds that are available to Prudential Singapore policyholders |
| “SRS” | means the scheme referred to by the Ministry of Finance of Singapore as the Supplementary Retirement Scheme or such other scheme as shall replace or supersede the Supplementary Retirement Scheme from time to time |



Prudential Singapore, an indirect wholly-owned subsidiary of UK-based Prudential plc, is one of Singapore's leading life insurance companies. We have been serving the financial needs of Singapore for over 90 years, delivering a suite of product offerings and professional advisory through our network of more than 5,000 financial consultants and our bank partners. We are one of the market leaders in protection, savings and investment-linked plans with S\$49.4 billion funds under management as at 31 December 2022.

Call your Prudential Financial Consultant or our PruCustomer Line at 1800 333 0333
www.prudential.com.sg