



# PRUPrime CIO Fund Information Booklet

June 2026

PRUPrime CIO Conservative Fund

PRUPrime CIO Balanced Fund

PRUPrime CIO Growth 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 Prudential (i.e. PRUPrime CIO or PRULink) investment-linked policies. **Investors should note that this Fund Information Booklet must be read together with the accompanying Product Summary and 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 Representatives before making a commitment to purchase the product. In the event an investor chooses not to seek advice from a Prudential Financial Representative, 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 the Fund and/or Underlying Fund. Neither the Fund nor 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 units 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 organised 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 unit 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 unit 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 organised 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" 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 6 of this Fund Information Booklet.

This Fund Information Booklet does not represent a contract.

**PRUPrime CIO Conservative Fund  
PRUPrime CIO Balanced Fund  
PRUPrime CIO Growth Fund**

**Table of Contents**

| <b>Contents</b>   | <b>Page</b> |
|---|-------------|
| 1. The PRUPrime CIO Funds .....   | 4           |
| 2. The Product Provider.....  | 4           |
| 3. The Manager and the Investment Adviser of the Funds.....   | 4           |
| 4. The Manager, the Management Company, the Investment Manager and the Investment Adviser of the Underlying Fund(s) ..... | 4           |
| 5. The Auditor.....   | 10          |
| 6. Risks .....  | 10          |
| 7. Subscription of Units.....   | 21          |
| 8. Withdrawal of Units .....  | 22          |
| 9. Switching of PRUPrime CIO or PRULink Fund(s).....  | 23          |
| 10. Obtaining Prices of Units .....   | 23          |
| 11. Suspension of Dealing.....  | 24          |
| 12. Soft Dollar Commissions or Arrangements .....   | 25          |
| 13. Conflicts of Interest.....  | 25          |
| 14. Reports .....   | 26          |
| 15. Other Material Information.....   | 26          |
| Schedule 1 – PRUPrime CIO Conservative Fund (Accumulation).....   | 28          |
| Schedule 2 – PRUPrime CIO Balanced Fund (Accumulation).....   | 31          |
| Schedule 3 – PRUPrime CIO Growth Fund (Accumulation).....   | 34          |
| Appendix 1 – Additional Disclosure relating to China Investment Risk .....  | 37          |
| Appendix 2 – Risks regarding the Underlying Fund's holdings in Gold.....  | 47          |
| GLOSSARY OF TERMS .....   | 50          |

This Fund Information Booklet does not represent a contract.

**PRUPrime CIO Conservative Fund**  
**PRUPrime CIO Balanced Fund**  
**PRUPrime CIO Growth Fund**

## 1. The PRUPrime CIO Funds

The following funds are currently being offered:

1. PRUPrime CIO Conservative Fund (refer to Schedule 1 for more information)
2. PRUPrime CIO Balanced Fund (refer to Schedule 2 for more information)
3. PRUPrime CIO Growth Fund (refer to Schedule 3 for more information)

The above funds are to be referred to in this Fund Information Booklet as the “**Funds**” and each “**Fund**”. Each Fund has its own investment objective and risks.

The Underlying Funds are collectively referred to in this Fund Information Booklet as the “**Underlying Funds**” and each an “**Underlying Fund**”.

## 2. 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 in respect of the Funds (“**Product Provider**” includes the correlative meanings “**we**”, “**us**” and “**our**”).

## 3. The Manager and the Investment Adviser of the Funds

### 3.1 The Manager

Prudential Assurance Company Singapore (Pte) Limited (the “**Manager**”) whose registered office is 30 Cecil Street, #30-01, Prudential Tower, Singapore 049712. The Manager is regulated by the Monetary Authority of Singapore.

The Manager is one of the top life insurance companies in Singapore, serving the financial and protection needs of the country's citizens for 90 years. The company has an AA- Financial Strength Rating from leading credit rating agency Standard & Poor's, with S\$66.3 billion funds under management as at 31 December 2025.

*Source: Prudential Assurance Company Singapore (Pte) Limited as at 31 December 2025*

### 3.2 The Investment Adviser

Prudential Investment Management Private Limited (“**PIM**”), a member of the Prudential Group, was incorporated on 02 March 2023 and is based in Singapore and offers non-discretionary investment management advisory services to Prudential Assurance Singapore (Pte) Limited.

*Source: Prudential Investment Management Private Limited as at 31 December 2025*

*Past performance of the Manager and Investment Adviser is not necessarily indicative of their future performance.*

## 4 The Manager, the Management Company, the Investment Manager and the Investment Adviser of the Underlying Fund(s)

### 4.1 Amundi Luxembourg S.A.

Amundi Luxembourg S.A. has been designated to act as management company. The Management Company has been incorporated on 20 December 1996. Its registered office is established in Luxembourg.

The Management Company is responsible for investment management, administrative services, marketing services and distribution services.

The Investment Manager is responsible for day-to-day management of the Underlying Funds. Upon request of the Management Company, the Investment Manager may provide advice and assistance to the board in setting investment policy and in determining related matters for the Underlying Funds.

*Source: Amundi Luxembourg S.A. as at 18 December 2025*

*Past performance of the Management Company and the Investment Managers is not necessarily indicative of their future performance.*

|  |  |
|--|--|
| <b>Management Company of the Underlying Fund(s)</b>  | Amundi Luxembourg S.A.   |
| <b>Investment Manager of the Underlying Funds(s)</b> | <p><u>Amundi Asset Management</u><br/>The Management Company has delegate its asset management function of Amundi Core MSCI Europe to Amundi Asset Management, with registered office at 91-93 Boulevard Pasteur 75015 Paris.</p> <p><u>Amundi Japan Ltd</u><br/>The Management Company has appointed Amundi Japan Ltd as Investment Manager of Amundi Core MSCI Japan. Amundi Japan Ltd is a limited corporation incorporated in Japan with registered office at 1-2-2 Uchisaiwaicho, Chiyoda-ku, Tokyo 100-0011.</p> |
| <b>Underlying Fund(s)</b>                            | Amundi Core MSCI Europe<br>Amundi Core MSCI Japan  |
| <b>Country of Domicile of Underlying Fund(s)</b>     | Luxembourg   |

#### 4.2.1 Eastspring Investments (Luxembourg) S.A.

Eastspring Investments (Luxembourg) S.A., a public limited company incorporated under the laws of the Grand Duchy of Luxembourg (the “Manager”), has been appointed as the Manager for the Underlying Funds.

The Manager was incorporated on 20 December 2012 and is regulated by the Commission de Surveillance du Secteur Financier (“CSSF”). The Manager has been managing collective investment schemes or discretionary funds since 2013.

The Investment Manager is an ultimately wholly-owned subsidiary of Prudential plc (“Prudential”). The Investment 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 March 2026*

*Past performance of the Manager and the Investment Manager is not necessarily indicative of their future performance.*

|  |   |
|--|---|
| <b>Manager of the Underlying Fund(s)</b>             | Eastspring Investments (Luxembourg) S.A.  |
| <b>Investment Manager of the Underlying Funds(s)</b> | <u>Eastspring Investments (Singapore) Limited</u><br>Eastspring Investments (Singapore) Limited is subject to the responsibility, supervision and direction of the board of directors of the Management Company, to manage the assets and the investment and reinvestment of the cash and other assets of the Underlying Funds. |
| <b>Underlying Fund(s)</b>                            | Eastspring Investments – Asian Equity Income Fund<br>Eastspring Investments – Asia Select Bond Fund   |
| <b>Country of Domicile of Underlying Fund(s)</b>     | Luxembourg  |

#### 4.2.2 Eastspring Investments (Singapore) Limited

Eastspring Investments (Singapore) Limited (the "Manager"), whose registered office is at 7 Straits View #09-01, Marina One East Tower, Singapore 018936. The Manager is regulated by the MAS.

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\$214.51 billion of which approximately S\$182.45 billion are discretionary funds managed in Singapore as at 31 December 2025.

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 March 2026*

*Past performance of the Manager is not necessarily indicative of their future performance.*

|  |  |
|--|--|
| <b>Manager of the Underlying Fund(s)</b>         | Eastspring Investments (Singapore) Limited |
| <b>Underlying Fund(s)</b>                        | Eastspring SGD Cash Fund                   |
| <b>Country of Domicile of Underlying Fund(s)</b> | Singapore                                  |

#### 4.3 FIL Investment Management (Luxembourg) S.A

FIL Investment Management (Luxembourg) S.A. has established a branch in Ireland in accordance with the UCITS Regulations on 23 March 2022, which acts as management company to the ICAV (with effect from 1 June 2022). It is a branch of FIL Investment Management (Luxembourg) S.A., a company incorporated under Luxembourg law with the registered office of the branch situated at George's Quay House, 43 Townsend Street, Dublin 2, Ireland and head office of the Manager at 2a, Rue Albert Borschette, L-1246, Luxembourg. The Manager was incorporated for an indeterminate period in Luxembourg in the form of a joint stock company (i.e. a société anonyme), in accordance with the Law of the 10 of August

1915 on Commercial Companies, is capitalised to the amount of €500,000 and is a wholly owned subsidiary of FIL Limited.

FIL Investment Management (Luxembourg) S.A. is regulated by the Commission de Surveillance du Secteur Financier in Luxembourg and authorised to act as a management company to UCITS and as an AIFM. The Manager's main business is the provision of fund management services to collective investment undertakings such as the Fund.

Source: Fidelity International, as at 10 March 2026

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

|   |   |
|---|---|
| <b>Manager of the Underlying Fund(s)</b>            | FIL Investment Management (Luxembourg) S.A ., (Ireland Branch)  |
| <b>Investment Manager of the Underlying Fund(s)</b> | <u>Geode Capital Management LLC</u><br>Geode Capital Management, LLC has been appointed to act as Investment Manager to the Underlying Fund. The Investment Manager is registered for the provision of asset management services with the US Securities Exchange Commission in the United States of America. The Investment Manager acts as investment manager or investment adviser to a range of collective investment schemes. |
| <b>Underlying Fund(s)</b>                           | Fidelity S&P500 Index Fund  |
| <b>Country of Domicile of Underlying Fund(s)</b>    | Ireland   |

#### 4.4 Goldman Sachs Asset Management B.V.

Goldman Sachs Asset Management B.V. acts as the designated management company (the "Management Company") according to the "UCITS Directive" (i.e. Directive 2009/65/EC of the European Parliament and of the Council on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as amended and supplemented from time to time, including by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014) which responsibilities include, but are not limited to, the day to day operations of the Underlying Fund(s) and collective portfolio management of the assets of the Underlying Fund(s). The corporate object of the Management Company include portfolio management on behalf of third parties including UCITS and alternative investment funds. The Management Company has, in compliance with the legislation and regulations currently in force and with the approval of the Board.

The Management Company is domiciled and has its corporate seat in The Hague, The Netherlands and has its registered address at: Prinses Beatrixlaan 35, 2595AK, The Hague. The Management Company is a private company with limited liability incorporated under the laws of the Netherlands and is authorised in the Netherlands by the Autoriteit Financiële Markten (the "AFM") as a manager of alternative investment funds and as a management company of UCITS. In addition, the Management Company is authorised by the AFM to perform discretionary portfolio management, to provide investment advice and to receive and transmit orders in financial instruments. The Management Company acts as the designated management company of the Underlying Fund(s) on a cross-border basis under the freedom to provide services of the UCITS Directive. The Management Company has been managing funds since 23 August 1996.

The Management Company has delegated certain investment management functions in relation to each of the Portfolios to Goldman Sachs Asset Management International (“GSAMI” or the “Investment Adviser”). The Investment Adviser will be responsible to the Management Company in respect of the management of the investment of the assets of the Underlying Funds in accordance with their investment objectives and policies subject always to the supervision and direction of the Management Company.

GSAMI is domiciled in the United Kingdom and is authorised and regulated by the FCA. GSAMI has been managing collective investment schemes and/or discretionary funds for more than 31 years since 24 October 1990.

*Source: GSAM, as at 17 December 2025*

*Past performance of the Management Company and Investment Advisor is not necessarily indicative of its future performance.*

|   |   |
|---|---|
| <b>Management Company of the Underlying Fund(s)</b> | Goldman Sachs Asset Management B.V  |
| <b>Investment Adviser of the Underlying Fund(s)</b> | <u>Goldman Sachs Asset Management International</u><br>The Management Company has delegated certain investment management functions in relation to the Underlying Fund(s) to Goldman Sachs Asset Management International (“GSAMI” or the “Investment Adviser”). The Investment Adviser will be responsible to the Management Company in respect of the management of the investment of the assets of the Underlying Fund(s) in accordance with its investment objectives and policies subject always to the supervision and direction of the Management Company. GSAMI is domiciled in the United Kingdom and is authorised and regulated by the FCA. GSAMI has been managing collective investment schemes and/or discretionary funds for more than 31 years since 24 October 1990. |
| <b>Underlying Fund(s)</b>                           | Goldman Sachs Europe CORE Equity Portfolio<br>Goldman Sachs Global Credit Portfolio (Hedged)  |
| <b>Country of Domicile of Underlying Fund(s)</b>    | Luxembourg  |

#### 4.5 Lion Global Investors Limited

Lion Global Investors Limited (Company Registration Number 198601745D) has been appointed the Manager of the Underlying Fund. It’s registered office is at 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513.

In accordance with the provisions of the Deed, in the event Lion Global Investors Limited become insolvent, the Trustee may by notice in writing (i) remove Lion Global Investors Limited as managers of the Underlying Fund and / or (ii) terminate the Underlying Fund.

Lion Global Investors Limited was incorporated in Singapore on 22 August 1986 and is a member of the Oversea-Chinese Banking Corporation Limited (OCBC) Group with total assets under management of S\$78.2 billion (US\$60.8 billion) as at 31 December 2025.

Lion Global Investors Limited is 70% owned by Great Eastern Holdings Limited and 30% owned by Orient Holdings Private Limited, both subsidiaries of OCBC Bank. Besides Singapore, they have a regional office in Brunei.

Lion Global Investors Limited hold a capital markets services licence for fund management issued by the MAS and are regulated by the MAS.

Lion Global Investors Limited have been managing collective investment schemes and discretionary funds in Singapore since 1987 and investment-linked product funds since 1996.

*Source: Lion Global Investors, as at 31 December 2025*

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

|  |   |
|--|---|
| <b>Manager of the Underlying Fund</b>            | Lion Global Investors Limited           |
| <b>Underlying Fund(s)</b>                        | LionGlobal Singapore Physical Gold Fund |
| <b>Country of Domicile of Underlying Fund(s)</b> | Singapore                               |

#### 4.6 T. Rowe Price International Ltd

T. Rowe Price (Luxembourg) Management S.à r.l. (the "Management Company"), a société à responsabilité limitée incorporated under the laws of the Grand Duchy of Luxembourg acts as the management company of the Underlying Fund. The Management Company was incorporated on 5 April 1990 and is regulated by the Commission de Surveillance du Secteur Financier.

The Management Company has responsibility for investment management services, administrative services and distribution services. The activities of the Management Company are supervised and coordinated by the conducting officers of the Management Company. The management company is subject to Chapter 15 of the 2010 Law.

The Management Company has the option of delegating to third parties some or all of its responsibilities, subject to applicable laws and the consent and supervision of the board. For example, so long as it retains control and supervision, the Management Company can appoint one or more investment managers to handle the day-to-day management of fund assets, or one or more advisers to provide investment information, recommendations and research concerning prospective and existing investments. The Management Company can also appoint various service providers.

The Management Company has appointed T. Rowe Price International Ltd (the "investment manager") as Investment Manager for the funds.

The Investment Manager is responsible for day-to-day management of the funds. The Investment Manager is regulated by the UK Financial Conduct Authority (the "FCA"). The investment manager is domiciled in the UK and has been authorised by the FCA to manage collective investment schemes and discretionary funds since 2001.

*Source: T. Rowe Price, as at 22 April 2026*

*Past performance of the Management Company and the Investment Manager is not necessarily indicative of its future performance.*

|  |  |
|--|--|
| <b>Management Company of the Underlying Fund</b> | T. Rowe Price (Luxembourg) Management S.à r.l.   |
| <b>Investment Manager of the Underlying Fund</b> | <p><u>T. Rowe Price International Ltd</u><br/>The management company has appointed T. Rowe Price International Ltd as investment manager for the Underlying Fund.</p> <p>The investment manager is responsible for day-to-day management of the Underlying Fund. The investment manager is regulated by the UK Financial Conduct Authority (the "FCA"). The investment manager is domiciled in the UK and has been authorised by the FCA to manage collective investment schemes and discretionary funds since 2001.</p> |
| <b>Underlying Fund(s)</b>                        | T.Rowe Price Funds SICAV – US Structured Research Equity Fund  |
| <b>Country of Domicile of Underlying Fund(s)</b> | Luxembourg   |

## 5. 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.

## 6. Risks

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

### 6.1 General Risks

Investors should consider and satisfy themselves as to the risks of investing in the Funds. Investment in the Funds is meant 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 Funds, and the income from them, may fall or rise and investors may not get back their original investment. Generally, some of the risk factors that should be considered by the investors of the Funds are liquidity and repatriation risks. The default in payment by an issuer of any instrument held by the Underlying Funds may affect the Underlying Funds' ability to meet their payment obligations to the Funds.

To the extent that the Underlying Fund invests directly or indirectly in securities or other assets, it is exposed to various general trends and tendencies in the economic and political situation as well as securities markets and investment sentiment, which are partially attributable to irrational factors. Such factors could lead to substantial and longer-lasting drops in securities prices affecting the entire market and the value of the Underlying Fund's investments may be negatively affected.

All investments involve risks and there can be no guarantee against loss resulting from an investment in any units of the Funds, nor can there be any assurance that the Underlying Funds' 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.

Investment in an Underlying Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Past performance should not be seen as an indication of how a fund will perform in the future and cannot in any way provide a guarantee of future returns.

### **Investment and trading risks**

An investment in an Underlying Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. An Underlying Fund may, depending on its investment policy, invest in and actively trade commodity indices through financial derivative instruments, securities, currencies and other financial instruments using strategies and investment techniques with significant risk characteristics, including, without limitation, risks arising from the volatility of commodity, equity, fixed income, currency and other financial markets, risks arising from the potential illiquidity of financial derivative instruments, the risk of loss from counterparty defaults, the risks of borrowing (including for purposes of making investments and to meet redemption requests), and risks associated with making investments in different country markets. These risks may be amplified by the use of leverage.

An Underlying Fund's investment programme may utilise, directly or indirectly, such investment techniques as option transactions, leverage, financial derivative instruments transactions, forward and futures contracts, margin transactions, short sales, repurchase agreements and reverse repurchase agreements, and other transactions involving hedging or other strategies. Such practices involve substantial volatility and can substantially increase the adverse impact to which an Underlying Fund may be subject. All investments made by an Underlying Fund risk the loss of capital. No assurance can be given that an Underlying Fund will be able to locate suitable investment opportunities in which to deploy all its capital. A reduction in the volatility and pricing inefficiency of the markets in which an Underlying Fund seeks to invest, as well as other market factors, may reduce the number and scope of available opportunities for the Underlying Fund's investment strategies..

### **Geo-political risks**

Investments by an Underlying Fund in different country markets involve particular risks. Such risks may include political and economic developments, the imposition of exchange controls, confiscation and other governmental restrictions. An Underlying Fund's investments across different country markets may offer potential benefits not available from investments concentrated in a single country market, but also involve certain significant risks that are not typically associated with investing in a single country market.

Different country markets are subject to varying accounting, auditing and financial reporting standards, practices and requirements. The volume of trading, the volatility of prices and the liquidity of securities may vary across different country markets. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and markets differs throughout the world.

### **Currency Risk**

If an Underlying Fund, directly or indirectly (including through financial derivative instruments), holds assets denominated in currencies other than its reference or base currency, or if an Underlying Fund is denominated in a currency other than its reference or base currency (each a "foreign currency"), it is exposed to currency risk. Where foreign currency positions have not been hedged, or where there are changes in relevant exchange control regulations, the net asset value of the Underlying Fund may be adversely affected. Any devaluation of a foreign currency against the reference or base currency would cause the value of assets denominated in that foreign currency to decline and may have an adverse impact on the Underlying Fund and/or investors.

Subject to the specific investment restrictions of an Underlying Fund, the Management Company may use financial derivative instruments to hedge foreign currency exposure, and currency hedging transactions may be entered into in relation to one or more Underlying Funds. Hedging

may be used, in particular, to reflect different currency-hedged share classes of an Underlying Fund.

### **Active Currency Positions Risk**

The Underlying Fund may implement active currency derivative positions that may not be correlated with the underlying securities positions held by the Underlying Fund. Therefore, such Underlying Fund may suffer a significant or total loss even if there is no loss of the value of the underlying securities positions (eg. equities, debt securities) held by the Underlying Fund.

### **Asset Allocation Risk**

The performance of the Underlying Fund is partially dependent on the success of the asset allocation strategy employed by that Underlying Fund. There is no assurance that the strategy employed by the Underlying Fund will be successful and therefore the investment objective of the Underlying Fund may not be achieved. The investments of the Underlying Fund may be periodically rebalanced and therefore that Underlying Fund may incur greater transaction costs than the Underlying Fund with static allocation strategy.

### **Capital Risk**

There is a risk that the capital of an Underlying Fund may decrease. Excessive redemptions of units of an Underlying Fund, or distributions that exceed realised capital gains and other income or returns on investments, may have the same effect. A reduction in the capital of an Underlying Fund could render the management of the Underlying Fund unprofitable, which may lead to the liquidation of the Underlying Fund and result in losses to investors.

### **Certificate Investments Risk**

Certain investments of an Underlying Fund may be made through certificates or other structured instruments. Such instruments typically confer contractual rights, subject to their respective terms and conditions, to receive payment of a specified amount of money or delivery of certain assets on a settlement date. The extent to which performance-linked payments may be received depends on various factors, including the performance of the underlying asset during the term of the instrument or its value on specified observation dates.

Investments through certificates or similar instruments expose an Underlying Fund to risks inherent in the contractual counterparty to the transaction, including credit risk, counterparty risk, settlement default risk and instrument-specific risk. Additional risks include general market risk, liquidity risk and, where applicable, currency risk. Such instruments are generally not supported by collateral, other assets or third-party guarantees, and any loss arising from such investments may adversely affect the Underlying Fund.

### **Changes in Underlying Conditions Risk**

Over time, the underlying conditions (e.g. economic, legal or tax) within which an investment is made may change. This could have a negative effect on the investment and on the treatment of the investment by the investors.

### **Changes to the Underlying Fund Risk**

The investment policy and other basic aspects of an Underlying Fund may be changed whenever permitted. In particular, a change to the investment policy within the permitted range may change the risk profile associated with such Underlying Fund. Such changes may have a negative impact on the performance of the Underlying Fund.

### **Company-Specific Risk**

The value of an Underlying Fund's assets (in particular of securities and money-market instruments directly or indirectly held by such Underlying Fund) may be affected by company-specific factors (e.g., the issuer's business situation). If a company-specific factor deteriorates, the price of the respective asset may drop significantly and for an extended period of time,

possibly without regard to an otherwise generally positive market trend. This may have an adverse impact on the Underlying Fund and/or the investor.

### **Concentration Risk**

If an Underlying Fund focuses its investments on certain markets, types of investments, particular countries, regions, or industries, this may reduce risk diversification. Consequently, such Underlying Fund may be particularly dependent on the development of these investments, markets or related markets, individual or interdependent countries or regions, industries or industries that influence each other, or assets exposed to such markets, countries, regions or industries. As such, the Underlying Fund is likely to be more volatile than a fund that has a more diversified investment strategy. It may be more susceptible to fluctuations in value resulting from a limited number of holdings or the impact of adverse conditions on a particular investment or market. This may have an adverse impact on the performance of the Underlying Fund and consequently adversely affect an investor's investment in the Underlying Fund.

### **Counterparty Risk**

The Underlying Funds will be subject to the risk of the inability of any counterparty to perform its obligations with respect to transactions with the Underlying Funds, whether due to its own insolvency or that of others, bankruptcy, market illiquidity or disruption or other causes and whether resulting from systemic or other reasons.

Some of the markets in which an Underlying Fund may effect transactions are "over-the-counter" (or "interdealer") markets. The participants in such markets are typically not subject to the same credit evaluation and regulatory oversight as are members of "exchange-based" markets. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with such "over-the-counter" transactions. This exposes the relevant Underlying Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the relevant Portfolio to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the relevant Underlying Fund has concentrated its transactions with a small group of counterparties.

### **Country and Region Risk**

If an Underlying Fund focuses its investments on particular countries or regions, this may increase concentration risk. Consequently, such Underlying Fund is particularly susceptible to adverse developments and risks affecting individual or interdependent countries or regions, or assets based in or economically exposed to such countries or regions. Any adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event or development in such countries or regions may adversely impact the performance of the Underlying Fund and/or the value of Units held by investors. Economic or political instability in certain countries in which an Underlying Fund is invested may lead to a situation where such Underlying Fund does not receive part, or all, of the monies owed to it in spite of the solvency of the obligor of the relevant assets. Currency or transfer restrictions or other legal changes may have a significant effect.

In addition, Underlying Funds which focus on certain countries or regions may have a limited investment universe, resulting in reduced risk diversification compared to more broadly invested funds. The smaller the respective country or region, the more limited the investment universe and the more limited the diversification of the Underlying Fund may be. Limited diversification may increase the impact of price movements of individual securities acquired for the Underlying Fund.

### **Credit risk**

A bond or money market security may lose value if the credit quality or ability to meet payment obligations associated with the relevant asset deteriorates. If the financial condition of the relevant obligor weakens, or if the market believes that it may weaken, the value of the bond or

money market security may fall. The lower the credit quality of the debt instrument, the greater the credit risk. In some cases, an obligor may default even if general market conditions remain stable.

### **Credit Rating Risk**

Credit ratings of investment grade debt securities assigned by rating agencies (such as Fitch, Moody's and/or Standard & Poor's) are subject to limitations and do not guarantee the credit quality of a security or the ability of the relevant obligor to meet its obligations at all times.

### **Creditworthiness and Downgrading Risk**

The creditworthiness (ability to meet payment obligations) of an asset (in particular, a security or money-market instrument directly or indirectly held by the Underlying Fund) may decline. This generally leads to a decrease in the price of the affected asset that may be greater than that caused by general market fluctuations. In addition, there is a risk that the credit rating of certain debt securities may be downgraded due to adverse market conditions. The Underlying Fund may or may not be able to dispose of downgraded debt securities. This may lead to a decline in the Net Asset Value ("NAV") of the Underlying Fund and adversely affect its performance.

### **Custodial Risk**

Sub-custodians may be appointed in local markets for purpose of safekeeping assets in those markets. Where an Underlying Fund invests in markets where custodial and/or settlement systems are not fully developed, the assets of such Underlying Fund may be exposed to custodial risk. An Underlying Fund may be denied access, in whole or in part, to investments held in custody in the event of bankruptcy, negligence, wilful misconduct or fraudulent activity on the part of the Depository or sub-custodian. In such circumstances, an Underlying Fund may take a longer time or may even be unable to recover some of its assets (in extreme circumstances such as the retroactive application of legislation and fraud or improper registration of title), which may lead to significant losses for the Underlying Fund and consequently adversely affect an investor's investment in the Underlying Fund. The Custodial Risk may apply to assets as well as to collateral.

### **Dilution and Swing Pricing Risk**

The actual cost of purchasing or selling the underlying assets of an Underlying Fund may be different from the booking value of these assets in the Underlying Fund's valuation. The difference may arise due to dealing and other costs (such as taxes) and/or any spread between the buying and selling prices of the underlying assets. These dilution costs can have an adverse effect on the overall value of an Underlying Fund and thus the NAV per Unit may be adjusted in order to avoid disadvantaging the value of investments for existing Investors. The size of the adjustment impact is determined by factors such as the volume of transactions, the purchase or sale prices of the underlying assets and the valuation method adopted to calculate the value of such underlying assets of the Underlying Fund.

### **Equity risk**

Equities involve higher risks than bonds or money market instruments. Equity prices may decline rapidly and may remain at low levels for extended periods. Equities of rapidly growing businesses may be particularly sensitive to adverse developments, as a significant portion of their value may be based on expectations of future growth. Equities that appear to be undervalued may continue to be so. In the event of bankruptcy or financial restructuring relating to an equity investment, such equity may lose most or all of its value.

### **Inflation Risk**

Inflation risk is the risk that assets will lose value because of a decrease in the value of money. Inflation can reduce the purchasing power of income made on an investment in an Underlying Fund as well as the intrinsic value of the investment. This could have a negative effect on an investor's investment. Different currencies are subject to different levels of inflation risk.

### **Interest Rate Risks**

To the extent that an Underlying Fund invests directly or indirectly in debt securities, it is exposed to interest-rate risk. If market interest rates rise, the value of the interest-bearing assets held by the Underlying Fund may decline substantially and negatively affect the performance of such Underlying Fund. This applies to an even greater degree if such Underlying Fund also holds debt securities with a longer time to maturity and a lower nominal interest rate.

### **Key Personnel Risk**

The Underlying Fund that achieves very positive results in a certain period of time may owe this success to the aptitude of the traders and the correct decisions of their management. If staffing at a fund changes, new decision makers may have less success in managing the Underlying Fund's assets, which may have a negative impact on the performance of such Underlying Fund.

### **Legal Risk**

Legal risks can bear the risk of loss because of the unexpected application of a law or regulation or because a contract cannot be enforced. In case of collateralized transactions, there is the risk that the relevant insolvency law may impose a stay that prevents the collateral taker from liquidating the collateral, even if the collateral arrangement has been set up correctly.

### **Liquidity Risk**

Investments in securities in certain developing markets may be subject to higher volatility and lower liquidity compared to more developed markets. Even relatively small orders of illiquid securities can lead to significant price changes. If an asset is illiquid, there is the risk that the asset cannot be sold or can only be sold at a significant discount to the purchase price, or, conversely, its purchase price may increase significantly. Such price changes may adversely impact the NAV of an Underlying Fund.

### **Operational Risk**

The Underlying Fund may be exposed to a risk of loss which can arise, for example, from inadequate internal processes and from human error of system failure at the Underlying Fund, at the Management Company, at the Investment Manager, at the custodian or at external third parties. These risks can affect the performance of an Underlying Fund, can thus also adversely affect the net asset value per unit and the capital invested by the investor.

### **Performance Risk**

It cannot be guaranteed that the investment objective of an Underlying Fund or the investment performance desired by the investors will be achieved. The Net Asset Value per unit may fluctuate and may fall, causing investors to incur losses. Investors assume the risk of potentially receiving back a lesser amount of principal than they originally invested. No guarantees are issued by the Underlying Fund or any third party of any outcome for an investment in any of the Underlying Fund.

### **Settlement Risk**

There is a risk for investments in unlisted securities that the settlement will not be executed as expected by a transfer system owing to a delayed payment or delivery or payment not being made in accordance with the agreement. This may lead to a fall in the NAV of an Underlying Fund.

### **Sustainability Risk**

Sustainability Risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment. There is evidence that sustainability-related risks may materialise as asset-specific extreme loss risks. Such sustainability-related events typically occur with low frequency and probability but

may have a high financial impact and may lead to significant financial losses. Sustainability risks may have the potential to negatively influence the investment performance of portfolios.

The Management Company considers Sustainability Risks to be potential drivers of financial risk factors in investments, including market price risk, credit risk, liquidity risk and operational risk.

### **Valuation Risk**

Valuation of an Underlying Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Underlying Fund.

### **Exchange rate Risks**

Fluctuations in the exchange rates of investor's home country's currency and the currency of Units may cause the value of Units to go up or down in terms of investor's home country's currency. Investors may therefore be exposed to exchange rate risks. Some share classes of an Underlying Fund may provide a hedge for currency risks. The Underlying Fund may invest in assets denominated in currencies that are different from the Underlying Fund's base currency. This may expose investors to variations of the exchange rates of the different currencies to which the Underlying Fund is exposed.

For the Underlying Fund which implements a systematic hedging strategy where hedging will not be at the discretion of the relevant Investment Manager, a residual currency risk may exist due to the imperfection of the hedging. In this respect, the extent to which currency risks of the Underlying Fund will be hedged is at the discretion of the Investment Manager.

### **Derivatives Risks**

The Underlying Fund and the underlying scheme may use financial derivatives in accordance with the investment limits and restrictions set out in the Underlying Fund's Prospectus, the offering documents of the underlying scheme (for the underlying scheme). In adverse situations, the use of financial derivative instruments by an Underlying Fund or an underlying scheme may be ineffective in hedging, cash management and/or investment purposes and the relevant Underlying Fund or the relevant underlying scheme may suffer significant losses.

The use of financial derivative instruments may expose an Underlying Fund or an underlying scheme to a higher degree of risk. Derivatives may give rise to leverage and the risk of loss may be greater than the amount invested in the derivative and may expose the Underlying Fund or the underlying scheme to significant losses.

Derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can therefore increase the Underlying Fund's or the underlying scheme' volatility.

The use of financial derivative instruments may involve additional risks, for example, insolvency risk (risk that the counterparty may not have sufficient funds and files for bankruptcy), risk involved with effective management of derivative strategies (risk that the underlying investments in the derivatives-based investment strategy do not perform as expected), risk of mispricing or improper valuation of derivatives (operational risk that the derivative is not priced properly) and risk of higher volatility. In respect of an over-the counter derivative, additional counterparty and liquidity risks may be involved.

### **Financial Markets, Counterparties and Service Providers Risks**

The Underlying Fund may be exposed to risks associated with financial market participants that act as service providers or counterparts to financial contracts entered into by the Underlying Fund. In times of extreme market volatility, such participants may be adversely affected, which may in turn have an adverse effect on the operations and activities of the Underlying Fund. Regulators, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the

event of market emergencies. The impact of any future regulatory actions on the Underlying Fund may be substantial and adverse.

## **6.2 Risks specific to the Underlying Funds**

### **Index-based Investment Risk**

With respect to index-based investments, the composition of an index and the weighting of individual components may change during the time a position is held. Further, index levels are neither current nor based on current data. These factors can have negative effects on such investments.

### **Replication of index risk**

The Underlying Fund track indices that replicate the performance of underlying securities the prices of which change continuously and can fall based on a wide variety of factors. Due to the Underlying Fund's index-tracking objective, the performance of the Underlying Fund will follow the performance of their specific index whether their performance is rising or falling.

### **European Country Risk**

In light of the fiscal conditions and concerns regarding the sovereign debt of certain European countries, investments of the Underlying Fund in Europe may be subject to a number of risks arising from a potential crisis in Europe. The economic and financial difficulties in Europe may continue to get worse or spread within and outside Europe, and may lead to one or several countries exiting the Eurozone and/or exiting the European Union ("EU") or default of a sovereign within the Eurozone and/or within the EU, potentially resulting in the breakup of the EU, the Eurozone and the Euro. While the governments of many European countries (including the EU Member States), the European Commission, the European Central Bank, the International Monetary Fund and other authorities are taking measures (such as undertaking economic reforms and imposing austerity measures on citizens) to address the current fiscal conditions and concerns, these measures may not have their desired effect, and the future stability and growth of Europe is therefore uncertain. The impact of such events on the Underlying Fund which are denominated in Euro or which invest in instruments predominantly tied to Europe may be significant and the NAV of such Underlying Fund may be adversely affected by the increased risks (such as increased volatility, liquidity and currency risks associated with investments in Europe).

### **Emerging Markets Risk**

Investments in Emerging Markets are subject to greater liquidity risk, currency risk and general market risk. Increased risks may arise in connection with the settlement of securities transactions in Emerging Markets, especially as it may not be possible to deliver securities directly when payment is made. In addition, the legal, taxation and regulatory environment, as well as the accounting, auditing and reporting standards in Emerging Markets may deviate substantially to the detriment of the investors from the levels and standards that are considered standard international practice. Increased custodial risk in Emerging Markets may also arise, which may, in particular, result from differing disposal methods for acquired assets. Such increased risks may have an adverse impact on the Underlying Fund and/or the investors.

### **Concentration Risk**

To the extent that the Underlying Fund invests a large portion of its assets in a limited number of industries, sectors, or assets, or within a limited geographical area, it can be riskier than a fund that invests more broadly. When an Underlying Fund invests a large portion of its assets in a particular industry, type of bond, country or region, or in a series of closely interconnected economies, its performance will be more strongly affected by any business, economic, financial, market or political conditions affecting the area of concentration. This can result in both higher volatility and a greater risk of loss.

## **Leverage Risk**

The Underlying Fund's net exposure above the Underlying Fund net asset value makes its unit price more volatile.

## **Management Risk**

The Underlying Fund's management team may be wrong in its analysis, assumptions, or projections. This includes projections concerning industry, market, economic, demographic, or other trends.

## **Market Risk**

Prices of many securities change continuously, and can fall based on a wide variety of factors.

Examples of these factors include:

- political and economic news
- government policy
- changes in technology and business practices
- changes in demographics, cultures and populations
- natural or human-caused disasters
- weather and climate patterns
- scientific or investigative discoveries
- costs and availability of energy, commodities and natural resources

The effects of market risk can be immediate or gradual, short-term or long-term, narrow or broad. In particular, commodity market risk may experience significant, sudden price variations that have a direct effect on the valuation of units and securities that equate to the units in which an Underlying Fund may invest and/or indices that an Underlying Fund may be exposed to. Moreover, the underlying assets may evolve in a markedly different way from traditional securities markets (equity markets, bond markets etc.)

## **Asset-backed securities**

A Underlying Fund may invest in securities that represent an interest in a pool of assets such as mortgages ("mortgagebacked securities") and, subject to applicable law, credit card receivables or other types of loans ("asset-backed securities").

Payments of principal and interest on the underlying loans are passed through to the holders of such securities over the life of the securities. Most asset-backed securities (including mortgage-backed securities) are subject to early prepayment of principal, which can be expected to accelerate during periods of declining interest rates. Any such prepayments amounts received by the Fund as holder of the security can usually be reinvested only at the lower yields then prevailing in the market. Therefore, during periods of declining interest rates, these securities are less likely than other fixed income obligations to appreciate in value and less effective at locking in a particular yield. On the other hand, asset-backed securities (including mortgage-backed securities) are subject to substantially the same risk of depreciation during periods of rising interest rates as other fixed income securities. Mortgage and asset backed securities can also be subject to the risk of default on the underlying mortgages or other assets.

## **Investment in fixed income securities and risks of interest and exchange rate fluctuations**

The net asset value of the Underlying Fund invested in fixed income securities will change in response to fluctuations in interest rates and currency exchange rates which can be caused by a wide variety of market factors, including central bank monetary policy, inflation levels and changes in general economic conditions. Except to the extent that values are independently affected by currency exchange rate fluctuations, when interest rates decline, the value of fixed income securities generally can be expected to rise and vice versa. The performance of investments in fixed income securities denominated in a specific currency will also depend on the interest rate environment in the country issuing the currency. As the net asset value of each Underlying Fund will be calculated in its Base Currency, the performance of the Underlying Fund's investments not denominated in the Base Currency will also depend on the strength of

such currency against the Base Currency and the interest rate environment in the country issuing the currency. Absent other events that could otherwise affect the value of non-Base Currency investments (such as a change in the political climate or an issuer's credit quality), appreciation in the value of the non-Base Currency generally can be expected to increase the value of the Underlying Fund's corresponding non-Base Currency investments in terms of the Base Currency. A rise in interest rates or decline in the value of currencies other than the Base Currency relative to the Base Currency generally can be expected to depress the value of a Underlying Fund's non-Base Currency investments.

### **Use of Underlying Fund assets**

Financial derivative instruments transactions will generally require the use of a portion of a Underlying Fund's assets, as applicable, for margin or settlement payments or other purposes. For example, the Underlying Fund may from time to time be required to make margin, settlement or other payments in connection with the use of certain financial derivative instruments. Counterparties to any financial derivative instrument may demand payments on short notice. As a result, the Investment Adviser may liquidate Underlying Fund's assets sooner than it otherwise would have and/or maintain a greater portion of its assets in cash and other liquid securities than it otherwise would have, which portion may be substantial, in order to have available cash to meet current or future margin calls, settlement or other payments, or for other purposes. The Investment Adviser generally expects the Underlying Fund to earn interest on any such amounts maintained in cash, however, such amounts will not be invested in accordance with the investment objective of the Underlying Fund, which may materially adversely affect the performance of the Underlying Fund. Moreover, due to market volatility and changing market circumstances, the Investment Adviser may not be able to accurately predict future margin requirements, which may result in the Underlying Fund holding excess or insufficient cash and liquid securities for such purposes. Where the Underlying Fund does not have cash or assets available for such purposes, it may be unable to comply with its contractual obligations, including without limitation, failing to meet margin calls or settlement or other payment obligations. If the Underlying Fund defaults on any of its contractual obligations, it and its Shareholders may be materially adversely affected. Although the Underlying Fund may enter into a financial derivative instrument in respect of a specific Share Class, for example for hedging purposes in respect of certain hedged Share Classes, any adverse effect described above in respect of such financial derivative instrument transaction will affect the Underlying Fund in respect of which the financial derivative instrument was not entered.<sup>r</sup>

### **Operational Risk**

In any country, but especially in emerging markets, there could be losses due to errors, service disruptions or other failures, as well as fraud, corruption, electronic crime, instability, terrorism or other irregular events. Operational risks may subject the Underlying Fund to errors affecting valuation, pricing, accounting, tax reporting, financial reporting, and trading, among other things. Operational risks may go undetected for long periods of time, and even if they are detected it may prove impractical to recover prompt or adequate compensation from those responsible

### **Disclosure on commodities**

The Underlying Fund may invest in exchange-traded commodities where the underlying may be a commodity or commodity index. Commodity sectors where exposures may be achieved include but are not limited to precious metals, industrial metals, agricultural goods or energy. Individual commodities within a specific commodity sector may be highly correlated with each other and correlation may be determined based on the price trends and historical returns of these individual commodities.

### **Small/Mid Capitalisation Companies Risk**

The securities of small/mid capitalisation companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many small/mid capitalisation company stocks trade less frequently and in smaller volume, and may be subject to more abrupt or erratic price movements than stocks of large

companies. The securities of small/mid capitalisation companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the net asset value of an underlying scheme (and thus the Net Asset Value of the relevant Underlying Fund's units).

### **Investments in the People's Republic of China ("PRC") Risk**

Investments in the PRC are currently subject to certain additional risks, particularly regarding the ability to deal in securities in the PRC. Dealing in certain PRC securities is restricted to licensed investors and the ability of the investor to repatriate its capital invested in those securities may be limited at times. Due to issues relating to liquidity and repatriation of capital, the manager of an underlying scheme may determine from time to time that making direct investments in certain securities may not be appropriate for an underlying scheme. As a result, the manager of an underlying scheme may choose to gain exposure to PRC securities indirectly and may be unable to gain full exposure to the PRC markets.

For further details, please refer to Appendix 1 – Additional Disclosure relating to China Investment Risk.

### **Model Risk**

Certain Index methodologies may use systematic investment processes that consist of quantitative mathematical models or systematic investment rules relying on patterns inferred from historical prices or performances, observed risk events and other financial data or indicators. These models and their underlying assumptions can reveal erroneous and therefore the objectives of the Index may be not fully achieved.

In respect of the Goldman Sachs Europe CORE® Equity Portfolio: The Investment Adviser employs sophisticated models, developed by Goldman Sachs, which select investments for the Portfolio. Investments selected using these models may perform differently than expected as a result of the design of the model, inputs into the model or other factors.

### **Risks associated with the use of Financial Derivative Instruments ("FDIs")**

The Underlying Funds may invest 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, operational risk and leverage risk.

Investments in derivatives may require the deposit of 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 Investment Manager has the necessary controls for investments in derivatives and have in place systems to monitor the derivative positions for the Underlying Fund.

The Investment Manager does not intend to use derivative transactions to optimize returns or in other words, for investment purposes but may use them for efficient portfolio management and/or risk management. Investors should refer to paragraph below for further information on the risks associated with derivatives and the risk management and compliance procedures and controls adopted by the Investment Manager in this respect. In particular, the investment in credit default swaps, volatility derivatives, asset backed securities and mortgage backed securities are subject to the following risk.

### **Risks regarding the Underlying Fund's holdings in Gold**

The price of gold may be volatile and may be affected by a wide range of factors including market sentiment, currency movements and macroeconomic conditions. The Underlying Fund's net asset value may have higher volatility due to its narrower investment focus in gold.

Further details of the risks are set out in Appendix 2 – Risks regarding the Underlying Fund's holdings in Gold.

The above should not be considered to be an exhaustive list of the risks which potential policyholders should consider before investing into the Fund. Potential investors should be aware that an investment in the Fund may be exposed to other risks of an exceptional nature from time to time.

Detailed above are investment risks applicable to the Underlying Fund(s) as set out in the latest prospectus (the “Prospectus”). If you need more information, kindly visit the following websites:

<https://www.troweprice.com>

<https://www.fidelity.com.sg>

<https://www.lionglobalinvestors.com>

<https://www.gsam.com>

<https://www.amundi.com>

<https://www.eastspring.com>

## 7. Subscription of Units

### 7.1 Initial Purchase Price and Initial Offer Period

PRUPrime CIO Conservative Fund (Accumulation), PRUPrime CIO Balanced Fund (Accumulation) and PRUPrime CIO Growth Fund (Accumulation) were launched on 3 June 2026 at an offer price of \$1.00. The Funds have an initial offer period from 3 June 2026 to 16 June 2026. During the period, the bid price will be fixed as \$0.95.

### 7.2 How to Buy Units

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

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

You must invest a minimum of 5% of your premium in any PRUPrime CIO or PRULink Funds you choose and thereafter invest in multiples of 5% of the premium.

A percentage of your premium is used to buy units at the bid price<sup>1</sup> in the PRUPrime CIO or PRULink Fund or PRUPrime CIO or PRULink Funds you have chosen.

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, 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 applied for.

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.

### 7.3 Dealing Deadline and Pricing Basis

Pricing of PRUPrime CIO or PRULink Funds is on a forward, bid-bid basis<sup>1</sup>.

If we receive your premium:

- a) by 3pm, we will use the bid price<sup>1</sup> calculated on the next Business Day; or
- b) after 3pm, we will use the bid price<sup>1</sup> calculated on the second Business Day following the day we receive your premium/application.

#### Example

If we receive your premium by 3pm on Monday, we will use Tuesday's bid price<sup>1</sup> to buy units in your account. If we receive your premium after 3pm on Monday, we will use Wednesday's bid price<sup>1</sup>.

<sup>1</sup>Note: The Fund offered under some products are on bid-offer spread. Please refer to the Product Summary and relevant fund documentation for more information.

### 7.4 Allotment of Units

Numerical example of units allotment:

$$\begin{array}{rcccc}
 \$1,000 & \times & 0\% & = & \$0 \\
 \text{Your Initial} & & \text{Premium} & & \text{Premium} \\
 \text{Investment} & & \text{Charge}^* & & \text{Charge}
 \end{array}$$

$$\begin{array}{rcccccc}
 \$1,000 & - & \$0 & = & \$1,000 & \div & \$1.00 & = & 1,000 \text{ units} \\
 \text{Your Initial} & & \text{Premium} & & \text{Net} & & \text{Bid} & & \text{No. of} \\
 \text{Investment} & & \text{Charge} & & \text{Investment} & & \text{Price}^1 & & \text{units you} \\
 & & \text{Amount} & & \text{Sum} & & & & \text{will receive}
 \end{array}$$

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

## 8. Withdrawal of Units

### 8.1 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 accepting the application.

### 8.2 Minimum Holdings Amount and Minimum Withdrawal 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.

### 8.3 Dealing Deadline and Pricing Basis

Pricing of PRUPrime CIO or PRULink Funds is on a forward, bid-bid basis<sup>1</sup>.

If we receive the withdrawal application:

- a) by 3pm, we will use the bid price calculated on the next Business Day; or

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

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

#### 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.

### 8.4 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 |

### 8.5 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.

## 9. Switching of PRUPrime CIO or PRULink Fund(s)

You can switch the units in your account into other PRUPrime CIO or PRULink Fund(s) that are available. The minimum amount allowed to switch out of a PRUPrime CIO or PRULink Fund is currently S\$200. The remaining units in the PRUPrime CIO or 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 PRUPrime CIO or PRULink Fund.

To make the switch, we sell the units in the old PRUPrime CIO or PRULink Fund at the bid price of that PRUPrime CIO or PRULink Fund and buy units in the new PRUPrime CIO or 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 if we accept your application.

## 10. Obtaining Prices of Units

The valuation of the Fund is dependent on the Underlying Fund and is valued correspondingly with the Underlying Fund on each Business Day ("**Pricing Date**") to work out the unit price. Prices of the PRUPrime CIO or PRULink Funds\* may currently be obtained from [www.prudential.com.sg](http://www.prudential.com.sg), 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.

## **11. Suspension of Dealing**

The Fund is not listed and you can withdraw your units only on Business Days. There is no secondary market for the units in the 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 any of the PRUPrime CIO or PRULink Funds (or the units there under) if the Manager of the Fund or Investment Manager of the Underlying Fund (where applicable) suspends the issue, withdrawal, exchange or other dealing in the units or units of the Fund or the Underlying Fund, or if we are required to do so by the Investment Manager or the Manager 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, there exists any state of affairs as a result of which withdrawal of deposits held for the account of the Fund or the realisation of any Material Proportion of the Investment for the time being constituting the relevant assets comprised in that PRUPrime CIO or PRULink Fund cannot be effected normally or without seriously prejudicing the interests of investors of that PRUPrime CIO or PRULink Fund as a whole;
- (iv) during any period during which there is, in the opinion of the 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, the transfer of funds which will or may be involved in the realisation 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 the PRUPrime CIO or PRULink Fund is a feeder fund or fund of funds, during any period when dealings in the units or units of the relevant fund or underlying fund(s) are restricted or suspended;
- (vii) any period when dealing in units is suspended pursuant to any order or direction of the Authority;
- (viii) 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 on [www.prudential.com.sg](http://www.prudential.com.sg), or such other publications or media as may from time to time be available.

## **12. Soft Dollar Commissions or Arrangements**

The Manager and the Investment Adviser of the Funds, and the Manager, the Management Company, the Investment Manager and the Investment Adviser of the Underlying Fund(s) (collectively, the "Related Parties"), may receive or enter into soft dollar commissions or arrangements in respect of the Funds or the Underlying Fund(s), as the case may be.

Any such soft dollar commissions or arrangements will be in compliance with applicable laws, regulations and industry standards and shall relate only to goods and services which are reasonably expected to assist the relevant Related Party in the provision of investment management or investment advisory services to the Funds or the Underlying Fund(s), as applicable.

Such goods and services may 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 measurement, market analyses, data and quotation services, computer hardware and software or 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 the analysis of trade execution, and custodial services 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 monetary payments.

The Related Parties shall not accept or enter into any such soft dollar commissions or arrangements unless (a) such arrangements would reasonably assist the relevant Related Party in the management of the Funds or the Underlying Fund(s), as the case may be, (b) the relevant Related Party ensures 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 Related Parties do not retain for their own account any cash or commission rebates arising out of transactions for the Funds or the Underlying Fund(s), whether executed in or outside Singapore.

## **13. Conflicts of Interest**

The Manager and the Investment Adviser of the Funds, and the Manager, the Management Company, the Investment Manager and the Investment Adviser of the Underlying Fund(s) (collectively, the "Related Parties"), may, in the ordinary course of business, have interests or be involved in activities which may give rise to conflicts of interest in relation to the Funds, the Underlying Fund(s) and their management.

Such conflicts may arise from, among other things, the nature and extent of any interest of the Related Parties or their directors in the Funds, the Underlying Fund(s) or any property acquired or proposed to be acquired by the Funds or the Underlying Fund(s), any affiliation between the Related Parties or their directors and entities which provide services to the Funds or the

Underlying Fund(s), or the management by the Related Parties of other funds with similar investment objectives or strategies.

The Related Parties may also be involved in other financial, investment and professional activities, including the management of other funds, product development, investment operations services, IT services, purchases and sales of securities, investment and management counselling, brokerage services, trustee, custodial and registrar services, and serving as directors, officers, advisers or agents of other funds or companies, including companies in which the Underlying Fund(s) may invest.

Each Related Party will endeavour to ensure that the performance of its duties will not be impaired by any such involvement.

Where any conflict of interest arises, the Related Parties shall endeavour to ensure that such conflict is resolved fairly and in the interests of investors, including by conducting transactions on an arm's length basis and, where applicable, ensuring that investment opportunities and transactions are allocated on a fair and equitable basis.

## **14. Reports**

The financial year-end of the PRUPrime CIO and 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](http://www.prudential.com.sg).

## **15. Other Material Information**

### **15.1 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 Managers of the Underlying Funds reserves the right to change the investment objectives of the Underlying Funds. However, 30 days' written notice will be given before doing so.

### **15.2 Right to Change Underlying Fund(s)**

The Manager or the Product Provider may at its sole discretion replace the Underlying Funds, which may be subject to applicable regulatory approval having been obtained and 30 days' prior written notice having been provided to you.

### **15.3 Duties and Obligations**

We may have to observe certain duties and obligations (which may require your 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 your co-operation, upon our request, to perform certain actions, so as to allow us to carry out these duties and obligations.

### **15.4 Distribution of Income and Capital**

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

Distributions out of capital is equivalent to a reduction or return of an investor's initial capital.

### **15.5 Investment Guidelines**

**15.5.1** The investment guidelines for non-specialised funds (i.e. the Non-Specialised Funds Investment Guidelines) issued by the Authority under the Code, which may be

amended from time to time, shall apply to the Underlying Funds (unless otherwise waived, exempted or not applied by the Authority).

- 15.5.2** The Manager and Investment Managers 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 Funds 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 Policies issued by the Authority.

## **15.6 Termination of PRUPrime CIO or PRULink Funds**

We reserve the right to terminate immediately (upon giving written notice) any of the PRUPrime CIO or PRULink Funds if the Manager or the Investment Managers terminates the Fund or Underlying Fund, or if we are required to do so by the Manager or Investment Managers (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 that PRUPrime CIO or PRULink 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 that PRUPrime CIO or PRULink Fund or if any approval or authorization of that PRUPrime CIO or PRULink Fund is revoked or withdrawn;
- (iii) if the Manager or Investment Manager(s) is of the view that it is not in the best interest of policyholders in that PRUPrime CIO or PRULink Fund to continue the PRUPrime CIO or PRULink Fund; or
- (iv) in the event of the amalgamation, reconstruction, reorganization, dissolution, liquidation, merger or consolidation of any one of the funds within the relevant Underlying Fund(s) that is corresponding to that PRUPrime CIO or PRULink Fund, if any, or a change in the Investment Manager(s) of the relevant Underlying Fund or the corresponding fund (as the case may be).

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

## Schedule 1 – PRUPrime CIO Conservative Fund (Accumulation)

### a. Structure

PRUPrime CIO Conservative Fund (Accumulation) is a single fund and classified as a Specified Investment Product. The Fund was launched on 3 June 2026.

You are investing in an ILP Sub-Fund established by Prudential Assurance Company Singapore. This ILP Sub-Fund feeds into the underlying funds set out in the table below (each an “Underlying Fund” and collectively, the “Underlying Funds”), which may be changed at the discretion of the Manager. The Fund has a risk classification of Lower Risk.

The Fund offers one Class of units, namely Singapore Dollar (“S\$”) Accumulation Class.

| Share classes                                 | Reference Currency | Distribution Type | Underlying Fund(s)   |
|---|--------------------|-------------------|--|
| PRUPrime CIO Conservative Fund (Accumulation) | S\$                | Accumulation      | <ul style="list-style-type: none"><li>• T. Rowe Price Funds SICAV – US Structured Research Equity Fund</li><li>• Fidelity S&amp;P 500 Index Fund</li><li>• LionGlobal Singapore Physical Gold Fund</li><li>• Goldman Sachs Europe CORE@ Equity Portfolio</li><li>• Goldman Sachs Global Credit Portfolio (Hedged)</li><li>• Amundi Core MSCI Europe</li><li>• Amundi Core MSCI Japan</li><li>• Eastspring Investments – Asian Equity Income Fund</li><li>• Eastspring Investments – Asia Select Bond Fund</li><li>• Eastspring SGD Cash Fund</li></ul> |

### b. Investment Objective

The PRUPrime CIO Conservative Fund aims to provide long term total return through a diversified portfolio of Underlying Funds, managed with a focus on long-term capital growth with stability and conservative positioning.

The Underlying Funds do not have a specific Environmental, Social and Governance matters (“ESG”) or sustainable investment objective, however in evaluating and researching securities within the investment process ESG factors are considered.

### c. Investment Strategy

The Fund will invest into Underlying Funds having differing investment strategies and objectives.

The Investment Advisor provides guidance for asset allocation and Underlying Funds selection. In this regard, regular investment meetings are held between the Manager and the Investment Advisor wherein exchange of information, views, market analysis and investment ideas in respect of the Investment Advisor’s recommendations shall take place, prior to the Manager taking a decision on portfolio investments for the Underlying Funds.

The Manager may from time to time at their sole discretion vary the percentage of assets of the Underlying Funds by utilizing a multi-manager approach to achieve its investment objective and enhance downside protection.

The asset allocation may vary depending on market conditions and outlook. There will be regular reviews and rebalancing of the portfolio to generate the most optimal combination of risk and return against the market outlook.

Due to the investment strategy of this Fund, there is no benchmark against which the performance of the Fund may be accurately measured hence the Fund is actively managed without reference to a benchmark.

Please refer to the Prospectus of the Underlying Funds for additional details relating to the Underlying Fund's Management Process.

**d. Product Suitability**

The Fund is only suitable for investors who:

- understand the risks of the Fund;
- understand the risk of losing some or all of the capital invested;
- seeks to gain long-term total return;
- are comfortable investing in a diversified multi-asset strategy with significant exposure to fixed income as well as exposure to other broad array of asset classes including but not limited to, equities, cash and other permissible investments;

Investors may wish to speak to a Prudential Financial Representative before making a commitment to invest in the Fund.

**e. Performance of the Fund**

The Fund was launched on **3 June 2026** and therefore there is no past performance record.

**Expense Ratio of the Fund**

The Funds were launched on **3 June 2026** and therefore there is no past expense ratio record.

**Turnover Ratio of the Fund**

The Fund was launched on **3 June 2026** and therefore there is no past turnover ratio record.

**Performance of the Underlying Fund Share classes**

A track record of at least one year is not available for the share classes of the applicable Underlying Funds.

**Turnover Ratio<sup>2</sup> of the Underlying Fund Share classes**

| <b>Underlying Funds</b>  | <b>Turnover Ratio<br/>as of 31 Dec 2025</b> |
|--|---|
| T. Rowe Price Funds SICAV – US Structured Research Equity Fund | N.A   |
| Fidelity S&P 500 Index Fund                                    | N.A   |
| LionGlobal Singapore Physical Gold Fund                        | N.A   |
| Goldman Sachs Europe CORE® Equity Portfolio                    | N.A   |
| Goldman Sachs Global Credit Portfolio (Hedged)                 | N.A   |
| Amundi Core MSCI Europe  | N.A   |

|   |           |
|---|-----------|
| Amundi Core MSCI Japan                            | N.A       |
| Eastspring Investments – Asian Equity Income Fund | 77.9%     |
| Eastspring Investments – Asia Select Bond Fund    | 197.5%    |
| Eastspring SGD Cash Fund                          | 9,106.70% |

Date as of 31 Dec 2025

Note: Some of Share classes will be newly launched hence TER is not available

<sup>2</sup> 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 over the average fund size. 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.

## f. Fees

### **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 bid price and offer price of the Fund. The offer and bid prices are the buying and selling prices to you respectively. PRUPrime CIO Funds are valued, and charges are deducted, on a forward pricing basis.

Note: 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 Product Summary for details of charges incurred on your insurance plan as charges may vary from product to product and may be lower than 5%.

Redemption Fee is not applicable

### **Fees payable by the Fund**

#### **Continuing Investment Charge**

The continuing investment charge is currently 0.95% per annum. This charge is deducted from the asset value of the 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 you 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.

## Schedule 2 – PRUPrime CIO Balanced Fund (Accumulation)

### a. Structure

PRUPrime CIO Balanced Fund (Accumulation) is a single fund and classified as a Specified Investment Product. The Fund was launched on 3 June 2026.

You are investing in an ILP Sub-Fund established by Prudential Assurance Company Singapore. This ILP Sub-Fund feeds into the underlying funds set out in the table below (each an “Underlying Fund” and collectively, the “Underlying Funds”), which may be changed at the discretion of the Manager. The Fund has a risk classification of Medium to High Risk.

The Fund offers one Class of units, namely Singapore Dollar (“S\$”) Accumulation Class.

| Share classes                             | Reference Currency | Distribution Type | Underlying Fund(s)  |
|---|--------------------|-------------------|---|
| PRUPrime CIO Balanced Fund (Accumulation) | S\$                | Accumulation      | <ul style="list-style-type: none"> <li>• T. Rowe Price Funds SICAV – US Structured Research Equity Fund</li> <li>• Fidelity S&amp;P 500 Index Fund</li> <li>• LionGlobal Singapore Physical Gold Fund</li> <li>• Goldman Sachs Europe CORE® Equity Portfolio</li> <li>• Goldman Sachs Global Credit Portfolio (Hedged)</li> <li>• Amundi Core MSCI Europe</li> <li>• Amundi Core MSCI Japan</li> <li>• Eastspring Investments – Asian Equity Income Fund</li> <li>• Eastspring Investments – Asia Select Bond Fund</li> <li>• Eastspring SGD Cash Fund</li> </ul> |

### b. Investment Objective

The PRUPrime CIO Balanced Fund aims to provide long term total return through a diversified portfolio of Underlying Funds, managed with a focus to balance long-term capital growth and stability.

The Underlying Funds do not have a specific Environmental, Social and Governance matters (“ESG”) or sustainable investment objective, however in evaluating and researching securities within the investment process ESG factors are considered.

### c. Investment Strategy

The Fund will invest into Underlying Funds having differing investment strategies and objectives.

The Investment Advisor provides guidance for asset allocation and Underlying Funds selection. In this regard, regular investment meetings are held between the Manager and the Investment Advisor wherein exchange of information, views, market analysis and investment ideas in respect of the Investment Advisor’s recommendations shall take place, prior to the Manager taking a decision on portfolio investments for the Underlying Funds.

The Manager may from time to time at their sole discretion vary the percentage of assets of the Underlying Funds by utilizing a multi-manager approach to achieve its investment objective and enhance downside protection.

The asset allocation may vary depending on market conditions and outlook. There will be regular reviews and rebalancing of the portfolio to generate the most optimal combination of risk and return against the market outlook.

Due to the investment strategy of this Fund, there is no benchmark against which the performance of the Fund may be accurately measured hence the Fund is actively managed without reference to a benchmark.

Please refer to the Prospectus of the Underlying Funds for additional details relating to the Underlying Fund's Management Process.

**d. Product Suitability**

The Fund is only suitable for investors who:

- understand the risks of the Fund;
- understand the risk of losing some or all of the capital invested;
- seeks to gain long-term total return;
- are comfortable investing in a diversified multi-asset strategy with moderately higher exposure to equities as well as exposure to other broad array of asset classes including but not limited to, fixed income, cash and other permissible investments;

Investors may wish to speak to a Prudential Financial Representative before making a commitment to invest in the Fund.

**e. Performance of the Fund**

The Fund was launched on **3 June 2026** and therefore there is no past performance record.

**Expense Ratio of the Fund**

The Fund was launched on **3 June 2026** and therefore there is no past expense ratio record.

**Turnover Ratio of the Fund**

The Fund was launched on **3 June 2026** and therefore there is no past turnover ratio record.

**Performance of the Underlying Fund Share classes**

A track record of at least one year is not available for the share classes of the applicable Underlying Funds.

**Turnover Ratio<sup>2</sup> of the Underlying Fund Share classes**

| <b>Underlying Funds</b>  | <b>Turnover Ratio as at 31 Dec 2025</b> |
|--|---|
| T. Rowe Price Funds SICAV – US Structured Research Equity Fund | N.A                                     |
| Fidelity S&P 500 Index Fund                                    | N.A                                     |
| LionGlobal Singapore Physical Gold Fund                        | N.A                                     |
| Goldman Sachs Europe CORE® Equity Portfolio                    | N.A                                     |
| Goldman Sachs Global Credit Portfolio (Hedged)                 | N.A                                     |

|   |           |
|---|-----------|
| Amundi Core MSCI Europe                           | N.A       |
| Amundi Core MSCI Japan                            | N.A       |
| Eastspring Investments – Asian Equity Income Fund | 77.9%     |
| Eastspring Investments – Asia Select Bond Fund    | 197.5%    |
| Eastspring SGD Cash Fund                          | 9,106.70% |

*Note: Some of Share classes will be newly launched hence TER is not available*

*Date as of 31 Dec 2025*

<sup>2</sup> *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 over the average fund size. 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.*

## **f. Fees**

### **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 bid price and offer price of the Fund. The offer and bid prices are the buying and selling prices to you respectively. PRUPrime CIO Funds are valued, and charges are deducted, on a forward pricing basis.

Note: 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 Product Summary for details of charges incurred on your insurance plan as charges may vary from product to product and may be lower than 5%.*

Redemption Fee is not applicable

### **Fees payable by the Fund**

#### **Continuing Investment Charge**

The continuing investment charge is currently 1.10% per annum. This charge is deducted from the asset value of the 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 you 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.

## Schedule 3 – PRUPrime CIO Growth Fund (Accumulation)

### a. Structure

PRUPrime CIO Growth Fund (Accumulation) is a single fund and classified as a Specified Investment Product. The Fund was launched on 3 June 2026.

You are investing in an ILP Sub-Fund established by Prudential Assurance Company Singapore. This ILP Sub-Fund feeds into the underlying funds set out in the table below (each an “Underlying Fund” and collectively, the “Underlying Funds”), which may be changed at the discretion of the Manager. The Fund has a risk classification of Higher Risk.

The Fund offers one Class of units, namely Singapore Dollar (“S\$”) Accumulation Class.

| Share classes                           | Reference Currency | Distribution Type | Underlying Fund(s)  |
|---|--------------------|-------------------|---|
| PRUPrime CIO Growth Fund (Accumulation) | S\$                | Accumulation      | <ul style="list-style-type: none"> <li>• T. Rowe Price Funds SICAV – US Structured Research Equity Fund</li> <li>• Fidelity S&amp;P 500 Index Fund</li> <li>• LionGlobal Singapore Physical Gold Fund</li> <li>• Goldman Sachs Europe CORE® Equity Portfolio</li> <li>• Goldman Sachs Global Credit Portfolio (Hedged)</li> <li>• Amundi Core MSCI Europe</li> <li>• Amundi Core MSCI Japan</li> <li>• Eastspring Investments – Asian Equity Income Fund</li> <li>• Eastspring Investments – Asia Select Bond Fund</li> <li>• Eastspring SGD Cash Fund</li> </ul> |

### b. Investment Objective

The PRUPrime CIO Growth Fund aims to provide long term total return through a diversified portfolio of Underlying Funds, managed with a focus on long-term capital growth.

The Underlying Funds do not have a specific Environmental, Social and Governance matters (“ESG”) or sustainable investment objective, however in evaluating and researching securities within the investment process ESG factors are considered.

### c. Investment Strategy

The Fund will invest into Underlying Funds having differing investment strategies and objectives.

The Investment Advisor provides guidance for asset allocation and Underlying Funds selection. In this regard, regular investment meetings are held between the Manager and the Investment Advisor wherein exchange of information, views, market analysis and investment ideas in respect of the Investment Advisor’s recommendations shall take place, prior to the Manager taking a decision on portfolio investments for the Underlying Funds.

The Manager may from time to time at their sole discretion vary the percentage of assets of the Underlying Funds by utilizing a multi-manager approach to achieve its investment objective and enhance downside protection.

The asset allocation may vary depending on market conditions and outlook. There will be regular reviews and rebalancing of the portfolio to generate the most optimal combination of risk and return against the market outlook.

Due to the investment strategy of this Fund, there is no benchmark against which the performance of the Fund may be accurately measured hence the Fund is actively managed without reference to a benchmark.

Please refer to the Prospectus of the Underlying Funds for additional details relating to the Underlying Fund's Management Process.

**d. Product Suitability**

The Fund is only suitable for investors who:

- understand the risks of the Fund;
- understand the risk of losing some or all of the capital invested;
- seeks to gain long-term total return;
- are comfortable investing in a diversified multi-asset strategy with moderately higher exposure to equities as well as exposure to other broad array of asset classes including but not limited to, fixed income, cash and other permissible investments;

Investors may wish to speak to a Prudential Financial Consultant or Representative before making a commitment to invest in the Fund.

**e. Performance of the Fund**

The Fund was launched on **3 June 2026** and therefore there is no past performance record.

**Expense Ratio of the Fund**

The Fund was launched on **3 June 2026** and therefore there is no past expense ratio record.

**Turnover Ratio of the Fund**

The Fund was launched on **3 June 2026** and therefore there is no past turnover ratio record.

**Performance of the Underlying Fund Share classes**

A track record of at least one year is not available for the share classes of the applicable Underlying Funds.

**Turnover Ratio<sup>2</sup> of the Underlying Fund Share classes**

| <b>Underlying Funds</b>  | <b>Turnover Ratio as at 31 Dec 2025</b> |
|--|---|
| T. Rowe Price Funds SICAV – US Structured Research Equity Fund | N.A                                     |
| Fidelity S&P 500 Index Fund                                    | N.A                                     |
| LionGlobal Singapore Physical Gold Fund                        | N.A                                     |
| Goldman Sachs Europe CORE® Equity Portfolio                    | N.A                                     |
| Goldman Sachs Global Credit Portfolio (Hedged)                 | N.A                                     |
| Amundi Core MSCI Europe  | N.A                                     |

|   |           |
|---|-----------|
| Amundi Core MSCI Japan                            | N.A       |
| Eastspring Investments – Asian Equity Income Fund | 77.9%     |
| Eastspring Investments – Asia Select Bond Fund    | 197.5%    |
| Eastspring SGD Cash Fund                          | 9,106.70% |

*Note: Some of Share classes will be newly launched hence TER is not available*

*Date as of 31 Dec 2025*

<sup>2</sup> *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 over the average fund size. 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.*

## **f. Fees**

### **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 bid price and offer price of the Fund. The offer and bid prices are the buying and selling prices to you respectively. PRUPrime CIO Funds are valued, and charges are deducted, on a forward pricing basis.

Note: 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 Product Summary for details of charges incurred on your insurance plan as charges may vary from product to product and may be lower than 5%.*

Redemption Fee is not applicable

### **Fees payable by the Fund**

#### **Continuing Investment Charge**

The continuing investment charge is currently 1.20% per annum. This charge is deducted from the asset value of the 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 you 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.

## **Appendix 1 – Additional Disclosure relating to China Investment Risk**

The Underlying Fund may invest in the Equity Markets and/or Debt Securities Markets of the PRC. There are numerous and varied risks associated with such an investment which are referred to as the “China Investment Risk”. Independent if the Underlying Fund invests in the Equity Markets and/or in the Debt Securities Markets of the PRC, the following risks are generally associated with such an investment, in the PRC:

### Foreign Institutional Investor (“FII”) Risk

The Underlying Fund may invest in securities and investments permitted to be held or made by FII under the relevant FII Regulations through institutions that have obtained FII status in China. In addition to the general investment and equity related risks of investments including in particular the Emerging Markets risks, the following risks should be emphasised:

### Regulatory Risks

The FII regime is governed by FII Regulations. Certain parts of the Management Company meet the relevant prescribed eligibility requirements under the FII Regulations and have been granted or might be granted a FII license. FII Regulations may be amended from time to time. It is not possible to predict how such changes would affect the Underlying Fund. Rules on investment restrictions and rules on repatriation of principal and profits, imposed by the Chinese government on the FII may be applicable to the latter as a whole and not only to the investments made by the Underlying Fund and may have an adverse effect on the Underlying Fund’s liquidity and performance.

### FII Investments Risks

Investors should be aware that there can be no assurance that a FII will continue to maintain its FII status and/or that redemption requests can be processed in a timely manner due to changes in FII Regulations. Therefore, the Underlying Fund may no longer be able to invest directly in the PRC or may be required to dispose of its investments in the PRC domestic securities market held by the FII, which could have an adverse effect on its performance or result in a significant loss. Regulatory sanctions may be imposed on the FII if the FII itself or the local custodian breach any provision of the relevant rules and regulations. Such restriction may result in a rejection of applications or a suspension of dealings of the Underlying Fund. Should the FII lose its FII status or retire or be removed, the Underlying Fund may not be able to invest in FII Eligible Securities, and the Underlying Fund may be required to dispose of its holdings, which would likely have a material adverse effect on the Underlying Fund.

### Limits on Redemption

The Underlying Fund may be impacted by the rules and restrictions under the FII regime (including investment restrictions, limitations on foreign ownership or holdings), which may have an adverse impact on its performance and/or its liquidity. Currently, no regulatory prior approval is required for repatriation of funds from the FII. However, the FII Regulations are subject to uncertainty in their application and there is no certainty that no other regulatory restrictions will apply or that repatriation restrictions will be imposed in the future. Although the relevant FII Regulations have recently been revised to relax regulatory restrictions on the onshore capital management by FIIs (including removing investment quota limit and simplifying process for repatriation of investment proceeds), it is a very new development therefore subject to uncertainties as to how well it will be implemented in practice, especially at the early stage.

Any restrictions on repatriation of the invested capital and net profits may impact on the Underlying Fund’s ability to meet redemption requests from the investors. In extreme circumstances, the Underlying Fund may incur significant loss due to limited investment capabilities, or may not be able fully to implement or pursue its investment objectives or strategies, due to FII investment restrictions, illiquidity of the PRC’s securities market, and delay or disruption in execution of trades or in settlement of trades.

### PRC Depository Risks under the FII regime

Where the Underlying Fund invests in fixed income securities and/or eligible securities through the FII, such securities will be maintained by a local custodian pursuant to PRC regulations through appropriate securities accounts and such other relevant depositories in such name as may be permitted or required

in accordance with PRC law. The Underlying Fund may incur losses due to the acts or omissions of the PRC Depository in the execution or settlement of any transaction. The Depository will make arrangements to ensure that the relevant PRC Depository has appropriate procedures to properly safe-keep the assets of the Underlying Fund. The securities accounts are to be maintained and recorded in the joint name of the FII and the Underlying Fund and segregated from the other assets of the same local custodian. However, the FII Regulations are subject to the interpretation of the relevant authorities in the PRC. Any securities acquired by the Underlying Fund held by the FII will be maintained by the PRC Depository and should be registered in the joint names of the FII and the Underlying Fund and for the sole benefit and use of the Underlying Fund. Providing that the FII will be the party entitled to the securities, the related security may be vulnerable to a claim by a liquidator of the FII and may not be as well protected as if they were registered solely in the name of the Underlying Fund. In addition, investors should note that cash deposited in the cash account of the Underlying Fund with the relevant local custodian will not be segregated but will be a debt owing from the local custodian to the Underlying Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of that local custodian. In the event of bankruptcy or liquidation of the local custodian, the Underlying Fund will not have any proprietary rights to the cash deposited in such cash account, and the Underlying Fund will become an unsecured creditor, ranking equal with all other unsecured creditors, of the local custodian. The Underlying Fund may face difficulty and/or encounter delays in recovering such debt or may not be able to recover it in full or at all, in which case the Underlying Fund will suffer losses.

#### PRC Broker Risks under the FII regime

The execution and settlement of transactions may be conducted by PRC Brokers appointed by the FII, as the case may be. There is a risk that the Underlying Fund may suffer losses from the default, bankruptcy or disqualification of the PRC Brokers. In such event, the Underlying Fund may be adversely affected in the execution or settlement of any transaction. In selection of PRC Brokers, the FII will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the FII, as the case may be, consider appropriate and if under market or operational constraints, it is possible that a single PRC Broker will be appointed, and the Underlying Fund may not necessarily pay the lowest commission or spread available in the market at the relevant time.

#### PRC Tax Provision Risk

If no or inadequate provision for potential withholding tax is made and, in the event, that the PRC tax authorities enforce the imposition of such withholding tax, the Net Asset Value of the Underlying Fund may be adversely affected. For any withholding tax made in respect of trading of PRC securities, it may reduce the income from, and/or adversely affect the performance of, the Underlying Fund. With respect to CIBM, the amount withheld (if any) will be retained by the Investment Manager for the account of the Underlying Fund until the position with regard to PRC taxation in respect of gains and profits from trading via the CIBM has been clarified. In the event that such position is clarified to the advantage of the Underlying Fund, the Underlying Fund may rebate all or part of the withheld amount to Underlying Fund. The withheld amount (if any) so rebated shall be retained by the Underlying Fund and reflected in the value of its units. Notwithstanding the foregoing, no investors who redeemed his/her units before the rebate of any withheld amounts shall be entitled to claim any part of such rebate. It should also be noted that the actual applicable tax imposed by the PRC tax authorities may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. Any increased tax liabilities on the Underlying Fund may adversely affect the Underlying Fund's value. As such, any provision for taxation made by the Investment Manager for the account of the relevant Underlying Fund may be excessive or inadequate to meet final PRC tax liabilities. Consequently, investors of the Underlying Fund may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their units in/from the Underlying Fund. If the actual applicable tax levied by the PRC tax authorities is higher than that provided for by the Investment Manager so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the Underlying Fund may suffer more than the tax provision amount as that Underlying Fund will ultimately have to bear the additional tax liabilities. In this case, the then existing and new Investors will be disadvantaged. On the other hand, if the actual applicable tax rate levied by the PRC tax authorities is lower than that provided for by the Investment Manager so that there is an excess in the tax provision amount, Investors who have redeemed units in the Underlying Fund before the PRC tax authorities' ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Investment Manager's

over-provision. In this case, the then existing and new Investors may benefit if the difference between the tax provision and the actual taxation liability under that lower tax amount can be returned to the account of the Underlying Fund as assets thereof. Investors should seek their own tax advice on their own tax position with regard to their investment in the Underlying Fund. It is possible that the current tax laws, regulations and practice in the PRC will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on PRC investments than is currently contemplated.

### RMB Risk

Investors should be aware that the RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies. Currently, RMB is traded in PRC ("CNY") and outside PRC ("CNH"). RMB traded in PRC, CNY, is not freely convertible and is subject to exchange control policies and restrictions imposed by the PRC authorities. On the other hand, the RMB traded outside the PRC, CNH, is freely tradeable but still subject to controls, limits and availability. In general, the respective daily exchange rate of the RMB against other currencies is allowed to float within a range above or below the central parity rates published by the People's Bank of China ("PBOC") each day. Its exchange rate against other currencies, including e.g. USD or HKD, is therefore susceptible to movements based on external factors. There can be no assurance that such exchange rates will not fluctuate widely. While CNY and CNH represent the same currency, they are traded on different and separate markets which operate independently. As such, the value of CNH could differ, perhaps significantly, from that of CNY and the exchange rate of CNH and CNY may not move in the same direction due to a number of factors including, without limitation, the foreign exchange control policies and repatriation restrictions pursued by the PRC government from time-to-time, as well as other external market forces. Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB. There is no assurance that RMB will not be subject to devaluation, in which case the value of investors' investments in RMB assets will be adversely affected. Currently, the PRC government imposes certain restrictions on repatriation of RMB out of the PRC. Investors should note that such restrictions may limit the depth of the RMB market available outside of the PRC and thereby, may reduce the liquidity of the Underlying Fund. The PRC government's policies on exchange controls and repatriation restrictions are subject to change, and the Underlying Fund's and its investors' position may be adversely affected by such change. With regard to Underlying Fund's share classes denominated in RMB investors, who invest in the Underlying Fund's share classes, should pay particular attention to this risk warning.

**The Underlying Fund may invest into the Equity Markets of the PRC and the following risks apply additionally:**

### Investing in China A-Units Risk

The securities market in the PRC, including China A-Units, may be more volatile, and unstable (for example, due to the risk of suspension /limitation in trading of a particular stock or government intervention) than markets in more developed countries and has potential settlement difficulties. This may result in significant fluctuations in the prices of securities traded in such market and thereby affecting the prices of units of the Underlying Fund. Investment in the PRC remains sensitive to any major change in economic, social and political policy in the PRC. The capital growth and thus the performance of these investments may be adversely affected due to such sensitivity.

### Utilising Stock Connect Programmes Risk

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the Underlying Fund), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible China A-Units listed on the SSE by routing orders to the SSE. Under the Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect, investors in the PRC will be able to trade certain stocks listed on the SEHK.

Under the Shanghai-Hong Kong Stock Connect, the Underlying Fund, through their Hong Kong brokers may trade certain eligible units listed on the SSE ("SSE Securities"). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-

Units that are not included as constituent stocks of the relevant indices, but which have corresponding H-Units listed on SEHK, except the following:

- SSE-listed units which are not traded in RMB;
- SSE-listed units which are included in the “risk alert board”; and
- SSE-listed units which are subject to delisting process or the listing of which has been suspended by SSE.

It is expected that the list of eligible securities will be subject to review.

The trading is subject to rules and regulations issued from time to time. Trading under the Shanghai-Hong Kong Stock Connect is subject to a daily quota (“Daily Quota”). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shanghai-Hong Kong Stock Connect each day.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Underlying Fund), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible China A-Units listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect investors in the PRC will be able to trade certain stocks listed on the SEHK.

Under the Shenzhen-Hong Kong Stock Connect, the Underlying Fund, through their Hong Kong brokers may trade certain eligible units listed on the SZSE (“SZSE Securities”). These include any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of not less than RMB6 billion and all SZSE-listed China A-Units which have corresponding H Units listed on the SEHK except for the following:

- SZSE-listed units which are not traded in RMB;
- SZSE-listed units which are included in the “risk alert board”; and
- SZSE-listed units which are subject to delisting process or the listing of which has been suspended by SZSE.

At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade units that are listed on the ChiNext Board of SZSE under the Northbound Shenzhen Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations.

It is expected that the list of eligible securities will be subject to review.

The trading is subject to rules and regulations issued from time to time. Trading under the Shenzhen-Hong Kong Stock Connect will be subject to a Daily Quota. Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shenzhen-Hong Kong Stock Connect each day.

HKSCC, a wholly owned subsidiary of the Hong Kong Exchanges and Clearing Limited, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and/or investors. The China A-Units traded through Stock Connect are issued in scripless form, and investors will not hold any physical China A-Units.

Although HKSCC does not claim proprietary interests in the SSE Securities and SZSE Securities held in its omnibus stock accounts in ChinaClear, ChinaClear as the unit registrar for SSE and SZSE listed companies will still treat HKSCC as one of the investors when it handles corporate actions in respect of such SSE Securities and SZSE Securities.

SSE/SZSE listed companies usually announce information regarding their annual general meetings/extraordinary general meetings about two to three weeks before the meeting date. A poll is called on all resolutions for all votes. HKSCC will inform the Hong Kong Central Clearing and

Settlement System (“CCASS”) participants of all general meeting details such as meeting date, time, venue and the number of proposed resolutions.

Under the Stock Connect, Hong Kong and overseas investors will be subject to the fees and levies imposed by SSE, SZSE, ChinaClear, HKSCC or the relevant Mainland Chinese authority when they trade and settle SSE Securities and SZSE Securities. Further information about the trading fees and levies is available online at the website:

[http://www.hkex.com.hk/eng/market/sec\\_tradinfra/chinaconnect/chinaconnect.htm](http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm)

In accordance with the UCITS requirements, the Depositary shall provide for the safekeeping of the Underlying Fund’s assets in the PRC through its global custody network. Such safekeeping is in accordance with the conditions set down by the CSSF which provides that there must be legal separation of non-cash assets held under custody and that the Depositary through its delegates must maintain appropriate internal control systems to ensure that records clearly identify the nature and amount of assets under custody, the ownership of each asset and where documents of title to each asset are located.

The Underlying Fund may invest in China A-Units via the Stock Connect. In addition to the general investment and equity related risks including Emerging Markets risks and risks regarding RMB, the following risks should be emphasised:

#### Quota Limitations

The Stock Connect is subject to quota limitations. In particular, the Stock Connect is subject to a daily quota which does not belong to the Underlying Fund and can only be utilised on a first-come-first-serve basis. Once the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Underlying Fund’s ability to invest in China A units through the Stock Connect on a timely basis, and the Underlying Fund may not be able to effectively pursue its investment strategy.

#### Legal / Beneficial Ownership

The SSE and SZSE units in respect of the Funds are held by the Depositary/ sub-custodian in accounts in the CCASS maintained by the HKSCC as central securities depositary in Hong Kong. HKSCC in turn holds the SSE and SZSE units, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear for each of the Stock Connects. The precise nature and rights of the Funds as the beneficial owners of the SSE and SZSE units through HKSCC as nominee is not well defined under PRC law. There is lack of a clear definition of, and distinction between, “legal ownership” and “beneficial ownership” under PRC law and there have been few cases involving a nominee account structure in the PRC courts. Therefore, the exact nature and methods of enforcement of the rights and interests of the Funds under PRC law is uncertain. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the SSE and SZSE units will be regarded as held for the beneficial ownership of the Funds or as part of the general assets of HKSCC available for general distribution to its creditors.

#### Clearing and Settlement Risk

HKSCC and ChinaClear have established the clearing links and each has become a participant of the other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house. As the national central counterparty of the PRC’s securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC’s liabilities in SSE and SZSE Securities under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear’s liquidation. In that event, the Underlying Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

## Suspension Risk

Each of the SEHK, SSE and SZSE reserves the right to suspend trading if necessary, for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is affected, the Underlying Fund's ability to access the PRC market will be adversely affected.

## Differences in Trading Day

The Stock Connect only operates on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the Underlying Fund cannot carry out any China A-Units trading via the Stock Connect. The Underlying Fund may be subject to a risk of price fluctuations in China A-Units during the time when any of the Stock Connect is not trading as a result.

## Restrictions on Selling Imposed by Front-end Monitoring

PRC regulations require that before an investor sells any unit, there should be sufficient units in the account; otherwise, the SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Units sell orders of its participants (i.e., the stockbrokers) to ensure there is no over-selling. If the Underlying Fund intends to sell certain China A-Units it holds, it must transfer those China A-Units to the respective accounts of its broker(s) before the market opens on the day of selling ("trading day"). If it fails to meet this deadline, it will not be able to sell those units on the trading day. Because of this requirement, the Underlying Fund may not be able to dispose of its holdings of China A-Units in a timely manner.

## Operational Risk

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The Underlying Fund's ability to access the China A-Units market (and hence to pursue its investment strategy) may be adversely affected.

## Regulatory Risk

The current regulations relating to Stock Connect are relatively new and subject to continuous evolution. In addition, the current regulations are subject to change which may have potential retrospective effects and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators / stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The Underlying Fund may be adversely affected as a result of such changes.

## Recalling of Eligible Stocks

When a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Underlying Fund, for example, if the Investment Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

## Risks associated with the ChiNext Market

The Underlying Fund may invest in the ChiNext Board of the SZSE ("ChiNext Board"). Investments in the ChiNext Board may result in significant losses for the Underlying Fund and its investors. The following additional risks apply:

### *Higher Fluctuation on Stock Prices*

Listed companies on the ChiNext Board are usually of emerging nature with smaller operating scale. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the Main Board of the SZSE (“Main Board”).

### *Over-Valuation Risk*

Stocks listed on the ChiNext Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating units.

### *Differences in Regulations*

The rules and regulations regarding companies listed on ChiNext Board are less stringent in terms of profitability and unit capital than those in the Main Board.

### *Delisting Risk*

It may be more common and faster for companies listed on the ChiNext Board to delist. This may have an adverse impact on the Underlying Fund if the companies that it invests in are delisted.

### *Risk associated with Small-Capitalisation / Mid-Capitalisation Companies*

The stocks of small-capitalisation / mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

### Taxation Risk

Investments via the Stock Connect are subject to PRC’s tax regime. The PRC State Administration of Taxation has reaffirmed the application of normal Chinese stamp duty and a 10% dividend withholding tax, while the value-added tax and income tax on capital gains are temporarily exempted for an unspecified period. The tax regime may change from time to time and the Underlying Fund is, thus, subject to such uncertainties in their PRC tax liabilities.

### RMB Currency Risk in relation to Stock Connect

China A-Shares are priced in RMB and the Underlying Fund will need to use RMB to trade and settle SSE/SZSE Securities. There may be associated trading costs involved in dealing with SSE/SZSE Securities. Mainland Chinese government controls future movements in exchange rates and currency conversion. The exchange rate floats against a basket of foreign currencies; therefore, such exchange rate could fluctuate widely against the USD, HKD or other foreign currencies in the future. In particular, any depreciation of RMB will decrease the value of any dividends and other proceeds an investor may receive from its investments. Further, investors should note that CNY may trade at a different rate compared to CNH. The Underlying Fund’s investments may be exposed to both the CNY and the CNH, and the Underlying Fund may consequently be exposed to greater exchange risks and/or higher costs of investment. The PRC government’s policies on exchange control are subject to change, and the Underlying Fund may be adversely affected.

### **The Underlying Fund may invest into the Bond Markets of the PRC the following risks apply additionally:**

#### Bond Connect

Bond Connect is an initiative launched in July 2017 for mutual bond market access between Hong Kong and Mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre (“CFETS”), China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit. Bond Connect is governed by rules and regulations as promulgated by the Mainland Chinese authorities. Such rules and regulations may be amended from time to time and include (but are not limited to):

- (i) the “Interim Measures for the Administration of Mutual Bond Market Access between Mainland China and Hong Kong (Decree No.1 [2017])” issued by the People’s Bank of China (“PBOC”) on 21 June 2017,

- (ii) the “Guide on Registration of Overseas Investors for Northbound Trading in Bond Connect” issued by the Shanghai Head Office of PBOC on 22 June 2017; and
- (iii) any other applicable regulations promulgated by the relevant authorities.

Under the prevailing regulations in Mainland China, eligible foreign investors will be allowed to invest in the bonds circulated in the China Interbank Bond Market through the northbound trading of Bond Connect (“Northbound Trading Link”). There will be no investment quota for Northbound Trading Link. Under the Northbound Trading Link, eligible foreign investors are required to appoint the CFETS or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC. Pursuant to the prevailing regulations in Mainland China, an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit) shall open omnibus nominee accounts with the onshore custody agent recognised by the PBOC (currently, the China Central Depository & Clearing Co., Ltd and/or the Shanghai Clearing House). All debt securities traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such debt securities as a nominee owner.

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the China Interbank Bond Market may result in prices of certain debt securities traded on such market fluctuating significantly. The Underlying Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Underlying Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments. To the extent that the Underlying Fund transacts in the China Interbank Bond Market, the Underlying Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Underlying Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value. For investments via Bond Connect, the relevant filings, registration with PBOC and account opening have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be). As such, the Underlying Fund is subject to the risks of default or errors on the part of such third parties. Investing in the China Interbank Bond Market via Bond Connect is also subject to regulatory risks. The relevant rules and regulations on these regimes are subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the China Interbank Bond Market, the Underlying Fund’s ability to invest in the China Interbank Bond Market will be adversely affected. In such event, the Underlying Fund’s ability to achieve its investment objective will be negatively affected.

Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. In the event that the relevant systems fail to function properly, trading through Bond Connect may be disrupted. The Underlying Fund’s ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, the Underlying Fund may invest in the China Interbank Bond Market through Bond Connect, such the Underlying Fund may be subject to risks of delays inherent in the order placing and/or settlement systems.

### China Interbank Bond Market

#### Overview

Participation in CIBM by foreign institutional investors (where such is mentioned in the investment restrictions of the Underlying Fund) via a foreign access regime (e.g. FII program, CIBM Initiative and/or Bond Connect) is governed by rules and regulations as promulgated by the Mainland Chinese authorities, i.e., the PBOC and the State Administration of Foreign Exchange (“SAFE”). Such rules and regulations may be amended from time to time and include (but are not limited to):

- (i) the “Announcement (2016) No 3” issued by the PBOC on 17 February 2016;
- (ii) the “Implementation Rules for Filing by Foreign Institutional Investors for Investment in Interbank Bond Markets” issued by the Shanghai Head Office of PBOC on 27 May 2016;
- (iii) the “Circular concerning the Foreign Institutional Investors’ Investment in Interbank bond market in relation to foreign currency control” issued by SAFE on 27 May 2016; and

(iv) any other applicable regulations promulgated by the relevant authorities.

Under the prevailing regulations in the PRC, foreign institutional investors who wish to invest directly in CIBM via CIBM Initiative may do so via an onshore settlement agent, who will be responsible for making the relevant filings and account opening with the relevant authorities. There is no quota limitation.

In terms of fund remittance and repatriation, foreign investors (such as the Underlying Fund) may remit investment principal in RMB or foreign currency into the PRC for investing in the CIBM. An investor needs to file relevant information about its investments with the Shanghai Head Office of PBOC through the onshore settlement agent and an updated filing may be required if there is any significant change to the filed information. Where the Underlying Fund repatriates funds out of the PRC, the ratio of RMB to foreign currency ("Currency Ratio") should generally match the original Currency Ratio when the investment principal was remitted into the PRC, with a maximum permissible deviation of 10%.

#### Taxation Risk

According to Circular 108, the foreign institutional investors are temporarily exempt from PRC CIT and VAT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. However, there is no guarantee that such temporary tax exemption will continue to apply, will not be repealed and re-imposed retrospective, or that no new tax regulations and practice in China specifically relating to the PRC bond market will not be promulgated in the future.

#### Risks Associated with China Interbank Bond Market

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the CIBM may result in prices of certain debt securities traded on such market fluctuating significantly. The Underlying Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Underlying Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments. To the extent that the Underlying Fund transacts in the CIBM, the Underlying Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Underlying Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value. Since the relevant filings and account opening for investment in the CIBM via CIBM Initiative have to be carried out via the onshore settlement agent, the Underlying Fund is subject to the risks of default or errors on the part of the onshore settlement agent. Investing in the CIBM via a foreign access regime (e.g. FII program, CIBM Initiative and/or Bond Connect) is also subject to regulatory risks. The relevant rules and regulations on investment in the CIBM is subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the CIBM, the Underlying Fund's ability to invest in the CIBM will be limited and, after exhausting other trading alternatives, the Underlying Fund may suffer substantial losses as a result.

#### Credit Rating Agency Risk

The credit appraisal system in the PRC and the rating methodologies employed in the PRC may be different from those employed in other markets. Credit ratings given by PRC rating agencies may therefore not be directly comparable with those given by other international rating agencies.

#### RMB Debt Securities Risk

Investors should be aware that the availability of RMB-denominated Debt Securities issued or distributed outside PRC is currently limited and therefore is more susceptible to volatility and illiquidity. The operation of the RMB-denominated Debt Securities market as well as new issuances could be disrupted, causing a fall in the NAV of the Underlying Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalization of the CNH market by the relevant regulators. If there are insufficient RMB-denominated Debt Securities for the Underlying Fund to invest in, the Underlying Fund may hold a significant portion of assets in RMB deposit accounts and/or RMB-denominated certificates of deposit issued by financial institutions. These circumstances may have an adverse impact on the performance of the Underlying Fund. For RMB-denominated Debt Securities issued, listed or traded outside PRC (e.g. on the Central Moneymarkets Unit in Hong Kong), market depth may be limited, potentially

resulting in reduced liquidity or even partial illiquidity of such securities. The Underlying Fund may suffer loss in trading such securities, in particular in circumstances where the Underlying Fund may have to liquidate such investments at a discount in order to meet redemption requests. The Underlying Fund may not be able to sell the securities at the time desired. In addition, the bid and offer spread of the price of RMB-denominated Debt Securities may be large. Therefore, the Underlying Fund may incur significant trading and realisation costs and may suffer significant losses when selling such investments. Investments in RMB-denominated Debt Securities are also subject to the general risks of investing in bonds, including, but not limited to interest-rate risks, creditworthiness risk, company specific risk, general market risk, risk of default and counterparty risk. RMB-denominated Debt Securities are typically unsecured debt obligations and are not supported by any collateral. Investments in such securities will expose the Underlying Fund to the credit/insolvency risk of its counterparties as an unsecured creditor. RMB-denominated Debt Securities may be unrated. In general, debt instruments that have a lower credit rating or that are unrated may be more susceptible to the credit risk of the issuer. Investments in Debt Securities issued by companies or bodies established within PRC may be affected by PRC tax policies. Current tax laws and regulations may also be amended or revised at any point in time and without prior notice to investors. Such amendments and revisions may also take effect on a retrospective basis, with a potentially adverse impact on such investments. The Underlying Fund may invest in the onshore Debt Securities which may be traded on the Shanghai or Shenzhen Stock Exchange or on the interbank bond markets. Investors should note that the securities markets in PRC generally and the onshore bond markets in particular are both at a developing stage and the market capitalisation and trading volume may be lower than those in more developed financial markets. Market volatility and potential lack of liquidity due to low trading volumes in PRC's debt markets may result in prices of securities traded on such markets fluctuating significantly and may result in substantial volatility in the Net Asset Value of the Underlying Fund. The bid and offer spreads of the prices of the Mainland Chinese Debt Securities may be large, so significant trading and realization costs may be incurred. The national regulatory and legal framework for capital markets and debt instruments in PRC are still developing when compared with those of developed countries. Currently, PRC entities are undergoing reform with the intention of increasing liquidity of debt instruments. However, the effects of any development or reform on the PRC debt markets remain to be seen. The PRC bond markets are also subject to regulatory risks. Debt Securities may only be bought from, or sold to, the Underlying Fund from time to time where the relevant Debt Securities may be sold or purchased on the Shanghai Stock Exchange, the Shenzhen Stock Exchange or the CIBM, as appropriate. Given that the bond markets are considered volatile and unstable (with the risk of suspension of a particular stock or government intervention), the subscription and redemption of the Underlying Fund's units may also be disrupted.

## Appendix 2 – Risks regarding the Underlying Fund's holdings in Gold

(i) Potential discrepancies in the calculation of the LBMA Gold Price AM, as well as any future changes to the LBMA Gold Price AM, could impact the value of the Gold held by the Underlying Fund and could have an adverse effect on the value of an investment in the Units of the Underlying Fund.

(ii) The value of the Units of the Underlying Fund relates directly to the value of the Gold held by the Underlying Fund, and fluctuations in the price of Gold could materially adversely affect an investment in the Units of the Underlying Fund. Gold prices may fluctuate widely and may be affected by numerous factors, including:

a. global gold supply and demand, which is influenced by factors such as mine production, exploration success, net forward selling activities by gold producers, jewellery demand, investment demand and industrial demand, net of any recycling. Any shortage of gold could result in a sharp increase in gold prices. Such increases may also lead to volatile forward rates and lease rates, which may cause the bid-offer spread to widen, reflecting short-term forward rates in the gold market;

b. global or regional political, economic or financial events, in particular war, terrorism, expropriation and other events which may lead to disruptions in supply from countries that are major gold producers;

c. financial market factors, including investors' expectations regarding future inflation rates, movements in global equity, financial and property markets, interest rates and foreign exchange rates, particularly confidence in and strength of the US dollar; and

d. financial activities such as hedging, investment trading or other activities conducted by major trading houses, producers, users, hedge funds, commodities funds, governments or other market participants which may impact global supply or demand.

(iii) Electronic failures or other unforeseen events may occur that could result in delays in the publication of, or the inability of the system to publish, the LBMA Gold Price AM on any given day.

(iv) There may be changes to the processes used in determining the LBMA Gold Price AM. There is no assurance that the LBMA Gold Price AM will not be manipulated or discontinued. Any concerns regarding the integrity or reliability of the LBMA Gold Price AM, even if ultimately unfounded, could adversely affect investor interest in gold, the price of gold and the value of an investment in the Underlying Fund.

(v) The Underlying Fund is a passive investment vehicle. As such, the value of the Units may be adversely affected by losses that might have been avoided if the Underlying Fund were actively managed.

(vi) The sale of Gold held by the Underlying Fund to meet expenses at times of low Gold prices (which may arise from factors such as changes in supply and demand, shifts in investor or speculative sentiment, macroeconomic conditions, actions by central banks or other official institutions, or general market conditions affecting gold and other asset classes) could adversely affect the value of the Underlying Fund.

(vii) An investment in the Underlying Fund may be adversely affected by competition from alternative methods of investing in gold, including direct purchases of physical gold from banks or gold dealers.

(viii) Gold held by the Underlying Fund may be subject to risks of loss, damage, theft or restrictions on access.

(ix) The Underlying Fund may have limited recourse if its Gold is lost, damaged, stolen or destroyed, and recovery, even in cases of fraud, may be limited to the market value of the Gold at the time such fraud is discovered.

(x) Sub-custodians may temporarily hold Gold on behalf of the Underlying Fund before it is transferred into the vault of the relevant vault provider. Any failure by the sub-custodians to exercise due care in the safekeeping of the Gold could result in losses to the Underlying Fund.

(xi) The ability of the Trustee and the Custodian to take legal action against sub-custodians, or of the Trustee to take action against the Custodian, may be limited. This could increase the risk that the Underlying Fund suffers a loss if a sub-custodian fails to exercise due care in safekeeping the Gold.

(xii) Gold held in an Unallocated Account of the Underlying Fund is not segregated from the Custodian's or sub-custodian's assets and is therefore subject to the credit risk of the Custodian. In the event of the insolvency of the Custodian or sub-custodian, its assets may be insufficient to satisfy a claim by the Underlying Fund.

(xiii) In the event of the insolvency of the Custodian or a sub-custodian, delays and additional costs may be incurred in identifying Gold held in the Allocated Account of the Underlying Fund. A liquidator may seek to freeze access to Gold held in accounts maintained by the Custodian, including the Underlying Fund's Allocated Account. Although the Underlying Fund would be able to assert ownership of properly allocated Gold, expenses may be incurred in establishing such claims, and such processes may delay subscriptions, creations, redemptions or realisations of Units, as applicable.

(xiv) The Underlying Fund may be subject to tracking error risk, being the risk that its performance does not track the LBMA Gold Price AM precisely. Such tracking error may arise from the holding of cash and the periodic sale of Gold to meet ongoing expenses, regardless of whether Unit prices rise or fall in response to movements in gold prices.

(xv) There can be no assurance that the performance of the Underlying Fund will exactly or identically replicate the LBMA Gold Price AM at any time. As the Underlying Fund invests primarily in Gold, it may be more volatile than a fund with a more diversified investment portfolio. There is no guarantee that the price of Gold will increase.

(xvi) Gold does not generate income. Accordingly, in order to meet operational expenses and other cash flow requirements of the Underlying Fund (including those arising from redemption transactions), Gold may need to be sold at prevailing market prices, regardless of whether the price of Gold is rising or falling, which may adversely affect the value of the Units.

## **Custody Risks**

### Allocated Gold

Allocated Gold may be held by the Custodian in its vault (and by any appointed sub-custodian in its vault) in an Allocated Account, where Gold belonging to the Underlying Fund is physically segregated from gold owned by others. Access to the Allocated Gold may be restricted by unforeseen events beyond the control of the Managers or the Trustee. Any failure by the Custodian or a sub-custodian to exercise due care in the safekeeping of Allocated Gold could result in losses to the Underlying Fund.

### Unallocated Gold

Custody risk includes the risk of loss of Gold arising from the negligence or insolvency of the Custodian. In the case of Unallocated Gold, the Underlying Fund does not hold legal title to specific gold bars, but instead holds a contractual claim to a specified quantity of Gold recorded in the Custodian's books. As such, the Underlying Fund is an unsecured creditor of the Custodian in respect of Unallocated Gold. Practical or timing difficulties may arise in enforcing the Underlying Fund's rights to its assets in the event of the insolvency of the Custodian, a sub-custodian and/or vault provider.

## **Risks arising from consecutive holidays**

Consecutive public holidays or market closures in key jurisdictions, such as Singapore, London or the United States, may affect the timing and settlement of currency hedging transactions, gold trades and the physical delivery of Gold to the relevant vault.

## **Currency risks arising from redemptions in-kind**

In the event of redemptions in-kind (for example, where investors in a relevant hedged Class receive Gold), the corresponding currency hedge for that hedged Class will be unwound in cash. Investors may therefore experience gains or losses arising from the hedge unwind that are separate from the redemption value of the Gold, depending on prevailing exchange rates.

## **Reliance on the Gold Provider**

As neither the Managers nor the Trustee is an approved weigher or assayer of Gold, they will rely on the Gold Provider to deliver Gold meeting the minimum standards required by the Underlying Fund. The Managers and Trustee will not independently verify the fineness, weight or conformity of Gold delivered. To mitigate quality risks, the Managers and Trustee are parties to the Master Precious Metals

Sale Agreement, under which the Gold Provider is required to ensure compliance with LBMA standards or other standards approved by the Monetary Authority of Singapore (“MAS”).

There is a risk that if the Gold Provider is unable or unwilling to continue providing Gold, whether due to insolvency, default or termination of arrangements, and no replacement provider is appointed, creations and redemptions may be suspended. The Underlying Fund may also be unable to sell Gold to meet liquidity or operating requirements. Costs incurred in connection with the purchase or sale of Gold through the Gold Provider will be borne by the Underlying Fund.

### **Capital Controls and Sanctions Risk**

Political or economic developments may result in the imposition of capital controls or sanctions, including asset freezes or seizures. Such measures may restrict the ownership or transfer of Gold and affect compliance with LBMA Good Delivery standards. Certain refiners may be removed from the LBMA Good Delivery List, potentially affecting the price and liquidity of Gold that complies with such standards.

The Underlying Fund will only transact in Gold that complies with LBMA Good Delivery standards or is otherwise approved by the MAS. Any reduction in available compliant Gold may adversely affect liquidity and pricing, and could negatively impact the value of Units.

### **Risks associated with moving Gold between vaults**

From time to time, different vault providers may be appointed in Singapore for the physical safekeeping of Gold held by the Underlying Fund. Any failure to exercise due care in the transfer of Gold between vaults may result in losses to the Underlying Fund, although insurance coverage is generally in place for transit-related risks.

## GLOSSARY OF TERMS

|   |  |
|---|--|
| “ABS”                                   | means Asset-backed Security  |
| “Authority”                             | means the Monetary Authority of Singapore.   |
| “Article 31 of the Law”                 | means Article 31 of the Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment   |
| “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.   |
| “CCASS”                                 | means Hong Kong Central Clearing and Settlement System   |
| “CFETS”                                 | means China Foreign Exchange Trade System & National Interbank Funding Centre  |
| “CGT”                                   | means Capital Gains Tax  |
| “China” or “PRC”                        | means the People’s Republic of China   |
| “ChinaClear”                            | means China Securities Depository and Clearing Corporation Limited   |
| “China Interbank Bond Market” or “CIBM” | means the Mainland China interbank bond markets of the PRC   |
| “Class”, “Classes” or “Unit classes”    | means any Class of Units attributable to a particular Sub-Fund, as the Manager may from time to time designate, as further described in the section “Classes and Form of Units”.   |
| “CMO”                                   | means Collateralised Mortgage Obligation   |
| “CoCos”                                 | means Contingent Convertible Bonds   |
| “CPF-OA”                                | means CPF Ordinary Account   |
| “CPF-SA”                                | means CPF Special Account  |
| “CSRC”                                  | means the China Securities Regulatory Commission of the PRC or its successors which is the regulator of the securities and futures market of the PRC   |
| “CSSF”                                  | means Commission de Surveillance du Secteur Financier  |
| “Custodian”                             | means Citibank N.A.  |
| “Debt Securities”                       | means any security which bears interest, including, but not limited to, government bonds, Money Market Instruments, mortgage bonds and similar foreign asset-backed securities issued by financial institutions, public-sector bonds, floating-rate notes, instruments with loss-absorption features (including, but not limited to contingent convertible bonds), convertible debt securities, corporate bonds, ABS and MBS, as well as other collateralised bonds. Convertible debt securities include, but are not limited to, convertible bonds, bonds |

with warrants and/or equity warrant bonds. Debt securities also include index certificates and other certificates with a risk profile that typically correlates with the aforementioned assets or with the investment markets to which these assets can be allocated, as well as non-interest bearing securities such as zero coupon bonds.

|                    |  |
|--------------------|--|
| “Deposits”         | means time deposits and/or deposits at sight with a credit institution which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a member state of the European Union or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the Commission de Surveillance du Secteur Financier as equivalent to those laid down in EU law.  |
| “DVP”              | means Delivery Versus Payment  |
| “Emerging Markets” | means a country which is not classified by the World Bank as a high-income economy (high gross national income per capita)   |
| “EPM”              | means Efficient Portfolio Management   |
| “Equities”         | means all equities and similar securities, including but not limited to, preference units, convertible preference units, equity warrants, depositary receipts (e.g. American depositary receipts, global depositary receipts), REIT equities, REIT units, equity linked notes, warrants to subscribe for equities. Equities also include index certificates, equity certificates, other comparable certificates and equity baskets as well as assets whose risk profile correlates with the relevant equity or with the investment markets to which these assets can be allocated. |
| “ESG”              | means Environmental, Social and Governance matters   |
| “ESMA”             | means European Securities and Markets Authority  |
| “EU”               | means European Union   |
| “Eurozone”         | means Any member state of the European Monetary Union (EMU) including, as at the date of this Singapore Prospectus: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Italy, Ireland, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia, Spain  |
| “FCA”              | means the United Kingdom Financial Conduct Authority and any successor bodies  |
| “FATCA”            | means Foreign Account Tax Compliance Act   |
| “FII”              | means Foreign Institutional Investor   |
| “HKD”              | means the lawful currency of Hong Kong   |
| “HKSCC”            | means Hong Kong Securities Clearing Company Limited  |
| “IBA”              | means ICE Benchmark Administration Limited   |
| “LBMA”             | means the London Bullion Market Association or any successor entity  |

|                      |  |
|----------------------|--|
| “LBMA Gold Price AM” | means the morning fixing price of gold per troy ounce quoted in US dollars and administered by the IBA at 10:30 a.m. (London time).  |
| “MAS”                | means the Monetary Authority of Singapore  |
| “MBS”                | means Mortgage-backed Securities   |
| “NAV”                | means Net Asset Value.   |
| “OTC”                | means Over-The-Counter   |
| “PBOC”               | means the People’s Bank of China in the PRC  |
| “P-Notes”            | means Participatory Notes  |
| “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.   |
| “RDVP”               | means Real time Delivery Versus Payment  |
| “S\$” or “SGD”       | means the lawful currency of Singapore   |
| “SAFE”               | means the State Administration of Foreign Exchange of the PRC  |
| “SAT”                | means State Administration of Taxation   |
| “SEHK”               | means the Stock Exchange of Hong Kong  |
| “SPSA”               | means Special Segregated Account   |
| “SPV”                | means Special-Purpose vehicle  |
| “SRS”                | means the scheme referred to by the Ministry of Finance as the Supplementary Retirement Scheme or such other scheme as shall replace or supersede the Supplementary Retirement Scheme from time to time. |
| “SSE”                | means the Shanghai Stock Exchange  |
| “Stock Connect”      | means each of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and collectively the “Stock Connects”   |
| “SZSE”               | means the Shenzhen Stock Exchange  |
| “TRS”                | means Total Return Swaps   |
| “UCI”                | means Undertakings for Collective Investment   |
| “UCITS”              | means Undertakings for Collective Investment in Transferrable Securities   |
| “US\$” or “USD”      | means the lawful currency of the United States of America  |



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 representatives and our bank partners. We are one of the market leaders in protection, savings and investment-linked plans with S\$66.3 billion funds under management as at 31 December 2025.

Call your Prudential Financial Representative or our PruCustomer Line at 1800 333 0333  
[www.prudential.com.sg](http://www.prudential.com.sg)