

PruLink Fund Information Booklet

May 2019

PruLink Adapt 2025 Fund

PruLink Adapt 2035 Fund



IMPORTANT INFORMATION

Capitalised terms used below, unless otherwise defined, shall have the same meanings ascribed to them under Section 20 (Glossary of Terms) of this Fund Information Booklet.

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

This Fund Information Booklet is published for information 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 Funds. Investors may wish to seek advice from their Prudential Financial Consultants before making a commitment to purchase the product. In the event an investor chooses not to seek advice from a Prudential Financial Consultant, he/she should consider whether the product in question is suitable for him/her. Investors are advised to read the Fund Information Booklet, the accompanying Product Summary and the Product Highlights Sheet before deciding whether to subscribe for units in the Funds.

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 Funds and/or Underlying Funds. 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/it in respect of any Fund and/or Underlying Fund. None of the Funds and/or Underlying Funds 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 Funds and/or Underlying Funds have not been and will not be registered under the United States Investment Company Act of 1940 as amended. The units of the Funds and/or Underlying Fund have not been and will not be registered under the United States Securities Act of 1933 as amended (the “**Securities Act**”) or under the securities laws of any state of the United States of America and such shares may be offered, sold or otherwise transferred only in compliance with the 1933 Act and such state or other securities laws. The units of the Funds and/or Underlying Funds may not be offered or sold within the United States or to or for the account of any US Person as defined in Rule 902 of Regulation S under the Securities Act. Rule 902 of Regulation S under the Securities Act defines US Person to include inter alia any natural person resident of the United States and with regards to investors other than individuals, (i) a corporation or partnership organized or incorporated under the laws of the US or any state thereof; (ii) a trust: (a) of which any trustee is a US Person except if such trustee is a professional fiduciary and a co-trustee who is not a US Person has sole or shared investment discretion with regard to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person or (b) where court is able to exercise primary jurisdiction over the trust and one or more US fiduciaries have the authority to control all substantial decisions of the trust and (iii) an estate (a) which is subject to US tax on its worldwide income from all sources; or (b) for which any US Person is executor or administrator except if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with regard to the assets of the estate and the estate is governed by foreign law.

The term “US Person” also means any entity organized principally for passive investment (such as a commodity pool, investment company or other similar entity) that was formed: (a) for the purpose of facilitating investment by a US Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations promulgated by the United States Commodity Futures Trading Commission by virtue of its participants being non-US Persons or (b) by US Persons principally for the purpose of investing in securities not registered under the United

States Securities Act of 1933, unless it is formed and owned by “accredited investors” (as defined in Rule 501 (a) under the Securities Act of 1933) who are not natural persons, estates or trusts. “United States” 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 Funds which are summarised in Section 4 (Risks) of this Fund Information Booklet.

This Fund Information Booklet does not represent a contract.

PruLink Adapt 2025 Fund and PruLink Adapt 2035 Fund

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PruLink Adapt 2025 Fund and PruLink Adapt 2035 Fund

1 The Product Provider

Prudential Assurance Company Singapore (Pte) Limited ("**Prudential Singapore**") (Company Registration No. 199002477Z), whose registered office is at 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**" and includes the correlative meanings "**we**", "**us**" and "**our**").

2 The Manager

The manager of the PruLink Adapt 2025 Fund and PruLink Adapt 2035 Fund (the "**Funds**" and each a "**Fund**") is Schroder Investment Management (Singapore) Ltd. ("**Schroders Singapore**") (Company Registration No. 199201080H), whose registered office is at 138 Market Street, CapitaGreen, #23-01 Singapore 048946 (the "**Manager**").

Fund

Underlying Fund

PruLink Adapt 2025 Fund
PruLink Adapt 2035 Fund]

Ps refer to the list of funds in Section 9.2
(*Underlying Funds*)

Schroder Investment Management (Singapore) Ltd. ("Schroders Singapore**")**

Schroders Singapore was incorporated in Singapore in 1992 and has been managing collective investment schemes and discretionary funds in Singapore since 1992.

Schroders Singapore is a member of the Schroders group, a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959.

Schroders plc has a total of approximately US\$536.70 billion assets under management as at 31 December 2018. Schroders Singapore is a wholly-owned subsidiary of Schroders plc.

Past performance of the Manager is not necessary indicative of its future performance.

Source : Schroder Investment Management (Singapore) Ltd.

3 The Auditor

The auditor of the accounts for the Funds is KPMG LLP whose registered office is at 16 Raffles Quay, #22-00, Hong Leong Building, Singapore 048581 (the "**Auditor**").

4 Risks

4.1 General Risks

The risks set out in this section are in relation to the Funds and the Underlying Funds. Given that the Funds feed primarily 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. Investments in the Funds is subject to different degrees of economic, political, foreign exchange, interest rate, liquidity, default, regulatory and possible repatriation risks depending on the countries that the Underlying Funds invest into or have exposure to.

Investors should be aware that the price of units of the Funds and the income from them, if any, may go down as well as up and that past performance of the Funds is not a guide or indicator to the future performance of the Funds. Investors may not get back their original investment.

While the Manager believes that the Funds offer potential for capital appreciation, no assurance can be given that this objective will be achieved.

Investments in the Funds are designed to produce returns over the long term and are not suitable for short-term speculation. Investors should not expect to obtain short-term gains from such investments.

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

4.2 Specific Risks

Investors should carefully consider the following:

4.2.1 Market risk

The value of investments by the Funds may go up and/or down due to changing economic, political or market conditions, or due to a security or debt issuer's individual situation.

4.2.2 Equity risk

The Underlying Funds may invest in stocks and other equity securities and their derivatives which are subject to market risks that historically have resulted in greater price volatility than that experienced by bonds and other fixed income securities. The Underlying Funds may also invest in convertible instruments which may be converted into equity. A convertible instrument tends to yield a fairly stable return before conversion but its price usually has a greater volatility than that of the underlying equity.

4.2.3 Interest rate risk

Deposits in financial institutions and investments in bonds, debentures, loan stocks, convertibles and other debt securities may decline in value if interest rates change. In general, the prices of debt securities rise when interest rates fall, and fall when interest rates rise.

4.2.4 Credit risk

The Funds and the Underlying Funds are subject to the risk that some issuers of debt securities and other investments made by the Underlying Funds, including counterparties to swap transactions, may not make payments on such obligations, or an issuer (or counterparty) may suffer adverse changes in its financial condition that could lower the credit quality of a security, leading to greater volatility in the price of the security and in the value of the Underlying Funds. A change in the quality rating of a security can also affect the security's liquidity and make it more difficult to sell.

4.2.5 Foreign securities risk

As the Underlying Funds may invest in securities throughout the world, it is subject to numerous risks resulting from market and currency fluctuations, future adverse political and economic developments, the possible imposition of restrictions on the repatriation of currency or other governmental laws or restrictions, reduced availability of public information concerning issuers and the lack of uniform accounting, auditing and financial reporting standards or of other regulatory practices and requirements comparable to those applicable to companies in the investor's domicile. In addition, securities of companies or governments of some countries may be illiquid and their prices volatile and, with respect to certain countries, the possibility exists of expropriation, nationalisation, exchange control restrictions, confiscatory taxation and limitations on the use or removal of funds or other assets, including withholding of dividends. Some of the Underlying Funds' securities may be subject to government taxes that could reduce the yield on such securities, and fluctuations in foreign currency exchange rates may affect the value of securities and the appreciation or depreciation of investments. Certain types of investments may result in currency conversion expenses and higher custodial expenses.

4.2.6 Emerging market securities risk

While the Underlying Funds will invest substantially in developed markets, it may also invest in emerging market securities such as Asian bonds and equities which may involve certain considerations not typically associated with investing in securities listed on the major securities markets in developed countries, including but not limited to:

- a) restrictions on foreign investment and on repatriation of capital invested in emerging markets;
- b) currency fluctuations;
- c) the cost of converting foreign currency into Singapore dollars;
- d) potential price volatility and reduced liquidity of securities traded in emerging markets;
- e) political uncertainty and economic risks, including the risk of nationalisation or expropriation of assets; and
- f) risk arising from inadequate settlement and custody systems in certain countries.

4.2.7 Currency risk

The assets and liabilities of the Underlying Funds may be denominated in currencies other than the Singapore dollar and the Funds and/or the Underlying

Funds may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the Singapore dollar and such other currencies. If the currency in which a security is denominated appreciates against the Singapore dollar, the value of the security would increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security. The investment manager of an Underlying Fund (the “Investment Manager”) may manage the currency risks by hedging through forward currency contracts, currency futures, currency swap agreements or currency options.

4.2.8 Derivatives risk

The use of futures, options, warrants, forwards, swaps or swap options involves increased risks. The Funds and the Underlying Funds’ ability to use such instruments successfully depends on the Investment Manager’s ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager’s predictions are wrong, or if the derivatives do not work as anticipated, the Funds and/or the Underlying Funds could suffer greater losses than if the Funds and/or the Underlying Funds had not used the derivatives. If the Funds and/or the Underlying Funds invest in over-the-counter derivatives, there is an increased risk that a counterparty may fail to honour its contract. Derivatives transactions will not be used for speculation or leverage but may be used for efficient portfolio management and risk management. In the event that such instruments are used, the Investment Manager will ensure that the risk management and compliance procedures and controls adopted are adequate and that they have the requisite expertise, experience and quantitative tools to manage and contain such investment risks. Investments in derivatives would normally be monitored and controlled by the Investment Manager with regular mark-to-market valuations, careful research prior to investment and compliance monitoring to ensure careful compliance with the investment restrictions regard to derivatives.

Important: The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing into the particular Fund(s). Investors should be aware that an investment in the particular Fund(s) may be exposed to other risks of an exceptional nature from time to time.

For details on the risks applicable to the various Underlying Funds, you should refer to Appendix 1 attached herein and their prospectuses which can be obtained from their respective issuing companies.

5 Structure

Each of the Funds invests into other collective investment schemes (i.e. the Underlying Funds) and/or direct investments in equities, bonds and short-term money market instruments, as may be determined by the Manager in proportions determined by the asset allocation strategy of each Fund. The Funds’ asset allocation would be dynamic and would become more conservative over time. Each of the Funds is a single fund and is classified as Specified Investment Product.

PruLink Adapt 2025 Fund and PruLink Adapt 2035 Fund are included under the CPF Investment Scheme ("CPFIS") Ordinary Account ("OA") and/or Special Account ("SA") for subscription by investors of the PruLink investment-linked policies.

Fund	CPF Risk Classification / CPFIS
PruLink Adapt 2025 Fund	Medium to High Risk (Broadly Diversified) / CPFIS-OA & SA
PruLink Adapt 2035 Fund [^]	Medium to High Risk (Broadly Diversified) / CPFIS-OA

Each of the Funds is suited to investors with investment horizons ending in or within a few years from the stated year in the fund name. Investors should satisfy themselves of the suitability to them of an investment in the Funds based on their personal circumstances.

[^] Effective 3 December 2018, PruLink Adapt 2035 Fund's risk classification is changed from Higher Risk to Medium to High Risk.

6 Investment Objective

The investment objective of the PruLink Adapt 2025 is to generate capital growth at a controlled risk level consistent with the investment horizon of the portfolio to accumulate assets and provide wealth for investors at maturity. Beyond the investment horizon, which would centre around 2025, the objective is to maintain capital stability in the portfolio.

The investment objective of the PruLink Adapt 2035 is to generate capital growth at a controlled risk level consistent with the investment horizon of the portfolio to accumulate assets and provide wealth for investors at maturity. Beyond the investment horizon, which would centre around 2035, the objective is to maintain capital stability in the portfolio.

7 Investment Focus

Each of the Funds will invest in a broad array of asset classes in the domestic and global markets, including but not limited to, equities, fixed income and alternative assets such as property securities and gold. The asset class invested by the Funds has its own investment focus and strategy, to provide capital growth, income as well as a level of inflation protection to the overall portfolio.

The asset allocation would be adjusted throughout the investment horizon of the portfolio according to the attractiveness of each asset class and prevailing market conditions. As the portfolio approaches the maturity, the asset allocation will become more conservative to reduce the potential portfolio downside risk in order to preserve the assets that have accumulated.

8 Investment Approach

Each of the Funds is a highly diversified portfolio investing primarily in investment funds (including ETFs) across different types of asset classes and strategies throughout the world. The Funds may also invest directly in quoted equities, bonds and other fixed income securities in global markets.

The Strategic Asset Allocation (“SAA”) of the Funds is established using an optimization process to create an optimal portfolio which the Manager expects to offer potentially the best combination of risk and return against the current market outlook.

The SAA will be reviewed and adjusted on an annual basis according to the Manager's asset allocation strategy. Typically, as the life of the portfolios progresses, the exposure to risky assets will be reduced in an incremental and consistent manner to ensure the overall level of risk is consistent with the portfolio's stage in the investment cycle of the portfolio. The risky asset de-risking will take the form of reduction in growth assets as well as adjustment in nature of the growth assets. For example, as the life of the portfolio draws closer to maturity, emerging market equities will be replaced with developed market equities.

In addition to the annual review, the asset allocation will be managed actively throughout the investment horizon according to the attractiveness of each asset class and prevailing market conditions. A broad asset allocation range has been set at the total asset class level of each portfolio to allow flexible asset allocation to accommodate major changes in the broader macro environment. During extreme market conditions, the portfolio may hold a high level of cash as a temporary strategy to ride out episodes of market dislocation.

9 Performance of the Funds and the Underlying Funds

9.1 Benchmark

Each of the Funds will have a composite benchmark based on the SAA and constituent benchmarks of the underlying asset classes. The composite benchmarks will be reset usually each year to match the evolving strategic asset allocation. The latest benchmark is effective on from 1 June 2017.

9.2 Underlying Funds

Currently each of the Funds may invest in the shares/units of the following Underlying Funds:

- Schroder International Selection Fund Global Equity Alpha
- Schroder International Selection Fund Global Smaller Companies
- Schroder International Selection Fund Emerging Markets
- Schroder International Selection Fund Global Emerging Market Opportunities
- Schroder International Selection Fund Asian Opportunities
- Schroder Asian Growth Fund
- Schroder International Selection Fund Greater China
- Schroder International Selection Fund Japanese Equity
- Schroder Singapore Trust
- Schroder International Selection Fund Global Bond
- Schroder International Selection Fund Global Inflation Linked Bond
- Schroder International Selection Fund EURO Corporate Bond
- Schroder Singapore Fixed Income Fund
- Schroder International Selection Fund Global Corporate Bond
- Schroder Asian Investment Grade Credit
- Schroder International Selection Fund QEP Global Quality
- SPDR Gold Trust

- Schroder International Selection Fund QEP Global Core
- Schroder International Selection Fund QEP Global Active Value
- Schroder Global Quality Bond

The Manager shall have the discretion at any time to change the Underlying Funds for each of the Funds.

Except for (1) Schroder Asian Growth Fund, (2) Schroder Singapore Trust, (3) Schroder Singapore Fixed Income Fund, and (4) Schroder Asian Investment Grade Credit, which are managed by Schroders Singapore as their Investment Manager, and (5) SPDR Gold Trust, which is an exchange traded fund, the Underlying Funds listed above are operated by Schroder International Selection Fund ("SISF"), an umbrella structured open-ended investment company with limited liability under the law of Grand Duchy of Luxembourg, organized as a "société anonyme" and qualifies as a Société d'Investissement à Capital Variable under Part I of the law on undertakings for collective investment dated 17 December 2010. The company operates separate portfolios of assets and liabilities (including the relevant Underlying Funds), each of which is managed in accordance with its own specific investment objectives. The Investment Managers for the respective Underlying Funds under SISF are as follows:

SISF Global Equity Alpha, SISF Global Smaller Companies, SISF Emerging Markets, SISF Global Emerging Market Opportunities, SISF Global Bond, SISF Global Inflation Linked Bond, SISF Euro Corporate Bond and Schroder ISF QEP Global Quality are managed by Schroder Investment Management Limited.

SISF Global Corporate Bond is managed by Schroder Investment Management North America Inc.

SISF Asian Opportunities is managed by Schroders Singapore.

SISF Greater China is managed by Schroder Investment Management (Hong Kong) Limited. SISF Japanese Equity is managed by Schroder Investment Management (Japan) Limited.

Schroder Investment Management Limited is domiciled in the United Kingdom and has been managing collective investment schemes and discretionary funds since 1985. Schroder Investment Management Limited is regulated by the Financial Conduct Authority.

Schroder Investment Management North America Inc. is domiciled in the United States of America and has been managing funds since 1999. Schroder Investment Management North America Inc. is regulated by the United States Securities and Exchange Commission.

Schroder Investment Management (Singapore) Ltd is domiciled in Singapore and has been managing collective investment Schemes and discretionary funds in Singapore since 1992. Schroder Investment Management (Singapore) Ltd is regulated by the Monetary Authority of Singapore.

Schroder Investment Management (Hong Kong) Limited is domiciled in Hong Kong SAR and has been managing funds since 1974. Schroder Investment Management (Hong Kong) Limited is regulated by the Hong Kong Securities and Futures Commission.

Schroder Investment Management (Japan) Limited is domiciled in Japan and has been managing funds since 1987. Schroder Investment Management (Japan) Limited is regulated by the Financial Services Agency.

Past performance of the Manager and the Investment Managers are not necessary indicative of its future performance.

SISF Global Emerging Market Opportunities, SISF Emerging Markets, SISF EURO Corporate Bond, SISF Global Inflation Linked Bond, SISF Global Bond, SISF Global Corporate Bond, SISF Global Equity Alpha, SISF Global Smaller Companies, SISF Greater China, SISF Japanese Equity, SISF Asian Opportunities, SISF QEP Global Active Value, SISF QEP Global Quality, SISF QEP Global Core, SISF China Opportunities and SISF Asia Pacific Property Securities are domiciled in Luxembourg.

Schroder Asian Growth Fund, Schroder Asian Investment Grade Credit, Schroder Global Quality Bond, Schroder Singapore Trust and Schroder Singapore Fixed Income Fund are domiciled in Singapore.

SPDR Gold Trust is domiciled in New York.

Source: Schroders Singapore as at 31 December 2018

9.3 Past Performance of the Funds¹ (as at 31 December 2018)

Fund	Inception Date	One Year	Three Years*	Five Years*	Ten Years*	Since Inception*
PruLink Adapt 2025 Fund	19 April 2005	-5.3%	2.6%	3.1%	5.5%	2.8%
PruLink Adapt 2035 Fund	19 April 2005	-8.6%	3.2%	3.7%	6.3%	2.9%

** The figures shown are the average annual compounded return of the Funds over the highlighted period.*

¹ Performance calculations of the Funds are based on net asset value pricing, in Singapore Dollars with all dividends or distributions reinvested, taking into account all charges which would have been payable upon such reinvestment. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Source: Standard Chartered Bank; SGD; net income reinvested.

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

9.4 Past Performance* of Benchmarks (as at 31 December 2018)

Benchmark ²	Funds	One Year	Three Years*	Five Years*	Ten Years*	Since Inception*
Composite benchmark comprising the MSCI Singapore Free Index, MSCI World, MSCI AC Asia ex-Japan Index, MSCI Emerging Market, Markit iBoxx ALBI Singapore Index, Barclays Capital Global Aggregate Index (hedged to S\$), Barclays Capital Global Aggregate Index - Credit Component (hedged to S\$), JACI Investment Grade Index (hedged to S\$)	PruLink Adapt 2025	-2.2%	4.5%	4.7%	6.5%	4.4%
	PruLink Adapt 2035	-5.2%	5.2%	5.3%	7.3%	4.6%

* The figures shown are the average annual compounded return of the Benchmark over the highlighted period. Source: Schroder Investment Management (Singapore) Ltd

² Benchmark: With effect from 1 June 2017, the benchmark is changed to "Composite benchmark comprising the MSCI Singapore Free Index, MSCI World, MSCI AC Asia ex-Japan Index, MSCI Emerging Market, Markit iBoxx ALBI Singapore Index, Barclays Capital Global Aggregate Index (hedged to S\$), Barclays Capital Global Aggregate Index - Credit Component (hedged to S\$), JACI Investment Grade Index (hedged to S\$)", from "Composite benchmark comprising the MSCI Singapore Free Index, MSCI World, MSCI AC Asia ex-Japan Index, MSCI Emerging Market, UOB Singapore Government Bond Index (All), Barclays Capital Global Aggregate Index (hedged to S\$), Barclays Capital Global Aggregate Index - Credit Component (hedged to S\$), JACI Investment Grade Index (hedged to S\$)". The change is made as the original index service provider (United Overseas Bank Limited) will discontinue the "UOB Singapore Government Bond Index (All)" with effect from 1 June 2017.

With effect from 1 September 2015, the Funds no longer invested into Schroder International Selection Fund Global Property Securities. The benchmark was also changed to "Composite benchmark comprising the MSCI Singapore Free Index, MSCI World, MSCI AC Asia ex-Japan Index, MSCI Emerging Market, UOB Singapore Government Bond Index (All), Barclays Capital Global Aggregate Index (hedged to S\$), Barclays Capital Global Aggregate Index - Credit Component (hedged to S\$), JACI Investment Grade Index (hedged to S\$)", from "Composite benchmark comprising the MSCI Singapore Free Index, MSCI World, MSCI AC Asia ex-Japan Index, MSCI Emerging Market, UOB Singapore Government Bond Index (All), Barclays Capital Global Aggregate Index (hedged to S\$), JACI Investment Grade Index (hedged to S\$), JPM EMBI+ Composite Index, FTSE NAREIT Developed RE Index, 3-month SIBOR".

With effect from 9 May 2014, JACI Composite (hedged to S\$) and Gold Bullion Spot Price (hedged to S\$) were removed. The benchmark JACI Investment Grade Index (hedged to S\$) was added.

The benchmark of the Funds was changed from the Composite benchmark comprised of the MSCI Singapore Free Index, MSCI Japan Index, FTSE World Europe Index, S&P500 Index, MSCI AC Asia ex Japan Index, UOB Singapore Government Bond Index (All), Return on Long Dated Portfolio and Barclays Capital Global Aggregate Index (hedged to S\$) to the Composite benchmark comprised of the MSCI Singapore Free Index, MSCI World, MSCI AC Asia ex Japan Index, MSCI Emerging Market, UOB Singapore Government Bond Index (All), Barclays Capital Global Aggregate Index (hedged to S\$), JACI Composite (hedged to S\$), JPMI EMBI+

Composite Index, FTSE NAREIT Developed RE Index, Gold Bullion Spot (hedged to S\$), 3-month SIBOR with effect from 01 Jan 2011.

Prior to 1 October 2008, one of the components of the benchmarks was the MSCI AC Far East ex-Japan Index. With effect from 1 October 2008, the benchmark MSCI AC Far East ex-Japan Index was changed to MSCI AC Asia ex-Japan Index.

9.5 Expense Ratios³

Fund	Annualized Expense Ratio (%) as at 31 December 2018
PruLink Adapt 2025 Fund	1.55
PruLink Adapt 2035 Fund	1.50

³The expense ratios are calculated in accordance with Investment Management Association of Singapore's (IMAS) guidelines on the disclosure of expense ratios and based on the figures in the Funds' latest audited accounts but does not include the following expenses:

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

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

9.6 Turnover Ratios

9.6.1 Turnover Ratios⁴ of the Funds

Fund	Turnover Ratio (%) (for the period from 01 January 2018 to 31 December 2018)
PruLink Adapt 2025 Fund	25.33
PruLink Adapt 2035 Fund	28.72

9.6.2 Turnover Ratios⁴ of the Underlying Funds

Underlying Fund	Turnover Ratio (As at 31 December 2018)
Schroder International Selection Fund Global Equity Alpha	85.69
Schroder International Selection Fund Global Smaller Companies	54.54
Schroder International Selection Fund Emerging Markets	29.81
Schroder International Selection Fund Global Emerging Market Opportunities	40.30

Schroder International Selection Fund Asian Opportunities	12.27
Schroder Asian Growth Fund	12.92
Schroder International Selection Fund Greater China	59.02
Schroder International Selection Fund Japanese Equity	27.96
Schroder Singapore Trust	11.07
Schroder International Selection Fund Global Bond	109.29
Schroder International Selection Fund Global Inflation Linked Bond	63.02
Schroder International Selection Fund Asian Bond Total Return ⁴	71.72
Schroder International Selection Fund Emerging Markets Debt Absolute Return ⁴	56.75
Schroder International Selection Fund EURO Corporate Bond	84.66
Schroder Singapore Fixed Income Fund	53.38
Schroder International Selection Fund Global Corporate Bond	82.26
Schroder Asian Investment Grade Credit	68.84
Schroder International Selection Fund QEP Global Quality	85.72
SPDR Gold Trust	
Schroder International Selection Fund QEP Global Core	74.63
Schroder International Selection Fund QEP Global Active Value	69.79
Schroder Global Quality Bond	93.98

⁴ The turnover ratios are calculated based on the lesser of purchases or sales expressed as a percentage over average net asset value, i.e., average daily net asset value.

⁴With effect from 3 May 2019, Schroder International Selection Fund Asian Bond Total Return and Schroder International Selection Fund Emerging Markets Debt Absolute Return have been removed from the investible Underlying Fund as they are no longer CPFIS-included.

10 Fees

10.1 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 Funds. The offer and bid prices are the buying and selling prices to you respectively. The Funds are valued, and charges are deducted, on a forward pricing basis.

For CPF Investment, the net sales charge is up to 1.5%.

* 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%.

10.2 Continuing Investment Charge

Fund	Continuing Investment Charge
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PruLink Adapt 2025 Fund	1.45% p.a.
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PruLink Adapt 2035 Fund [^]	1.45% p.a.
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This charge is deducted 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.

[^] Effective 3 December 2018, PruLink Adapt 2035 Fund's Continuing Investment Charge is changed from 1.60% p.a. to 1.45% p.a.

11 Subscription of Units

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

You must invest a minimum of 5% of your premium in any PruLink Funds you choose and thereafter invest in multiples of 5% of your premium.

A percentage of your premium is used to buy units at the offer price in the PruLink Fund 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 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, investors should instruct the CPF Board to withdraw from his CPF OA or CPF SA (as the case may be) for credit to his CPF Investment Account with a CPF agent bank monies 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.

11.2 Dealing Deadline and Pricing Basis

Pricing of PruLink Funds is on a forward, offer-bid basis.

If we receive your premium:

- a) by 3pm, we will use the offer price calculated on the next Business Day; or
- b) after 3pm, we will use the offer price 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 offer price to buy units in your account. If we receive your premium after 3pm on Monday, we will use Wednesday's offer price.

11.3 Allotment of Units

Numerical example of units allotment:

\$1,000 x 100% -> \$1,000 ÷ \$1.00 -> 1,000 units X \$0.95 -> \$950

Your Initial Investment	Premium allocation rate*	Net Investment Sum	Offer Price	No. of units you will receive	Bid Price	Value of your units
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** Please refer to the applicable allocation rate in the Product Summary.*

12 Withdrawal of Units

12.1 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.

12.2 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.

12.3 Dealing Deadline and Pricing Basis

Pricing of PruLink Funds is on a forward, bid-offer basis.

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.

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.

12.4 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

12.5 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.

T is the next pricing date following the receipt of your withdrawal request with all the documents and information. It is also considered paid on the day your account is credited or a cheque is mailed to you.

13 Switching of Fund(s)

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

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

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

To apply for switching, you must use the appropriate application form and meet the conditions on it. We will notify you if we accept your application.

14 Obtaining Prices of Units

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

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

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

15 Suspension of Dealing

We reserve the right to suspend immediately any issue, withdrawal, exchange or other dealing in relation to the Funds (or the units thereunder) if the Manager or the applicable Investment Manager (where applicable) suspends the issue, withdrawal, exchange or other dealing in the units or shares of the relevant Fund or the Underlying Fund (as the case may be), 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 that Fund or the realization of any Material Proportion of the Investments for the time being constituting the relevant assets comprised in that PruLink Fund cannot be effected normally or without seriously prejudicing the interests of investors of that 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 realization of any Material Proportion of the Investments for the time being constituting the relevant Deposited Property cannot be effected promptly at normal rates of the exchange;

- (vi) for a PruLink Fund which is a feeder fund or fund of funds, during any period when dealings in the units or shares of the relevant Fund or Underlying Funds are restricted or suspended;
- (vii) any period when dealing in units is suspended pursuant to any order or direction of the Authority; or
- (viii) any period when the business operations of the Manager in relation to the operation of any particular PruLink Fund 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 realized 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 to be published in the major local newspaper in Singapore which publishes the daily issue and realization pricing of units of the Funds.

16 Soft Dollar Commissions or Arrangements

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

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

The Relevant Parties shall not accept or enter into soft-dollar commissions or arrangements unless:

- (i) such soft-dollar commissions or arrangements would reasonably assist the Relevant Party concerned in the management of the Funds or the Underlying Funds;
- (ii) the Relevant Party shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned; and

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

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

17 Conflicts of Interest

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

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

18 Reports

The financial year-end of the PruLink Funds is 31 December of each year. You will receive the Semi-Annual Report and Annual Audited Report of the relevant PruLink Funds 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 of the PruLink Funds may also be obtained from www.prudential.com.sg.

19 Other Material Information

19.1 Right to Change Investment Objective and Underlying Funds

We and/or the Manager reserve the right to change the investment objective of the PruLink Funds from time to time. However, we shall give you 30 days' written notice before doing so.

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

19.2 Duties and Obligations

We and/or the Manager 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.

19.3 Distribution of Income and Capital

Distribution of income and/or capital of the PruLink Funds (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 relevant PruLink Fund.

19.4 Investment Guidelines

- 19.4.1 The investment guidelines for non-specialised funds (i.e. the Non-Specialised Funds Investment Guidelines) issued by the Authority under the Code on Collective Investment Schemes (the “**Code**”), as may be amended from time to time, shall apply to the Funds (unless otherwise waived, exempted or not applied by the Authority).
- 19.4.2 In addition, the Manager will ensure compliance with the investment guidelines issued by the CPF Board, which may be amended from time to time, over and above the Non-Specialised Funds Investment Guidelines.
- 19.4.3 The Manager will ensure compliance with the investment guidelines issued by the Authority and us, which may be amended from time to time. We reserve the right to make changes to the Funds as may be necessary for the compliance with such 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.

19.5 Termination of PruLink Funds

We reserve the right to terminate immediately (upon giving written notice) any of the PruLink Funds if the Manager or the applicable Investment Manager terminates any of the Funds, Underlying Funds or underlying entities, or if we are required to do so by the Manager 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 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 PruLink Fund or if any approval or authorization of that PruLink Fund is revoked or withdrawn;

- (iii) if the Manager is of the view that it is not in the best interest of investors in that PruLink Fund to continue the 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 PruLink Fund, if any, or a change in the manager of the relevant Underlying Fund or the corresponding fund (as the case may be).

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

Appendix 1 – Risks and Information relating to the Underlying Funds

Section A: Risks and Information relating to the Underlying Funds (excluding the SPDR Gold Trust)

This Section A sets out the risks and other information relating to the Underlying Funds (excluding the SPDR Gold Trust). For the purposes of this Section A only, the term “Underlying Funds” refers to the Underlying Funds (excluding the SPDR Gold Trust).

Financial Derivative Instruments (“FDIs”)

1) Types of FDIs

The FDIs which may be used by the Underlying Funds include, but are not limited to, options on securities, stock index options, forward currency contracts, currency futures, currency swap agreements, currency options, interest rate futures or options or interest rate swaps, financial or index futures, over-the-counter (OTC) options, credit default swaps, equity swaps, total return swaps, credit linked notes, equity linked notes or futures or options on any kind of financial instrument.

The Underlying Funds may also enter into volatility futures and options transactions traded on a regulated market. These instruments measure market expectations of near term implied volatility conveyed by stock index prices and are used to hedge volatility within funds.

Any such index has to meet the following requirements:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

2) Exposure of FDIs

The global exposure of each Underlying Fund to FDIs will not exceed the total net assets of such Underlying Fund. The Underlying Funds' overall risk exposures shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings¹ so that it may not exceed 210% of any Underlying Fund's total net assets under any circumstances.

The global exposure relating to FDIs is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

The Underlying Funds may use financial derivative instruments for investment purposes and for hedging purposes, within the limits of the the law on undertakings for collective investment dated 20 December 2002 as well as any present or future related Luxembourg laws or implementing regulations, circulars and Commission de Surveillance du Secteur Financier's (Luxembourg Financial Sector Supervisory Authority) positions. Under no circumstances shall the use of these instruments and techniques cause an Underlying Fund to diverge from its investment policy or objective. The risks against which the Underlying Funds could be hedged may be, for instance, market risk, foreign exchange risk, interest rates risk, credit risk, volatility or inflation risks.

Unless specified otherwise in Appendix III of the Schroder International Selection Fund's prospectus, the global exposure relating to FDIs will be calculated using a commitment

approach. Underlying Funds applying a Value-at-Risk (VaR) approach to calculate their global exposure will contain an indication thereto in Appendix III of the Schroder International Selection Fund's prospectus. VaR reports will be produced and monitored on a daily basis based on the following criteria:

- 1 month holding period;
- 99% unilateral confidence interval;
- at least a one year effective historical observation period (250 days) unless market conditions require a shorter observation period; and
- parameters used in the model are updated at least quarterly. Stress testing will also be applied at a minimum of once per month.

Schroder International Selection Fund may not borrow for the account of any Underlying Fund, other than amounts which do not in aggregate exceed 10% of the net asset value of the Underlying Fund, and then only as a temporary measure. For the purpose of this restriction back to back loans are not considered to be borrowings.

3) Use of FDIs

Each Underlying Fund may employ financial derivative instruments for hedging and investment purposes in accordance with its risk profile. Details of the use of FDIs by Underlying Funds are set out in Appendix III of the Schroder International Selection Fund's prospectus. All derivative investments will be made in accordance with "Appendix I – Investment Restrictions" of the Schroder International Selection Fund's Prospectus.

For Underlying Funds that use FDIs to meet their specific investment objectives, there is no guarantee that the performance of the FDIs will result in a positive effect for the Underlying Fund and its shareholders.

4) Risks and Limits on use of FDIs

The risks relating to the use of FDIs like warrants, credit default swaps, credit linked notes, equity linked notes and futures and options are set out below:

– Warrants Risk

When an Underlying Fund invests in warrants, the price, performance and liquidity of such warrants are typically linked to the underlying stock. However, the price, performance and liquidity of such warrants will generally fluctuate more than the underlying securities because of the greater volatility of the warrants market. In addition to the market risk related to the volatility of warrants, an Underlying Fund investing in synthetic warrants, where the issuer of the synthetic warrant is different to that of the underlying stock, is subject to the risk that the issuer of the synthetic warrant will not perform its obligations under the transactions which may result in the Underlying Fund, and ultimately its shareholders, suffering a loss.

– Credit Default Swap Risk

A credit default swap allows the transfer of default risk. This allows an Underlying Fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). If the credit event does not occur the buyer pays all the required premiums

and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. In addition, if there is a credit event and the Underlying Fund does not hold the underlying reference obligation, there may be a market risk as the Underlying Fund may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Underlying Fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. Schroder International Selection Fund will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

– Credit Linked Note Risk

A credit linked note is a debt instrument which assumes both credit risk of the relevant reference entity (or entities) and the issuer of the credit linked note. There is also a risk associated with the coupon payment; if a reference entity in a basket of credit linked notes suffers a credit event, the coupon will be re-set and is paid on the reduced nominal amount. Both the residual capital and coupon are exposed to further credit events. In extreme cases, the entire capital may be lost. There is also the risk that a note issuer may default.

– Equity Linked Note Risk

The return component of an equity linked note is based on the performance of a single security, a basket of securities or an equity index. Investment in these instruments may cause a capital loss if the value of the underlying security decreases. In extreme cases the entire capital may be lost. These risks are also found in investing in equity investments directly. The return payable for the note is determined at a specified time on a valuation date, irrespective of the fluctuations in the underlying stock price. There is no guarantee that a return or yield on an investment will be made. There is also the risk that a note issuer may default.

– Futures, Options and Forward Transactions Risk

An Underlying Fund may use options, futures and forward contracts on currencies, securities, indices, volatility, inflation and interest rates for hedging and investment purposes.

Transactions in futures may carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are “leveraged” or “geared”. A relatively small market movement will have a proportionately larger impact which may work for or against the Underlying Fund. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options may also carry a high degree of risk. Selling (“writing” or “granting”) an option generally entails considerably greater risk than purchasing options. Although the premium received by the Underlying Fund is fixed, the Underlying Fund may sustain a loss well in excess of that amount. The Underlying Fund will also be exposed to the risk of the purchaser exercising the option and the Underlying Fund will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is “covered” by the Underlying Fund holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Forward transactions, in particular those traded over-the-counter, have an increased counterparty risk. If a counterparty defaults, the Underlying Fund may not get the expected payment or delivery of assets. This may result in the loss of the unrealised profit.

Each Underlying Fund may as a part of its investment policy and within the limits laid down in section 1(A)(vi) and section 1(C)(v) of the Schroder International Selection Fund's prospectus under the heading "Investment In Transferable Securities And Liquid Assets", invest in FDIs provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in sections 1(C)(i) to (vii) of the Schroder International Selection Fund's prospectus.

When an Underlying Fund invests in index-based FDIs compliant with the provisions of sections 1(C)(i) to (vii), these investments do not have to be combined with the limits laid down in section 1(C) of the Schroder International Selection Fund's prospectus. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of these restrictions.

5) Risk Management Process and Supplementary Information

Schroder International Selection Fund will employ a risk-management process which enables it, with the relevant investment manager, to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Underlying Fund. Schroder International Selection Fund or the relevant investment manager will employ, if applicable, a process for an accurate and independent assessment of the value of any OTC derivative instruments.

At the written request of an investor, Schroders Singapore will procure that supplementary information relating to the relevant Underlying Fund's risk management process employed by the Underlying Fund to measure and manage the risks associated with the use of financial derivative instruments and the investments of the Underlying Fund is provided to such investor, except for any information which the investment managers or the directors may deem sensitive or confidential in nature or information which if disclosed, would not be in the interest of investors of the Underlying Fund generally. The information to be disclosed shall be similar to that which is required to be disclosed under applicable laws and regulations in Luxembourg to investors and will relate to the quantitative limits that apply in the risk management of each Underlying Fund, to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments. This supplementary information includes the Value-at-Risk levels set for the Underlying Funds using such risk measures.

For details on the risks applicable to each of the Underlying Funds, you should refer to their prospectuses which can be obtained from their respective issuing companies.

Section B: Additional Risks and Information relating to the Schroder Singapore Trust, Schroder Singapore Fixed Income and Schroder Asian Growth (the “Schroder Singapore Funds”)

The use of futures, options, warrants, forwards, swaps or swap options involves increased risks. The Schroder Singapore Funds' ability to use such instruments successfully depends on the ability of the managers of the Schroders Singapore Funds to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If such managers' predictions are wrong, or if the derivatives do not work as anticipated, the Schroder Singapore Funds could suffer greater losses than if the Schroder Singapore Funds had not used the derivatives. If the Schroder Singapore Funds invest in over-the-counter derivatives, there is increased risk that a counterparty may fail to honour its contract. Derivatives transactions will not be used for speculation or leverage but may be used for efficient portfolio management and hedging. The exposure of the Schroder Singapore Funds to financial derivatives will not exceed 100% of the deposited property of the respective Schroder Singapore Funds at any time or such percentage as may be permitted under the Code. Such exposure shall be calculated by converting the derivative positions into equivalent positions in the underlying assets embedded in those financial derivatives.

The managers of the Schroder Singapore Funds will ensure that the risk management, compliance procedures and controls adopted are adequate and that they have the requisite expertise, experience and quantitative tools to manage and contain such investment risks. Investments in derivatives would normally be monitored and controlled by the managers of the Schroder Singapore Funds with regular mark-to-market valuations, careful research prior to investment and compliance monitoring to ensure careful compliance with the investment restrictions set out in the respective Deed with regard to derivatives.

Schroders, being the group of companies to which the managers of the Schroder Singapore Funds belong, has established a Group Derivatives Committee (the “Committee”) which assumes responsibility for identifying and overseeing the management of the key operational risks faced by Schroders from the use of derivatives. The Committee also approves, communicates and assesses the adequacy and effectiveness of the derivative risk management framework, and will escalate significant issues relating to derivatives to key stakeholders.

The Committee reviews and approves funds using derivatives and new derivative instruments to ensure that the key operational risks have been identified and mitigated before the launch of the fund or execution of the instrument, and is responsible for the policy on new instruments. After approval by the Committee, new derivative instruments are recorded in a derivative instruments register. This process is designed to ensure that new derivative instruments are assessed prior to investment by the Schroder Singapore Funds to ensure that the managers of the Schroder Singapore Funds have the appropriate processes and controls in place to mitigate operational, investment and credit risks.

The fund managers of the managers of the Schroder Singapore Funds have the primary responsibility for ensuring that derivative transactions are consistent with the investment objective of the relevant Schroder Singapore Fund. Derivative positions are monitored to ensure that derivative usage is consistent with a Schroder Singapore Fund's investment objectives and in line with the way the relevant Schroder Singapore Fund is offered. The Schroder Singapore Funds are categorised by their performance/risk profiles and risk-related parameters are set for each fund category. The risk related parameters are monitored by independent product managers, assisted by an investment risk team, and exceptions are investigated and resolved.

The fund managers of the managers of the Schroder Singapore Funds are required to liaise with the risk or compliance team to agree how the derivative investments should be monitored and clarify any uncertainty in relation to interpretation of rules or monitoring requirements prior to

investing or as soon as the uncertainty arises. The risk or compliance team is responsible for performing independent compliance monitoring of investment restrictions. The risk or compliance team ensures that the fund managers are made aware of changes to regulations, including those in relation to derivatives usage. The Managers of the Schroder Singapore Funds have a system in place to monitor investment restrictions. Where the system does not have the capability to monitor a particular instrument or restriction, the monitoring process is supplemented either by in-house or external systems and/or manual processes.

Section C: Information relating to Schroder Asian Investment Grade Credit, Schroder Global Quality Bond Fund, Schroder Singapore Fixed Income Fund and Schroder Singapore Trust.

For the purposes of this Section C only, the term “Underlying Funds” refers to Schroder Asian Investment Grade Credit, Schroder Global Quality Bond Fund, Schroder Singapore Fixed Income Fund and Schroder Singapore Trust.

The Underlying Funds are single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/ or switching in and out of the Underlying Funds. This is known as “dilution”. In order to counter this and to protect investors’ interests, the Investment Manager has decided to apply “dilution adjustment” as part of its daily valuation policy with effect from 1st Oct 2018. This means that in certain circumstances, the Investment Manager (if in their opinion in good faith it is in the interest of investors to do so) will make adjustments in the calculations of the NAV per unit, to counter the impact of dealing and other costs on occasions when these are deemed to be significant, as described below.

In the usual course of business, the application of a dilution adjustment will be triggered mechanically and on a consistent basis. The need to make a dilution adjustment will depend upon the net value of subscriptions, switching and redemptions received by the Underlying Funds for each Dealing Day. The Investment Manager therefore reserve the right to make a dilution adjustment where the Underlying Funds experiences a net cash movement which exceeds a threshold set by the Investment Manager from time to time of the previous Dealing Day’s total NAV.

The Investment Manager may also make a discretionary dilution adjustment if, in its opinion, it is in the interest of existing policyholders to do so.

Where a dilution adjustment is made, it will increase the NAV per unit when there are net inflows into the Underlying Funds and decrease the NAV per unit when there are net outflows. The NAV per unit of each Class will be calculated separately but any dilution adjustment will, in percentage terms, affect the NAV per Unit of each Class identically.

As dilution is related to the inflows and outflows of money from the Underlying Funds, it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the Investment Manager will need to make such dilution adjustments.

Because the dilution adjustment for the Underlying Funds will be calculated by reference to the costs of dealing in the underlying investments of the Underlying Funds, including any dealing spreads, which can vary with market conditions, this means that the amount of the dilution adjustment can vary over time but will not exceed 20% of the NAV per unit on the relevant Dealing Date.

GLOSSARY OF TERMS

“Authority”	means the Monetary Authority of Singapore
“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 may agree in writing
“Dealing Day”	means such Business Day(s) which is! are determined by the Investment Manager (considering various factors including whether the Recognised Stock Exchange or Exchanges on which a substantial portion of the Deposited Property is quoted, listed or dealt in is! are not open for normal trading) with the approval of the Trustee
“Deposited Property”	means all of the assets for the time being comprised in the Funds or the Underlying Funds for account of the Funds or the Underlying Funds (as the case may be) excluding any amount for the time being standing to the credit of the distribution account of the Funds or the Underlying Funds as the case may be
“Funds”	means Prulink Adapt 2025 Fund and PruLink Adapt 2035 Fund (each, a “Fund”)
“Manager”	means Schroder Investment Management (Singapore) Ltd.
“Material Proportion”	in relation to Investments means such proportion of the investments which when sold would in the opinion of the Manager cause the value of that Deposited Property to be significantly reduced
“Investment”	means any share, stock, bond, note, debenture, debenture stock, warrant, option, securities, unit or sub-unit in a unit trust scheme, participation in a mutual fund or similar scheme, loan convertible into security, money market instrument, loan stock, certificate of deposits, deposits, commercial paper, promissory notes, treasury bills, fixed and floating rate instruments, bankers’ acceptance, derivative instruments including index future and forward currency exchange contract, swap, cap, collar, floor, sale and repurchase transaction or other derivatives or financial transaction or instruments or any other security which may be selected by the Manager for the purpose of investment of any Deposited Property or which may for the time being form part thereof

“PruLink Fund”	means any one of the PruLink Funds that is available to Prudential Singapore policyholders
“PruLink Funds”	means the whole range of investment-linked funds that are available to Prudential Singapore policyholders
“SRS”	means the scheme referred to by the Ministry of Finance of Singapore as the Supplementary Retirement Scheme or such other scheme as shall replace or supersede the Supplementary Retirement Scheme from time to time
“Recognized Market”	means any stock exchange or over the counter market, any futures exchange and any organized securities market which is open to the public and on which securities are regularly traded, being in each case an exchange or market in any part of the world (including SGX-ST and SESDAQ) and in relation to any particular Investment includes any responsible firm, corporation or association in any country in the world so dealing in the Investment as to be expected generally to provide, in the opinion of the Manager, a satisfactory market for the Investment and in such case the Investment shall be deemed to be the subject of an effective permission to deal or be dealt in on the market deemed to be constituted by such firm, corporation or association
“Underlying Fund”	means a fund listed in Section 9.2 (Underlying Funds) of this Fund Information Booklet



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