29 February 2016

CHANGES IN THE SINGAPORE PROSPECTUS OF THE SICAV

We thank you for your continued support of Eastspring Investments SICAV (the "SICAV").

We would like to inform you of the changes in the Singapore Prospectus of the SICAV.

Please refer to the notice attached to this letter for more information.

In particular, the SICAV Board has determined that it is in the best interest of shareholders for the SICAV to implement a price adjustment policy ("swing pricing") from 1st April 2016.

The purpose of swing pricing is to protect existing investors in the SICAV Funds by preventing or reducing the performance dilution that may occur to the value of a Sub-Fund's shares, due to significant levels of net inflows or outflows on a given business day.

Swing pricing involves an adjustment to the net asset value of a Sub-Fund's shares on a given business day to adjust for transaction costs incurred as a result of a significant net inflows or outflows.

Such transaction costs may adversely affect existing investors in the Sub-Fund, an issue which is referred to as 'dilution'. On the other hand, under a swing pricing adjustment, it is the investors transacting in a Sub-Fund's shares that would bear the dealing costs of such transactions.

Swing pricing is part of the net asset valuation process and is not a separate fee. Swing pricing does not impact the investment management of the Sub-Funds and has a number of advantages for investors including:

- Protection against dilution costs – without swing pricing, large-scale redemptions or subscriptions of fund units result in transaction costs which must be borne by the remaining investors

- Liability Principle – swing pricing adaptation will only affect investors who buy or sell units on a given day

- Protection against speculation – transaction costs are borne only by those who caused them. Medium to long-term investors who retain their investments in the SICAV Funds are not affected

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The SICAV Board expects to implement swing pricing only where the net inflows or outflows of a Sub-Fund exceeds a specified level, which may vary among Sub-Funds. The implementation of swing pricing has also become an accepted standard in the industry. For more information on swing pricing, please refer to the FAQ attached.

These changes will be reflected in the next Singapore Prospectus (which will enclose the Luxembourg Prospectus) and Product Highlights Sheet which will be available on our website at www.eastspring.com.sg around end March 2016. You may also obtain printed copies of these documents from your financial adviser.

This notice is for your information only and no action is required on your part.

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If you have any queries with respect to the above, please feel free to contact your relationship manager, financial advisors and/or agents.

Alternatively, you may also contact us at (65) 6349 9711 during business hours or email us at unittrusts.query.sg@eastspring.com.

We would like to take this opportunity to thank you for your valuable support and we look forward to be of continued service to you.

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Frequently Asked Questions (FAQ) on swing pricing

1. Who will be affected by swing pricing?
Only those investors who buy or sell fund units on the relevant day. Investors who remain invested in the fund will not be economically affected.

2. Is swing pricing not just an additional charge for the investor?
No, swing pricing is a tool that ensures that existing investors in a particular Sub-Fund do not bear the trading costs associated with the portfolio manager having to trade due to the material activity of other shareholders investing significantly in or out of a Sub-Fund. Essentially, it is allocating costs of trading to the shareholders that cause them.

3. What advantages do swing pricing have for investors?
Protection against investors who speculate on short-term price volatility. Long-term protection against dilution, as major subscriptions or redemptions lead to transaction expenses which would have to be borne by the remaining investors otherwise.

Transaction expenses are borne only by those who cause them. Medium to long-term investors who remain invested in the Sub-Fund will not be affected. Swing pricing adjustments will only affect investors who buy or sell fund units on the relevant date.

If the day's dealings within the Sub-Fund results in a net inflow, the NAV is adjusted upwards. If it results in a net outflow, the NAV is adjusted downwards.

4. Which fund would be impacted?
The Swing Pricing mechanism is intended to be implemented across the entire range of the Eastspring Investments SICAV Sub-Funds. At this stage there are no Sub-Funds that are considered to be exempted from the Swing Pricing mechanism within the SICAV umbrella range. Please refer to the Singapore Prospectus (which will enclose the Luxembourg Prospectus) and Product Highlights Sheet for list of Sub-Funds.