



# PRULink Fund Information Booklet

April 2021

**PRULink America Fund**

**PRULink Global Equity Fund**



## IMPORTANT INFORMATION

**Capitalised terms used below, unless otherwise defined, shall have the same meanings ascribed to them in the section entitled “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 Sheet as one document.**

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

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

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

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

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

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

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

This Fund Information Booklet does not represent a contract.

## PRULink America Fund and PRULink Global Equity Fund

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## PRULink America Fund and PRULink Global Equity Fund

### 1. The PRULink Funds

The following PRULink Funds are currently being offered:

- PRULink America Fund (refer to Schedule 1 for more information)
- PRULink Global Equity Fund (refer to Schedule 2 for more information)

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

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

### 3. The Manager and the Investment Manager

#### Eastspring Investments (Singapore) Limited

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

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 SGD180.20 billion of which approximately SGD79.29 billion are discretionary funds managed in Singapore as at 31 December 2020.

The Manager is an ultimately wholly-owned subsidiary of Prudential plc (“**Prudential**”) of the United Kingdom. The Manager and Prudential are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company, a subsidiary of M&G plc, a company incorporated in the United Kingdom.

Source: Eastspring Investments (Singapore) Limited as at 31 December 2020

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

#### FIL Investment Management (Singapore) Limited

The Manager (non-discretionary) of PRULink Global Equity Fund is FIL Investment Management (Singapore) Limited (“**FIMSL**”).

The Underlying Funds of PRULink America Fund and PRULink Global Equity Fund are sub-funds of the Fidelity Funds, an open-ended investment company established on 15 June 1990 in Luxembourg as a SICAV (société d’investissement à capital variable). The management company of Fidelity Funds is FIL Investment Management (Luxembourg) S.A. (“**FIMLux**” or the “**Management Company**”) and the investment manager is FIL Fund Management Limited (“**FFML**” or “**Investment Manager**”). FIMSL acts as the representative of the Fidelity Funds in Singapore (“**Singapore Representative**”). FFML has been managing collective investment schemes or discretionary funds in Bermuda since August 2005 and its

regulatory authority is the Bermuda Monetary Authority. FIMSL has been managing collective investment schemes or discretionary funds in Singapore since 2003, and is regulated by the Monetary Authority of Singapore. FIMSL is wholly owned by FIL Asia Holdings Pte. Limited, which together with FIMLux and FFML, are wholly owned subsidiaries of FIL Limited, a privately owned investment company incorporated in Bermuda in 1969, and commonly known together with its entities by their brand name "Fidelity International".

Fidelity International provides world class investment solutions and retirement expertise to institutions, individuals and their advisers - to help their clients build better futures for themselves and for generations to come. As a private company, Fidelity thinks generationally and invest for the long term. Helping clients to save for retirement and other long term investing objectives has been at the core of their business for nearly 50 years.

Fidelity International offers their own investment solutions and access to those of others, and delivers services relating to investing: For individual investors and their advisers, Fidelity International provides guidance to help them invest in a simple and cost effective way. For institutions including pension funds, banks and insurance companies, they offer tailored investment solutions, consultancy, and full-service asset management outsourcing. For employers they provide workplace pension administration services on top or independently of investment management. Fidelity International is responsible for total client assets of USD \$419.3 billion\* from over 2.4 million\* clients across Asia Pacific, Europe, the Middle East, and South America.

Established in 1969 as the international arm of Fidelity Investments, founded in Boston in 1946, Fidelity International became independent of the US organisation in 1980, and is today owned mainly by senior management and founding family interests with charities making up the balance.

Investing requires a continuous research commitment to build a deep understanding of what is driving industries and individual businesses. This is where Fidelity International's global research capabilities with over 408\* investment professionals and research staff around the world come in: Fidelity International is committed to generating proprietary insights and their analysts work together across asset classes, e.g. combining insights from equity, credit, macro and quantitative research, to form a 360° view on the health and prospects of companies.

Their analysts carry out their research on the ground - visiting the shop floor, speaking to customers, competitors, suppliers, and independent experts to form conviction.

Over the course of a year, their portfolio managers and analysts attend more than 15,000\*\* company meetings - or one every 8 minutes on average between them.

They commission a number of bespoke projects and surveys to understand the market potential of companies' product and service innovations. As part of their fixed income research, they run 15\*\* top-down systematic overlay models as well as generating a wide range of quantitative tools and nudges to complement fundamental credit analyst output.

Fidelity Multi Asset's Manager Research team covers active and passive strategies, both from within Fidelity and across the investment industry. Among active strategies, the team has over 200\*\* which are rated 'buy' or 'hold', and which are subject to rigorous ongoing research and monitoring. Around a quarter of these are Fidelity strategies, and around three quarters are third party. The team's coverage of index-tracking and ETFs is made up of a greater proportion of third-party strategies, which account for over 90% of the team's approved list.

Thanks to an industry-leading technology platform, Fidelity International's investment professionals have mobile access to all research and reporting in one place. This includes risk monitoring, unique modelling and forecasting tools. Portfolio managers are also able to

initiate trades anytime from anywhere for execution by their 24-7 global trading team. This is how they find growth opportunities or income streams that have not been priced in by the market.

Fidelity International believes that responsible investing - considering Environmental, Social and Governance aspects - is essential in protecting and enhancing returns to their clients. They are stewards of their clients' money and have an important role to play in improving the governance of the companies in which they invest their clients' money - helping companies become better companies.

Fidelity International's portfolio managers are compensated on their long-term performance so that client and manager interests are aligned. The same is true for their senior/higher management, whose shareholdings in the company are for the duration of their careers with the firm.

They train many of their portfolio managers through Fidelity International's rigorous Portfolio Manager Academy programme. New portfolio managers initially manage pilot funds to test their ideas with their own money first. To their clients they offer tried and tested funds as a matter of principle.

It's an approach that works: More than 170 awards across Europe and Asia in 2018 to date recognise the consistent strong achievements of the investment and client service teams.

*\* Source: Fidelity International, data as at 30 September 2019.*

*\*\* Source: Fidelity International, data as at 31 December 2019.*

*.Investment professionals include portfolio managers, traders, divisional management and analysts.*

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

#### **4. The Auditor**

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

#### **5. Risks**

##### **5.1 General Risks**

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

Investors should consider and satisfy themselves as to the risks of investing in the Fund. Investment in the Fund 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 Fund, 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 Fund are liquidity and repatriation risks. The default in payment by an issuer of any instrument held by the Underlying Fund may affect the Underlying Fund's ability to meet its payment obligations to the Fund. No guarantee is given, express or implied, that investors will receive back any amount invested.

All investments involve risks and there can be no guarantee against loss resulting from an investment in any units of the Fund, nor can there be any assurance that the Underlying Fund's investment objective will be attained in respect of its overall performance. Investors



should therefore ensure (prior to any investment being made) that they are satisfied with the risk profile of the overall objective disclosed. 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.

### **5.1.1 Foreign Currency Risk**

Some or all of the Underlying Fund's assets may be denominated in currencies other than the base currency of the Underlying Fund. Also, a class of shares may be designated in a currency other than the base currency of the Underlying Fund. Fluctuations in the exchange rates between these currencies and the base currency as well as changes in exchange rate controls may adversely affect the Underlying Fund's Net Asset Value. The Underlying Fund may, or may not, hedge these risks using foreign exchange contracts and the associated risks are explained below in the section on Derivatives/ Counterparty Related Risk.

If the Underlying Fund invests in assets denominated in restricted currencies (i.e. where governments impose controls on the amounts of currency that can be traded) this may be subject to higher volatility due to lower traded volumes and pricing uncertainty. Further, the ability to hedge these risks may be limited as derivative instruments such as forwards or futures may be restricted, overly expensive or unavailable

### **5.1.2 Cash and Cash Equivalents**

The Underlying Fund may hold cash or cash equivalents (e.g. Money Market Funds or Money Market Instruments). If the Underlying Fund does not include this asset class as part of its asset allocation, it therefore may not fully participate in the movements of the market(s) on which it focuses.

### **5.1.3 Liquidity**

In normal market conditions the Underlying Fund's assets comprise mainly realisable investments which can be readily sold. The Underlying Fund's main liability is the redemption of any shares that investors wish to sell. In general the Underlying Fund manages its investments, including cash, such that it can meet its liabilities. Investments held may need to be sold if insufficient cash is available to finance such redemptions. If the size of the disposals is sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of the Underlying Fund.

### **5.1.4 Pricing & Valuation**

The Underlying Fund's assets comprise mainly quoted investments where a valuation price can be obtained from an exchange or similarly verifiable source. However, the Underlying Fund may also invest in unquoted and/or illiquid investments which will increase the risk of mispricing. Further, the Underlying Fund will compute Net Asset Values when some markets are closed for holidays or other reasons. In these and similar cases an objective verifiable source of market prices will not be available and the Investment Manager will invoke a process which will determine a fair value price for the relevant investments; this process involves assumptions, uncertainty and subjectivity. If such valuation turns out to be incorrect, this will affect the Net Asset Value calculation of the Underlying Funds.

### **5.1.5 Counterparty Credit & Settlement**

All security investments are transacted through brokers who have been approved by the Investment Manager of the Underlying Fund as an acceptable counterparty. The list of approved brokers is reviewed regularly. There is a risk of loss if a counterparty fails to perform its financial or other obligations to the Underlying Funds, for example, the possibility that a counterparty may default, by failing to make payments due, or make payments in a timely manner. If settlement does not occur the loss incurred by the Underlying Fund will be the difference between the price of the original contract and the price of the replacement

contract, or, in the case where the contract is not replaced, the absolute value of the contract at the time it is voided.

### 5.1.6 Legal & Tax

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders' rights under such laws and regulations may involve significant uncertainties. Further, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. The Underlying Fund may be subject to withholding and other taxes. Tax law and regulations of any country are constantly changing, and they may be changed with retrospective effect. The interpretation and applicability of the tax law and regulations by tax authorities in some jurisdictions are not as consistent and transparent as those of more developed nations, and may vary from region to region.

### 5.1.7 Custody

#### **Custodial Risk**

There are risks involved in dealing with the Depository, sub-custodians or brokers who hold or settle a fund's trades. It is possible that, in the event of the insolvency or bankruptcy of the Depository, a sub-custodian or a broker, a fund would be delayed or prevented from recovering its assets from the Depository, sub-custodian or broker, or its estate and may have only a general unsecured claim against the Depository, sub-custodian or broker for those assets. The Depository will hold assets in compliance with applicable laws and such specific provisions as agreed in the Depository Agreement. These requirements are designed to protect the assets against the insolvency in bankruptcy of the Depository but there is no guarantee they will successfully do so. In addition, as the Underlying Fund may invest in markets where custodial and/or settlement systems and regulations are not fully developed, including emerging markets, the assets of the Underlying Fund which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of sub-custodians is necessary, may be exposed to risk in circumstances where the Depository will have no liability, where a loss to the Underlying Fund has arisen as a result of an external event beyond the Depository's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

#### **Credit Risk with respect to Cash**

The Underlying Fund will be exposed to the credit risk of the Depository or any sub-custodian used by the Depository where cash is held by the Depository or sub-custodians. Credit risk is the risk that an entity will fail to discharge an obligation or commitment that it has entered into with the Underlying Fund. Cash held by the Depository and sub-custodians will not be segregated in practice but will be a debt owing from the Depository or other sub-custodians to the Underlying Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Depository and/or sub-custodians. In the event of the insolvency of the Depository or sub-custodians, the Underlying Fund will be treated as a general unsecured creditor of the Depository or sub-custodians in relation to cash holdings of the Underlying Fund. The Underlying Fund may face difficulties 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 relevant fund(s) will lose some or all of their cash. The Underlying Fund may enter into additional arrangements (for example, placing cash in money market collective investment schemes) in order to mitigate credit exposure for its cash holdings but may be exposed to other risks as a result. To mitigate the Underlying Fund's exposure to the Depository, the Management Company employs specific procedures to ensure that the Depository is a reputable institution and that the credit risk is acceptable to the Underlying Fund. If there is a change in Depository then the new custodian will be a regulated entity subject to prudential supervision with high credit ratings assigned by international credit rating agencies.

#### **Central Securities Depository**

Where securities are held by a central securities depository or clearing system, such securities may be held by such entities in client omnibus accounts and in the event of a

default by any such entity, where there is an irreconcilable shortfall of such securities, the Underlying Fund may have to share that shortfall on a pro-rata basis. Securities may be deposited with central securities depository which the Depository is not obliged to appoint as its sub-custodians and in respect of the acts or defaults of which the Depository shall have no liability.

### **5.1.8 Cross Share Class Liabilities**

Although assets and liabilities are clearly attributable to each class of Shares, there is no legal segregation between classes of Shares within a fund. This means that if the liabilities of a class of Shares exceed its assets, creditors of such class may have recourse without restriction to assets which are attributable to the other classes of Shares within the same fund. Although the Management Company of the Underlying Funds implements appropriate procedures to mitigate this risk of contagion, Shareholders should note that specific transactions (e.g. currency hedging) may be entered into for the benefit of a particular class of Shares but result in liabilities for the other classes of Shares within the same fund.

### **5.1.9 Dealing Arrangements**

In certain circumstances, the investor's right to redeem Shares may be suspended or redemption requests may be deferred.

### **5.1.10 Cyber Events**

Cyber-attacks, disruptions, or failures (collectively: cyber events) that affect the Underlying Fund's service providers or counterparties, issuers of securities held by the Underlying Fund or other market participants may adversely impact the Underlying Fund and its shareholders, including by causing financial losses or impairing operations. While the Management Company of the Underlying Fund has established systems and processes seeking to address cyber events there are inherent limitations as the Underlying Fund cannot control the cyber security plans of its counterparties.

### **5.1.11 Risks associated with Foreign Account Tax Compliance Act ('FATCA')**

The Underlying Fund intends to fully comply with the legislation and the obligations imposed on it by FATCA and meet its obligation under the inter-governmental agreement ("IGA") with the US. However, no assurance can be given that the Underlying Fund will be able to fully achieve this and avoid being subject to US withholding taxes. In the event the Underlying Fund as a Luxembourg financial institution is deemed by the US Internal Revenue Service ("IRS") to not be meeting its obligations in the future, the Underlying Fund may become subject to additional US withholding taxes, which could materially impact income returns from certain US source securities. In addition Shareholders may suffer material loss in certain funds where US withholding tax is imposed on the capital value of US source securities. Investors should consult their legal, tax and financial advisers to determine their status under the FATCA regime before making any decision to invest in any fund.

## **5.2 Specific Risks**

### **5.2.1 Equities**

As the Underlying Fund invests in stocks, the value of those stocks may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions or other events, including changes in investment sentiment, political and issuer-specific factors.

### **5.2.2 Stock/Issuer Concentration (Applicable to Fidelity Funds - America Fund only)**

As the Underlying Fund invests in a relatively small number of investments or issuers may experience a more volatile Net Asset Value as a result of this concentration of holdings relative to a fund that diversifies across a larger number of investments or issuers.

### **5.2.3 Country Concentration (Applicable to Fidelity Funds - America Fund only)**

As the Underlying Fund may invest in a single or small number of countries, it may have greater exposures to the market, political, policy, foreign exchange, liquidity, tax, legal, regulatory, economic and social risks of those countries than a fund which diversifies across a number of countries, thereby making the Underlying Fund more susceptible to any adverse events affecting those countries. This may result in lower liquidity of the Underlying Fund's assets and/or a higher volatility of the Net Asset Value than a fund that diversifies across more countries.

### **5.2.4 Eurozone Risk (Applicable to Fidelity Funds - Global Dividend Fund only)**

The performance of certain funds will be closely tied to the economic, political, regulatory, geopolitical, market, currency or other conditions in the Eurozone and could be more volatile than the performance of more geographically diversified funds. In light of the ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the Underlying Funds' investments in the region may be subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as the credit downgrade of a sovereign or the exit of European Union members from the Eurozone, may have a negative impact on the value of the Underlying Funds.

### **5.2.5 Derivatives/Counterparty Related Risks**

The Underlying Fund may use various financial derivative instruments to reduce risks or costs or to generate additional capital or income in order to meet the investment objectives. Financial derivative instruments may be used for investment purposes and/or to implement more complex strategies, as further described in their respective investment objectives, depending on the circumstances and the purposes for which the derivatives are used. Entering into financial derivatives instruments for investment purposes may, to some extent, impact the risk profile of the Underlying Fund.

Throughout this section and others that refer to derivatives, privately negotiated or non-exchange traded derivatives are referred to as being 'Over The Counter', which is abbreviated to OTC.

Investors may wish to consult their independent financial adviser about the suitability of a particular Underlying Fund for their investment needs bearing in mind its powers with regard to the use of derivatives.

While the judicious use of derivative instruments by experienced investment advisers such as the Investment Manager of the Underlying Fund can be beneficial, derivative instruments also involve risks different from, and, in certain cases, greater than, the risks associated with more traditional investments.

### **5.2.6 Short Positions**

The Underlying Fund may take a position in which it expects to gain value in the event a particular asset loses value ('shorting') through the use of derivatives. The Underlying Fund is therefore exposed to the risk that the asset will rise, rather than fall, in value. Further, as price rises are theoretically unlimited, the losses arising

from such a position can theoretically be uncapped. However the Investment Manager of the Underlying Fund actively manages these positions in order to limit the realised and potential losses.

### **5.2.7 Risks of Active Currency Positions**

The Underlying Fund may implement active currency positions which may not be correlated with the underlying securities positions held by the Underlying Fund. This may result in the Underlying Fund suffering a significant or total loss even if there is no loss of the value of the underlying securities positions (e.g. equities, fixed income securities) being held by the Underlying Fund.

### **5.2.8 Sustainable Investing (5.2.8(b) is applicable to Fidelity Funds - Global Dividend Fund only)**

- (a) The Investment Manager of the Underlying Fund considers that Sustainability Risks are relevant to the returns of the Underlying Fund.

The identification of Sustainability Risks and their likely impact is performed on the holdings of a given portfolio. For investments relating to individual companies (e.g. bonds, equities), this assessment is made on the basis of the company's sector categorisation and their business model (e.g. carbon emissions for construction companies; ethics and culture for finance companies) in combination with regular dialogue between analysts, portfolio managers and the ESG team. Where the Underlying Fund does not have exposure directly to the underlying fund holdings, the assessment is made at both a fund level (where there is the potential for ESG input in the strategy (this would, for example, exclude passive funds tracking a broad market index) and, where possible, by performing analysis on the underlying fund holdings which provides an understanding of the potential Sustainability Risk exposures.

This approach permits a full materiality assessment to understand the potential impact on financial returns following the materialisation of a Sustainability Risk.

Failure to effectively manage these risks can lead to a deterioration in financial outcomes. Specific risks will vary in materiality across different sectors and business models, and companies may also be exposed to risks throughout value chains, including suppliers and customers.

The materialisation of a Sustainability Risk is considered to be a sustainable risk event. In the case of such an event there may be an impact on the returns of the Underlying Fund due to i) direct losses of the impacted investments following such an event (where the effects may be immediate or gradual), or ii) losses incurred due to rebalancing the portfolio following such an event in order to maintain the sustainable characteristics of the Underlying Fund deemed relevant by the Investment Manager of the Underlying Fund.

- (b) In addition to 5.2.8(a) above, this section applies to funds subject to the disclosure requirements of article 8 of SFDR that will use ESG criteria provided by internal research teams and complemented by external ESG rating providers to form an assessment of a security's sustainable characteristics. The Investment Manager of the Underlying Fund's focus on securities of issuers which maintain sustainable characteristics may affect the Underlying Fund's investment performance and may result in a return that at times compares unfavourably to similar funds without such focus. Sustainable

characteristics used in a fund's investment policy may result in such fund foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities due to their sustainable characteristics when it might be disadvantaged to do so. Over the short term, focus on securities of issuers which maintain sustainable characteristics may affect the Underlying Fund's investment performance favourably or unfavourably in comparison to similar funds without such focus. Over the long term, we expect such a focus to have a favourable effect, though this is not guaranteed. Nevertheless, the application of ESG criteria may restrict the ability of a fund to acquire or dispose of its investments at the expected price and time, which may result in a loss for such fund. In addition, the ESG characteristics of securities may change over time, which may in some cases require the Investment Manager of the Underlying Fund disposing of such securities when it might be disadvantageous to do so from a financial perspective only. This may lead to a fall in the value of the Underlying Fund. The use of ESG criteria may also result in the Underlying Fund being concentrated in companies with ESG focus than that of funds having a more diversified portfolio of investments.

There is a lack of standardised taxonomy of ESG evaluation methodology and the way in which different funds will apply ESG criteria may vary, as there are not yet commonly agreed principles and metrics for assessing the sustainable characteristics of investments made by funds. In evaluating a security based on sustainable characteristics, the Investment Manager of the Underlying Fund is dependent upon information and data sources provided by internal research teams and complemented by external ESG rating providers, which may be incomplete, inaccurate or unavailable. Consequently, there is a risk that the Investment Manager of the Underlying Fund may incorrectly assess a security or issuer. Evaluation of sustainable characteristics of the securities and selection of such securities may involve the Investment Manager of the Underlying Fund's subjective judgment. As a result, there is a risk that the relevant sustainable characteristics may not be applied correctly or that the Underlying Fund could have indirect exposure to issuers who do not meet the relevant sustainable characteristics applied by the Underlying Fund. In the event that the sustainable characteristics of a security held by the Underlying Fund change, resulting in the Investment Manager of the Underlying Fund having to sell the security, neither the Underlying Fund, the Management Company of the Underlying Fund nor the Investment Manager of the Underlying Fund accept liability in relation to such change. No representation nor warranty is made with respect to the fairness, accuracy or completeness of such sustainable characteristics. The status of a security's sustainable characteristics can change over time.

Further, due to the bespoke nature of the sustainable assessment process there is a risk that not all relevant Sustainability Risks will be taken into account, or that the materiality of a Sustainability Risk is different to what is experienced following a sustainable risk event.

### **5.2.9 Risks relating to Securities Lending**

Securities Lending involves risks in that (a) if the borrower of securities lent by the Underlying Fund fails to return them there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded and that (b) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce

market exposures inconsistent with the investment objective of the Underlying Fund, or (iii) yield a sum less than the amount of collateral to be returned and that (c) delays in the return of securities on loans may restrict the ability of the Underlying Fund to meet delivery obligations under security sales.

### **5.2.10 Income-producing securities (Applicable to Fidelity Funds - Global Dividend Fund only)**

Although the Underlying Fund will generally invest in income-producing securities, it is not guaranteed that all underlying investments will generate income. To the extent that underlying investments of the Underlying Fund are income producing, higher yields generally mean that there will be:

- (i) reduced potential for capital appreciation for equity securities; and
- (ii) increased potential for capital appreciation and / or depreciation for fixed income securities.

### **5.2.11 Additional Market/Sector Specific Sustainability Risks - Sustainability risks associated with investments in diversified developed markets**

The Underlying Fund may invest, in part or in whole, in diversified developed markets securities. A wide range of Sustainability Risks apply to companies within developed markets. Environmental risks include, but are not limited to; the ability of companies to mitigate and adapt to climate change and the potential for higher carbon prices, exposure to increasing water scarcity and potential for higher water prices, waste management challenges, and impact on global and local ecosystems. Social risks include but are not limited to; product safety, supply chain management and labour standards, health and safety and human rights, employee welfare, data & privacy concerns and increasing technological regulation. Governance risks include board composition and effectiveness, management incentives, management quality and alignment of management with shareholders.

Failure to effectively manage these risks can lead to a deterioration in financial outcomes as well as a negative impact on society and the environment.

***The above should not be considered to be an exhaustive list of the risks which potential investors 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. Potential investors should refer to the Prospectus of the Underlying Fund for further details concerning the risks associated with the Underlying Fund.***

## **6. Subscription of Units**

### **6.1 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<sup>1</sup> 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 Ordinary Account (as the case may be) for credit to his CPF 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.

<sup>1</sup>For PRUActive LinkGuard, there is no bid-offer spread and only the bid price applies.

## 6.2 Dealing Deadline and Pricing Basis

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

If we receive your premium:

- a) by 3pm, we will use the offer price<sup>1</sup> calculated on the next Business Day; or
- b) after 3pm, we will use the offer 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 offer price to buy units in your account. If we receive your premium after 3pm on Monday, we will use Wednesday's offer price<sup>1</sup>.

<sup>1</sup>For PRUActive LinkGuard, there is no bid-offer spread and only the bid price applies.

## 6.3 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 <sup>1</sup>	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.*

<sup>1</sup>For PRUActive LinkGuard, there is no bid-offer spread and only the bid price applies.

## 7. Withdrawal of Units

### 7.1 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.

### 7.2 Minimum Holdings Amount and Minimum Withdrawals 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.

### 7.3 Dealing Deadline and Pricing Basis

Pricing of PRULink Funds is on a forward, bid-offer<sup>1</sup> 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 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.

<sup>1</sup>For PRUActive LinkGuard, there is no bid-offer spread and only the bid price applies.

### 7.4 Calculation of Withdrawal Proceeds

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

$$\begin{array}{rcccl} 1,000 & \times & \$0.95 & = & \$950 \\ \text{Number of Units Withdrawn} & & \text{Bid Price} & & \text{Withdrawal Value} \end{array}$$

### 7.5 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.

## 8. Switching of Fund(s)

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

To make the switch, we sell the units in the old 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.

## 9. 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](http://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.

## 10. Suspension of Dealing

We reserve the right to suspend immediately any issue, withdrawal, exchange or other dealing in relation to any of the PRULink Funds (or the units thereunder) if the Manager of the Fund or Management Company/Investment Manager of the Underlying Fund (where applicable) suspends the issue, withdrawal, exchange or other dealing in the units or shares of the Fund or the Underlying Fund, or if we are required to do so by the Management Company/Investment Manager of the Underlying Fund 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 that Fund or the realisation of any Material Proportion of the Investment for the time being constituting the relevant assets comprised in the Fund cannot be effected normally or without seriously prejudicing the interests of investors of the Fund as a whole;
- (iv) during any period during which there is, in the opinion of the Manager, 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) 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 Fund are restricted or suspended;
- (vii) any 48 hour period (or such longer period as the Manager may agree) prior to the date of any meeting of unit holders of any Underlying Fund (or any adjourned meeting thereof);
- (viii) any period when dealing in units of the Fund or the Underlying Fund is suspended pursuant to any order or direction of the Authority;
- (ix) any period when the business operations of the Product Provider 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;
- (x) 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 agrees, 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
- (xi) which the condition giving rise to the suspension shall have ceased to exist (and such cessation having been confirmed by the Manager). The Product Provider shall as soon as practicable after its declaration of any temporary suspension of realisation and of the termination of such suspension cause such information to be published in the major local newspaper in Singapore which published the daily issue and realization pricing of units of the Fund.

**Please refer to the Prospectus of the Underlying Fund for details of the suspension policy of the Underlying Fund.**

## **11. Soft Dollar Commissions/Arrangements**

The Manager and, where applicable, the Management Company/Investment Manager of the Underlying Fund (together, the “**Relevant Parties**”) may be entitled to receive and/or enter into soft-dollar commissions/ arrangements in respect of the Fund or the Underlying Fund (as the case may be). The Relevant Parties will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions/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/arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

The Relevant Parties shall not accept or enter into soft-dollar commission/arrangements unless (a) such soft-dollar commissions/arrangements would reasonably assist the Relevant Party concerned in the management of the Fund or the Underlying Fund (b) the Relevant Party shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and (c) no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

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

The Investment Manager of the Underlying Fund and any of its Connected Persons (as defined below) may effect transactions by or through the agency of another person with whom the Investment Manager and any of its Connected Persons have an arrangement under which that party will from time to time provide to or procure for the Investment Manager and any of its Connected Persons goods, services or other benefits, such as research and advisory services, the nature of which is such that their provision can reasonably be expected to benefit the Underlying Fund as a whole and may contribute to an improvement in the Underlying Fund's performance and that of such Investment Manager or any of its Connected Persons in providing services to the Underlying Fund and for which no direct payment is made but instead the Investment Manager and any of its Connected Persons undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

The Investment Manager and any Connected Person shall not retain the benefit of any cash commission rebate (being repayment of a cash commission made by a broker or dealer to the Investment Manager and/or any Connected Person) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Investment Manager or any Connected Person for or on behalf the Underlying Fund. Any such cash commission rebate from any such broker or dealer will be held by the Investment Manager and any Connected Person for the account of the Underlying Fund. Brokerage rates will not be excessive of customary brokerage rates. All transactions will be done with best execution.

"Connected Person" means:

- (a) any person beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise, directly or indirectly, 20% or more of the total votes in that company;
- (b) any person controlled by a person who meets one or both of the requirements set out in (a) above;
- (c) any member of the group of which the company forms part;
- (d) any director or officer of that company or of any Connected Person of that company, as defined in (a), (b) or (c) above.

**Please refer to the Prospectus of the Underlying Fund for details of the soft dollar commission policy of the Underlying Fund.**

## 12. Conflicts of Interest

The Manager and the Management Company/Investment Manager (where applicable) may own, hold, dispose or otherwise deal with units of the Fund or the Underlying Fund. In the event of any conflict of interest arising as a result of such dealing, the Manager and the Management Company/Investment Manager (where applicable), following consultation, shall resolve such conflict in a just and equitable manner as they deem fit which would not

prejudice the interests of investors. The Manager and the Management Company/Investment Manager (where applicable) shall conduct all transactions with or for the Fund and the Underlying Fund on an arm's length basis.

The Manager and the Management Company/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 Fund or the Underlying Fund. These include management of other funds, purchases and sales of securities, investment and management counselling and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Underlying Fund may invest. Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they might have. In the event that a conflict of interest does arise, the Parties shall endeavour to ensure that it is resolved fairly and in the interest of investors.

**Please refer to the Prospectus of the Underlying Fund for details of the conflict of interest policy of the Underlying Fund.**

### **13. Reports**

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

### **14. Other Material Information**

#### **14.1 Right to Change Investment Objective**

We and/or the Manager reserve the right to change the investment objective of the Fund from time to time and the Management Company/Investment manager reserves the right to change the investment objective of the Underlying Fund. However, 30 days' written notice will be given before doing so.

#### **14.2 Right to Change Underlying Fund**

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

#### **14.3 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 your request, to perform certain actions, so as to allow us to carry out these duties and obligations.

#### **14.4 Distribution of Income and Capital**

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

#### **14.5 Investment Guidelines**

- (i) 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”), which may be amended from time to time, shall apply to the Funds (unless otherwise waived, exempted or not applied by the Authority).
- (ii) The Manager and the Management Company/Investment Manager will ensure compliance with the investment guidelines issued by the Authority and the insurer, which may be amended from time to time. We reserve the right to make changes to the Fund and/or Underlying Fund as may be necessary for the compliance with the investment guidelines. The investment guidelines stipulated by the authorities include but are not limited to the MAS 307 Investment-Linked Policies issued by the Authority.
- (iii) In addition, the Manager and the Management Company/Investment 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.

#### 14.6 Termination of PRULink Funds

We reserve the right to terminate immediately (upon giving written notice) any of the PRULink Fund if the Manager or the Management Company/Investment Manager terminates the Fund or the Underlying Fund, or if we are required to do so by the Manager or Management Company/Investment 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 or Management Company/Investment Manager impracticable or inadvisable to continue that PRULink Fund or if any approval or authorisation of that PRULink Fund is revoked or withdrawn;
- (iii) if the Manager or the Management Company/Investment Manager is of the view that it is not in the best interest of policyholders in that PRULink Fund to continue that PRULink Fund; or
- (iv) in the event of the amalgamation, reconstruction, reorganisation, 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 Management Company/Investment 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 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.

## Schedule 1 – PRULink America Fund

### 1. Structure

The Fund is a single fund and is classified as a Specified Investment Product. The Fund was launched on 19 April 2005 and it feeds into the Underlying Fund. The Management Company of the Underlying Fund is FIL Investment Management (Luxembourg) S.A. and the Investment Manager of the Underlying Fund is FIL Fund Management Limited. The Underlying Fund is currently approved as a recognized collective investment scheme under Section 287 of the Securities and Futures Act (Cap. 289) of Singapore.

Fund	Underlying Fund
PRULink America Fund	Fidelity Funds – America Fund

The Underlying Fund is a sub-fund of Fidelity Funds, an open-ended investment company established on 15 June 1990 in Luxembourg as a SICAV (société d'investissement à capital variable). Fidelity Funds qualifies as an undertaking for collective investment in transferable securities (“UCITS”) and has obtained recognition under the amended EC Directive 2009/65/EC of the European Parliament and of the Council for marketing in certain Member States of the European Union.

The Fund is included under the CPF Investment Scheme (“CPFIS”) - Ordinary Account and its CPFIS Risk Classification is Higher Risk – Narrowly Focused –Country–USA. It is suitable for investors who wish to participate in equity markets while being prepared to accept the risks described under “Risks” of the Fund Information Booklet and seek long term investment.

The Fund utilizes the Standard & Poor's 500 Total Return Net Index as a benchmark with effect from 1 March 2011.

### 2. Investment Objective

The Fund and the Underlying Fund share the same investment objective.

The investment objective of the Underlying Fund is to invest principally in US equity securities.

The Underlying Fund is actively managed and references the S&P500 Index (the “Index”) for performance comparison only.

### 3. Investment Focus and Approach

The Fund and the Underlying Fund share the same investment focus and approach.

The aim of the Underlying Fund is to provide investors with long-term capital growth from diversified and actively managed portfolios of securities or related instruments, including financial derivative instruments.

The Underlying Fund will invest in, or achieve exposure to equities (i) in the markets and sectors reflected in the name of the Underlying Fund (where the investment objective refers to investments in companies of a particular country or region and in the absence of any further specification, a company's listing, incorporation, domicile, or principal business activities may be referenced in the assessment) and (ii) in companies established outside those markets but which derive a significant proportion of their earnings from those markets. For any remaining assets, the Investment Manager of the Underlying Fund has the freedom to invest outside the Underlying Fund's principal geographies, market sectors, currency or asset classes.

In selecting securities for the Underlying Fund, several factors are considered in the investment process; for example, consideration may include but is not limited to, a company's financials, including revenue and profit growth, return on capital, cash flows and other financial measures. In addition, company management, industry and economic environment, and other factors may be considered in the investment process.

Please refer to the Prospectus of the Underlying Fund for additional details relating to the Underlying Fund's investment focus and approach.

#### 4. Performance of the Fund

##### Past Performance of the Fund and Benchmark (as at 31 December 2020)

Funds Performance	Inception Date	1 Year*	3 Years*	5 Years*	10 Years*	Since Inception*
PRULink America Fund	31 May 2005	2.14%	2.14%	3.81%	8.76%	4.59%
Benchmark – Standard & Poor's 500 Total Return Net Index <sup>#</sup>		15.74%	13.10%	12.92%	13.54%	7.61%

\* Annualised

Performance calculations of the Fund are based on net asset value pricing, in Singapore Dollars with all dividends or distributions reinvested, taking into account all charges which would have been payable upon such reinvestment.

Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation

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

<sup>#</sup> The benchmark for the PRULink America Fund was changed from Standard & Poor's 500 Total Return Gross Index to Standard & Poor's 500 Total Return Net Index from 1 March 2011. The reason for the change is that the Standard & Poor's 500 Total Return Net Index calculates performance net of withholding tax, which is more comparable with the calculation of the performance of the fund which is also net of withholding tax. The two series are chain-linked to derive the longer period benchmark returns.

Source for Benchmark: FIL Fund Management Limited, in SGD terms.

Note: Any past performance of the Fund is not necessarily indicative of the future performance of the Fund.

#### 5. Expense Ratio<sup>1</sup> of the Fund

PRULink Funds	Annualised Expense Ratio (%) as at 31 December 2020
PRULink America Fund	1.73%

<sup>1</sup> The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios and based on the PRULink Funds' latest audited accounts but does not include the following expenses:

- charges for insurance coverage<sup>#</sup>;
- brokerage and other transaction costs;
- performance fee;
- foreign exchange gains and losses;
- front or back-end loads arising from the purchase or sale of other funds;
- tax deducted at source or arising from income received; and
- advertising and promotion costs.

<sup>#</sup> 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.



## 6. Turnover Ratio<sup>2</sup>

### 6.1 Turnover Ratio<sup>2</sup> of the Fund

PRULink Fund	Turnover Ratio (%) (for the year ended 31 December 2020)
PRULink America Fund	25.35%

<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. 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.

Source: Prudential Assurance Company Singapore (Pte) Limited

### 6.2 Turnover Ratio<sup>3</sup> of the Underlying Fund

Underlying Fund	Turnover Ratio (%) (as at 31 October 2020)
Fidelity Funds – America Fund	32.28% <sup>4</sup>

<sup>3</sup> The turnover ratio is calculated based on the lesser of purchases or sales expressed as a percentage over average net asset value, where the average net asset value means the net asset value for each day averaged over the period mentioned.

<sup>4</sup> Source: Fidelity International. Data is unaudited and for the SR-ACC-SGD share class of the Underlying Fund.

## 7. Fees

### 7.1 Fees payable directly by you

#### Initial Investment Charge

There is a 5%\* initial investment charge (bid-offer spread). This charge is reflected as the difference between the bid price and offer price of the Fund. The offer and bid prices are the buying and selling prices to you respectively. PRULink Funds are valued, and charges are deducted, on a forward pricing basis. For PRUActive LinkGuard, there is no bid-offer spread and only the bid price applies.

For CPF Investment:

- Prior to 1 October 2020, the net sales charge is up to 1.5%.
- With effect from 1 October 2020, the net sales charge is 0%

\* 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%.

### 7.2 Fees payable by the ILP Sub-Fund

#### Continuing Investment Charge

The continuing investment charge is currently 1.35% per annum. This charge is deducted from the asset value of the ILP Sub-Fund on a pro-rata basis at each unit pricing date throughout the year. We reserve the right to vary the continuing investment charge. Any increase in the continuing investment charge will be up to a maximum of 2% per annum but we will not do so before giving you 6 months' written notice.

## Schedule 2 – PRULink Global Equity Fund

### 1. Structure

The Fund is a single fund and is classified as a Specified Investment Product. The Fund was launched on 5 October 1998 and it feeds into the Underlying Fund. The Management Company of the Underlying Fund is FIL Investment Management (Luxembourg) S.A. and the Investment Manager of the Underlying Fund is FIL Fund Management Limited. The Underlying Fund is currently approved as a recognized collective investment scheme under Section 287 of the Securities and Futures Act (Cap. 289) of Singapore.

Fund	Underlying Fund
PRULink Global Equity Fund	Fidelity Funds – Global Dividend Fund

The Underlying Fund is a sub fund of Fidelity Funds, an open-ended investment company established on 15 June 1990 in Luxembourg as a SICAV (société d'investissement à capital variable). Fidelity Funds qualifies as an undertaking for collective investment in transferable securities (“**UCITS**”) and has obtained recognition under the amended EC Directive 2009/65/EC of the European Parliament and of the Council for marketing in certain Member States of the European Union.

The Fund offers two Classes of Units, namely Accumulation Class and Distribution Class. There are no material differences between the two Classes except that the Accumulation Class will not declare any dividends while in respect of the Distribution Class, the Manager may at its sole absolute discretion declare and pay out dividends on a quarterly basis. Please refer to Section 8 “Distribution Policy” for more details. The offer and bid prices for the two Classes may differ as a result of the dividends declared and paid out by the Distribution Class.

The Fund is included under the CPF Investment Scheme (“**CPFIS**”) - Ordinary Account and its CPFIS Risk Classification is Higher Risk – Broadly Diversified. It is suitable for investors who wish to participate in equity markets while being prepared to accept the risks described under “Risks” of the Fund Information Booklet and seek long term investment.

Benchmark of the Fund is MSCI AC World Index (Net).

### 2. Investment Objective

The Fund and the Underlying Fund share the same investment objective.

The investment objective of the Underlying Fund is to achieve income and long-term capital growth principally through investments in income producing equity securities globally. The Investment Manager of the Underlying Fund will target investments which it believes offer attractive dividend yields in addition to price appreciation. As the Underlying Fund may invest globally, it may be exposed to countries considered to be emerging markets.

A minimum of 50% of the Underlying Fund's net assets will be invested in securities deemed to maintain sustainable characteristics. The Underlying Fund will consider a wide range of environmental and social characteristics on an ongoing basis. Environmental characteristics include but are not limited to climate change mitigation and adaptation, water and waste management and biodiversity, while social characteristics include but are not limited to product safety, supply chain, health and safety and human rights. Environmental and social characteristics are analysed by Fidelity's fundamental analysts and rated through Fidelity's sustainability ratings system.

The Underlying Fund is actively managed and aims to provide income and capital growth. Income will typically be in excess of MSCI ACWI Index (the “Index”). The Index constituents are representative of the type of companies the fund invests in. The Underlying Fund's performance can be assessed against its Index.

The Investment Manager of the Underlying Fund has a wide range of discretion relative to the Index. While the Underlying Fund will hold assets that are components of the Index, it also is expected to invest in issuers, sectors, countries and security types that have different weightings from, and may not be included in the Index in order to take advantage of investment opportunities. It is expected that over long time periods, the Underlying Fund's performance will differ from the Index. However, over short time periods, the Underlying Fund's performance may be close to the Index, depending on market conditions.

Shareholders' attention is drawn to the fact that the Index is not an index which integrates environmental and social considerations. Instead, the Underlying Fund promotes environmental and social characteristics by adhering to Fidelity's sustainable investing framework.

### 3. Investment Focus and Approach

The Fund and the Underlying Fund share the same investment focus and approach.

The aim of the Underlying Fund is to provide investors with long-term capital growth from diversified and actively managed portfolios of securities or related instruments including financial derivative instruments.

The Underlying Fund will invest in, or achieve exposure to equities (i) in the markets and sectors reflected in the name of the Underlying Fund (where the investment objective refers to investments in companies of a particular country or region and in the absence of any further specification, a company's listing, incorporation, domicile, or principal business activities may be referenced in the assessment) and (ii) in companies established outside those markets but which derive a significant proportion of their earnings from those markets. For any remaining assets, the Investment Manager of the Underlying Fund has the freedom to invest outside the Underlying Fund's principal geographies, market sectors, currency or asset classes.

In selecting securities for the Underlying Fund, several factors are considered in the investment process; for example, consideration may include, but is not limited to, a company's financials, including revenue and profit growth, return on capital, cash flows and other financial measures. In addition, company management, industry and economic environment, and other factors may be considered in the investment process.

**Please refer to the Prospectus of the Underlying Fund for additional details relating to the Underlying Fund's investment focus and approach.**

### 4. Performance of the Fund

#### Past Performance of the Fund and Benchmark (as at 31 December 2020)

Funds Performance	Inception Date	1 Year*	3 Years*	5 Years*	10 Years*	Since Inception*
PRULink Global Equity Fund (Acc)	1 Feb 1999	6.35%	8.08%	8.33%	6.09%	2.44%
Benchmark – MSCI AC World (Net) Index		14.27%	9.65%	10.52%	10.16%	4.56%
PRULink Global Equity Fund (Dis)	2 July 2018	6.35%	N.A.	N.A.	N.A.	9.55%
Benchmark – MSCI AC World (Net) Index		14.27%	N.A.	N.A.	N.A.	10.95%

\* Annualised

Performance calculations of the Fund are based on net asset value pricing, in Singapore Dollars with all dividends or distributions reinvested, taking into account all charges which would have been payable upon such reinvestment.

Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation

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

20 February 2017, the Underlying Fund changed to the Fidelity Funds - Global Dividend Fund. Benchmark changed to MSCI AC World (Net) Index from MSCI World Index.

Source for Benchmark : FIL Fund Management Limited, in SGD terms

Note: Any past performance of the Fund is not necessarily indicative of any future performance of the Fund.

## 5. Expense Ratio<sup>1</sup> of the Fund

PRULink Funds	Annualised Expense Ratio (%) as at 31 December 2020
PRULink Global Equity Fund (Acc)	1.69%
PRULink Global Equity Fund (Dis)	1.68%

<sup>1</sup> The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios and based on the PRULink Funds' latest audited accounts but does not include the following expenses:

- (h) charges for insurance coverage<sup>#</sup>;
- (i) brokerage and other transaction costs;
- (j) performance fee;
- (k) foreign exchange gains and losses;
- (l) front or back-end loads arising from the purchase or sale of other funds;
- (m) tax deducted at source or arising from income received; and
- (n) advertising and promotion costs.

<sup>#</sup> 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.

## 6. Turnover Ratio<sup>2</sup>

### 6.1 Turnover Ratio<sup>2</sup> of the Fund

PRULink Fund	Turnover Ratio (%) (for the year ended 31 December 2020)
PRULink Global Equity Fund	10.53%

<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. 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.

Source: Prudential Assurance Company Singapore (Pte) Limited

### 6.2 Turnover Ratio<sup>3</sup> of the Underlying Fund

Underlying Fund	Turnover Ratio (%) (as at 31 October 2020)
Fidelity Funds – Global Dividend Fund	31.00 <sup>4</sup>

<sup>3</sup> The turnover ratio is calculated based on the lesser of purchases or sales expressed as a percentage over average net asset value, where the average net asset value means the net asset value for each day averaged over the period mentioned.

<sup>4</sup>Source: Fidelity International. Data is unaudited and for the SR-ACC-SGD share class of the Underlying Fund.

## 7. Fees

### 7.1 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 Fund. The offer and bid prices are the buying and selling prices to you respectively. PRULink Funds are valued, and charges are deducted, on a forward pricing basis. For PRUActive LinkGuard, there is no bid-offer spread and only the bid price applies.

For CPF Investment:

- Prior to 1 October 2020, the net sales charge is up to 1.5%.
- With effect from 1 October 2020, the net sales charge is 0%

*\* 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%.*

### 7.2 Continuing Investment Charge

The continuing investment charge is currently 1.30% per annum. 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.

## 8. Distribution Policy

- (a) The Fund targets to make quarterly distributions. The distribution shall be expressed as a percentage of the value of units at the prevailing bid price as at the relevant declaration date. The Fund intends to make a distribution on or around the last Business Day in March, June, September, December of every calendar year ("**Declaration Date**") or such other dates as the Fund may in its absolute discretion determine.

Investors who have invested in the Fund before the Declaration Date, will be entitled to distributions as long as they remain invested and have units credited and held in their accounts on the Declaration Date. Distributions shall be based on the value of units held by the investors as at the relevant Declaration Date as evidenced in our records. If an investor has made an application for any transactions (including surrender, withdrawal or switching), which is yet to be processed, the value of units meant to be processed will not be included in determining the distribution amount.

- (b) For investment with cash ("**Cash**") or SRS, i.e., not using Central Provident Fund ("**CPF**"), investors may choose at the time of application for investment in the Fund to either receive all (but not part) of the distributions as payouts or to have all (but not part) of the distributions reinvested in the Fund to receive extra units.
- (c) If investors wish to change the instructions for receiving distributions, they must write in to inform us at least 30 days before the Declaration Date. Please note that any such election will automatically supersede all prior instructions relating to receiving distributions and shall apply to all of the units then held by them.
- (d) If investors chose to receive the distributions as payouts, distributions will be credited to their designated bank account or SRS account (if investors have invested using their SRS monies) within 45 days from the relevant Declaration Date ("**Payout Date**"). The Manager and Prudential Singapore reserve the right to change the Payout Date.
- (e) If investor chose to reinvest the distributions, extra units which will be credited into their account within 45 days from the relevant Declaration Date at bid price ("**Reinvestment Date**"). The Manager and Prudential Singapore reserve the right to change the Reinvestment Date.

- (f) If investors have chosen to receive the distributions as payouts, for any transaction (including surrender, withdrawal and switching) performed by them between the Declaration Date and Payout Date, the redemption proceeds will be calculated at the prevailing bid price (Refer to Section 9). Distributions due to the investors will be credited separately to their designated bank account or SRS account (if investors have invested using their SRS monies) on the Payout Date.
- (g) If investors have chosen to reinvest the distributions, for any of these transactions (including surrender, withdrawal and switching) performed by them between the Declaration Date and Reinvestment Date, the redemption proceeds will be calculated at the prevailing bid price (Refer to Section 9). Distributions due to them will be credited back into their account except for surrenders. For surrenders, distributions will be paid to investors by cheque.
- (h) If investors have switched into another PRULink Fund between the Declaration Date and Reinvestment Date, they will receive the distributions which will be reinvested to the Fund.
- (i) Investors may cancel the policy within the review period (i.e. 14 days after receiving the policy document). If the policy is incepted before the Declaration Date, and should investors decide to cancel the policy after the Declaration Date but before the Payout Date or Reinvestment Date, they will receive a refund of premiums based on the premium refund formula as determined by us, less medical fees (if any). Any distributions due will be paid to investors on the Payout Date or Reinvestment Date (whichever is applicable).
- (j) If investor's policy is incepted before the Declaration Date, and should they decide to cancel the policy after the Payout Date or Reinvestment Date, they will receive a refund of premiums based on the premium refund formula as determined by us, less medical fees (if any).
- (k) If death or total and permanent disability of the insured occurs before the Declaration Date, they will not be entitled to the distributions. If death or total and permanent disability of the insured occurs between the Declaration Date and Payout Date or Reinvestment Date, they will be entitled to the unit value in the Fund at the prevailing bid price. Distributions due to investors will be paid to their estate on the Payout Date or Reinvestment Date (whichever is applicable).

**Please note the Distribution only applies to the Distribution Share Class of the Fund.**

**Distribution payments shall, at the sole discretion of the Manager and/or Prudential Singapore, be made out of either (a) income; or (b) net capital gains; or (c) capital of the Fund or a combination of (a) and/or (b) and/or (c).**

**Distributions are at the discretion of the Manager and/or Prudential Singapore and there is no guarantee, assurance and/or certainty that any distribution will be made and if distributions are made, such distributions are not in any way a forecast, indication or projection of the future or likely performance / distribution of the Fund. The making of any distribution shall not be taken to imply that further distributions will be made. The Manager and or Prudential Singapore may also vary the frequency and/ or amount for distributions made.**

**Investors should also note that distributions of the Fund may, in the event that income and net capital gains are insufficient, or due to fluctuations in exchange rates, be made out of the capital of the Fund. The exchange rates used will be determined solely at the discretion of the Manager and or Prudential Singapore. When distributions are declared and paid out (including out of capital) with respect to the Fund, the net assets of the Fund will reduce by an amount equivalent to the distributions declared. This will be reflected as a reduction in the unit price.**

## 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 and the Trustee (where applicable) may agree in writing
“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
“Depository”	Brown Brothers Harriman (Luxembourg) S.C.A
“Investment”	means any share, stock, bond, note, debenture, debenture stock, warrant, option, securities, unit or sub-unit in a unit trust scheme, participation in a mutual fund or similar scheme, loan convertible into security, money market instrument, loan stock, certificate of deposits, deposits, commercial paper, promissory notes, treasury bills, fixed and floating rate instruments, bankers’ acceptance, derivative instruments including index future and forward currency exchange contract, swap, cap, collar, floor, sale and repurchase transaction or other derivatives or financial transaction or instruments or any other security which may be selected by the Manager for the purpose of investment of any Deposited Property or which may for the time being form part thereof
“Material Proportion”	means such proportion of the Investments which when sold would in the opinion of the Manager in consultation with the Trustee (where applicable) cause the value of that Deposited Property to be significantly reduced
“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



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