

**This notice contains important information that requires your immediate attention. Should you have any queries, you are recommended to seek independent professional advice.**

The following change(s) in investment choice(s) relate(s) to the “Global Series” and “Premier-Choice Series” plans. The “Global Series” includes Global InvestPlan and Global InvestPlus. The “Premier-Choice Series” includes Premier-Choice ULife InvestPlan, Premier-Choice Flexi, Premier-Choice Flexi Plus, Premier-Choice InvestPlan and Premier-Choice PLUS InvestPlan.

As advised by Franklin Templeton Investments (Asia) Limited, there are the following changes to the underlying funds with effect from 30 November 2018 unless otherwise stated.

**1. Update to the Investment Policy of the Underlying Fund of the Investment Choice**

- *Franklin Templeton Investment Funds - Franklin Biotechnology Discovery Fund "A(acc)" Shares (FTBDU)*

The current investment policy of the underlying fund of the investment choice above provides that the expected level of exposure of the underlying fund to securities lending transactions is below or equal to 10% of the underlying fund’s net assets, subject to a maximum of 50%.

It is proposed that the underlying fund’s expected level of exposure to securities lending transactions be increased to 22% of the underlying fund’s net assets. There is no change to the underlying fund’s maximum level of exposure to securities lending transactions, which remains at 50% of the underlying fund’s net assets. For the avoidance of doubt, any securities lending will be an ancillary activity of the underlying fund only.

The increase in the expected level of exposure of the underlying fund to securities lending transactions will not result in any additional risks or impact the investment strategy of the underlying fund. There is no change to the operation and/or the manner in which the underlying fund is being managed.

**2. Elaborations on the Investment Policy of the Underlying Fund of the Investment Choice**

- *Franklin Templeton Investment Funds - Templeton Emerging Markets Bond "A(Qdis)" Shares (FTEBU)*

The investment policy of the underlying fund of the investment choice above will be elaborated on to disclose that it may invest up to 10% of its net assets in Mainland China through the Bond Connect or directly (also referred to as CIBM direct).

As a result of the underlying fund’s investments in Mainland China through the Bond Connect or CIBM direct, the “China Bond Connect risk” will apply to the underlying fund.

In addition to the China Bond Connect risk, please also refer to the risk disclosures on “Chinese Market risk” under the “RISK CONSIDERATIONS” section of the explanatory memorandum of the underlying fund for details of the relevant risks associated with this proposed change.

Other than as disclosed above, the investment manager of the underlying fund believes there will not be any additional risks as a result of the elaboration to the underlying fund’s investment policy. There is no change to the operation and/or the manner in which the underlying fund is being managed.

**3. Amendment to the Investment Policy of the Underlying Fund of the Investment Choice**

- *Franklin Templeton Investment Funds - Templeton Asian Growth Fund "A(acc)" Shares (FTAGU)*

The current investment policy of the underlying fund of the investment choice above as stated in its Hong Kong offering documents provides that the underlying fund invests principally (that is, at least two-thirds of the underlying fund’s net assets) in:

- (i) equity securities issued by companies of any size traded on stock exchanges in Asian countries (excluding Australia, New Zealand and Japan);
- (ii) equity securities issued by companies of any size located in, or doing significant business in, Asian countries (excluding Australia, New Zealand and Japan).

It is proposed that with effect from 21 January 2019 the investment policy of the underlying fund be expanded such that it is permitted to make the following investments in addition to what is currently stated in its investment policy summarised above:

- (a) depository receipts of companies (i) which are incorporated in the Asia Region, and/or (ii) which have their principal business activities in the Asia Region, and/or (iii) which are listed on recognized exchanges in capital markets of the Asia Region; and
- (b) equity securities of companies located outside of the Asia Region but which derive a significant proportion of their revenues or profits from the Asia Region or have a significant portion of their assets in the Asia Region.

The investment manager believes that this expansion in the investment universe for the underlying fund will be beneficial to investors in the underlying fund. There will be no material change or increase in the overall risk profile of the underlying fund. Further, other than the change in the investment policy outlined herein, there will be no change in the operation and/or the manner in which the underlying fund will be managed.

As advised by the directors of Schroder International Selection Fund, there will be the following change to the underlying fund.

4. **Clarification of Investment Policy of the Underlying Fund of the Investment Choice**

- *MassMutual Schroder Hong Kong Dollar Bond Fund "A1" Accumulation Shares (SCHBU)*

The board of directors of Schroder International Selection Fund has decided to clarify the investment policy of underlying fund of the investment choice above.

The underlying fund's investment policy will be clarified by removing a reference that the underlying fund will not invest in non-investment grade securities so as to align its investment policy with the Schrodgers drafting principles. For the avoidance of doubt, there will be no change to the way the underlying fund is managed and the underlying fund will remain not authorised to invest in non-investment grade bonds as this type of investment will not be expressly authorised by its investment policy.

The underlying fund's investment policy, which is contained in its prospectus, is being clarified from:

**"Investment Policy**

The fund invests at least two-thirds of its assets in fixed and floating rate securities denominated in HKD issued by governments, government agencies, supra-nationals and companies worldwide and derivatives related to the above instruments.

The fund does not invest in non-investment grade securities (as measured by Standard & Poor's or any equivalent grade of other rating agencies).

The fund may use derivatives, long and short, with the aim of achieving investment gains, reducing risk or managing the fund more efficiently. The fund may also invest in money market instruments and hold cash."

To:

**"Investment Policy**

The fund invests at least two-thirds of its assets in fixed and floating rate securities denominated in HKD issued by governments, government agencies, supra-nationals and companies worldwide and derivatives related to the above instruments.

The fund may use derivatives, long and short, with the aim of achieving investment gains, reducing risk or managing the fund more efficiently. The fund may also invest in money market instruments and hold cash."

All other key features of the underlying fund and its risk profile will remain the same. There will be no change in the underlying fund's investment style or investment philosophy following this change.

Any expenses incurred directly as a result of making this change will be borne by Schroder Investment Management (Europe) S.A., the underlying fund's management company.

As advised by the board of directors of Aberdeen Global, there are the following changes to the underlying funds.

5. **Investment Structure of the Underlying Fund of the Investment Choice**

- *Aberdeen Global - Indian Equity Fund "A2" (AGINU)*

As stated under appendix F of the prospectus of underlying fund of the investment choice above, the underlying fund invests into Indian securities through its wholly-owned subsidiary, Aberdeen Global Indian Equity Limited (the "Subsidiary").

On 12 December 2017, an extraordinary general meeting of the shareholders of the underlying fund ("EGM") approved the proposal to merge the Subsidiary into the underlying fund (the "Merger"). The board of directors had come to the conclusion that the proposal would be to the benefit of investors in the underlying fund in terms of cost and risk reduction.

Due to certain outstanding conditions, it was not possible to implement the Merger on the scheduled effective date. As such, the board of directors decided to postpone the scheduled effective date of the Merger pending the expected, albeit delayed satisfaction of the requisite conditions. At that time it was expected that the Merger would become effective early in 2018 as described in statements to shareholders posted on the underlying fund's website.

Ultimately, however, it was not possible to obtain formal approval of the Securities and Exchange Board India ("SEBI") for the Merger. As formal SEBI approval for the Merger could not be obtained, it has been decided that it would be in the best interests of investors in the underlying fund to maintain the existing, indirect investment structure via the Subsidiary. This decision has taken account of various potential implications, including recent changes to the Indian long-term capital gains tax regime.

It has therefore been decided to propose to the shareholders of the underlying fund to acknowledge that the Merger has not become effective and to withdraw and cancel the approval of the Merger. An extraordinary general meeting of the shareholders is therefore convened to consider and approve the foregoing.

The actions that have been taken in connection with the above are considered to be in the best interests of investors of the underlying fund. Therefore all costs related to such actions, including those resulting from the relevant structural analysis and other work undertaken in connection with the proposal not to effect the Merger are charged to the underlying fund as extraordinary expenses.

**6. Renaming of the Management Company of the Underlying Funds of the Investment Choices**

- *Aberdeen Global - Asian Local Currency Short Term Bond Fund "A2" (AGABU)*
- *Aberdeen Global - Asia Pacific Equity Fund "A2" (AGAPU)*
- *Aberdeen Global - Asian Smaller Companies Fund "A2" (AGASU)*
- *Aberdeen Global - Chinese Equity Fund "A2" (AGCHU)*
- *Aberdeen Global - Select Emerging Markets Bond Fund "A2" (AGEBU)*
- *Aberdeen Global - Emerging Markets Smaller Companies Fund "A2" (AGESU)\**
- *Aberdeen Global - Indian Equity Fund "A2" (AGINU)*
- *MassMutual Aberdeen Global - Japanese Equity Fund "A2" (AGJAU)*
- *Aberdeen Global - Technology Equity Fund "A2" (AGTEU)*
- *Aberdeen Global - World Equity Fund "A2" (AGWOU)*

*\*This investment choice is available in Premier-Choice Series only and has been closed for new subscription.*

As part of the integration of Aberdeen Asset Management PLC and Standard Life plc and in line with previous name changes of other entities belonging to the new Aberdeen Standard Investments business, the management company of the underlying funds of the investment choices above, Aberdeen Global Services S.A. will be renamed as Aberdeen Standard Investments Luxembourg S.A. with effect from 1 January 2019.

**You should refer to the relevant offering documents and the notice to shareholders of the underlying fund(s) of the above investment choice(s), which are made available by MassMutual Asia Ltd. upon request, or visit our website ([www.massmutualasia.com](http://www.massmutualasia.com)) to carefully read the details of the relevant documents in relation to the above change(s).**

**If you have selected the above investment choice(s) under your insurance policy and if for any reason you wish to change to other investment choice(s), you may switch your investment choice(s) to other available investment choice(s) provided by your policy. Currently, no switching charge and bid-offer spread apply to the investment choices. For details, please refer to Investment Choice Brochure or contact MassMutual Asia Ltd. - Customer Service Hotline at (852) 2533 5555 (Hong Kong)/ (853) 2832 2622 (Macau).**

**This letter is important and requires your immediate attention.**

**If you are in any doubt about the contents of this letter,  
you should seek independent professional advice.**

Hong Kong, 20 December 2018

Dear Investor,

**Franklin Templeton Investment Funds (the “Company”)  
- Changes to certain sub-funds (“Funds”)**

This letter is intended for investors who hold shares of the Company via an account with (i) Franklin Templeton Investments (Asia) Limited (the “**Hong Kong Representative**”) or (ii) a duly authorized intermediary for the Hong Kong market (collectively, “**Investors**”).

The purpose of this letter is to inform Investors of:

- (1) an update regarding the **Franklin Biotechnology Discovery Fund**’s expected level of exposure to securities lending transactions;
- (2) an update to the investment policies of the **Franklin Euro Government Bond Fund** and the **Templeton Euroland Fund** to clarify that European Monetary Union refers to Eurozone countries;
- (3) an update to the **Franklin Strategic Income Fund**’s expected and maximum levels of exposure to total return swaps, as well as its expected level of leverage;
- (4) a clarification on the investment policy of the **Franklin U.S. Government Fund** to re-state that it may invest 100% of its net assets in transferable securities and money market instruments issued or guaranteed by the U.S. Government, and that it may distribute dividends from capital, net realised and net unrealised capital gains;
- (5) elaborations on the investment policies of the **Templeton Asian Bond Fund**, the **Templeton Emerging Markets Balanced Fund** and the **Templeton Emerging Markets Bond Fund** to disclose their investment in Mainland China through the Bond Connect or directly (also referred to as CIBM direct); and
- (6) an amendment to the investment policy of the **Templeton Asian Growth Fund** to broaden the investment universe of this Fund.

Unless otherwise specified herein, capitalized terms used in this letter shall have the meanings assigned to such terms in the Explanatory Memorandum dated November 2018 of the Company (the “**Explanatory Memorandum**”). The changes stated in this letter take effect as from 30 November 2018 unless otherwise stated.

**(1) Update regarding the Franklin Biotechnology Discovery Fund’s expected level of exposure to securities lending transactions**

The current investment policy of the Franklin Biotechnology Discovery Fund provides that the expected level of exposure of the Fund to securities lending transactions is below or equal to 10% of the Fund’s net assets, subject to a maximum of 50%.

It is proposed that the Fund’s expected level of exposure to securities lending transactions be increased to 22% of the Fund’s net assets. There is no change to the Fund’s maximum level of exposure to securities lending transactions, which remains at 50% of the Fund’s net assets. For the avoidance of doubt, any securities lending will be an ancillary activity of the Fund only.

The increase in the expected level of exposure of the Franklin Biotechnology Discovery Fund to securities lending transactions will not result in any additional risks or impact the investment strategy of the Fund. There is no change to the operation and/or the manner in which the Fund is being managed.

**(2) Update to the investment policies of the Franklin Euro Government Bond Fund and the Templeton Euroland Fund to clarify that European Monetary Union refers to Eurozone countries**

The current investment policies of the Franklin Euro Government Bond Fund and the Templeton Euroland Fund refer to investments in the European Monetary Union, or EMU. To avoid confusion with the Economic and Monetary Union, it is proposed that the investment policies of the Funds be amended to clarify that references to the European Monetary Union or EMU refer to Eurozone countries.

Accordingly, the first and second paragraphs of the investment policy of the Franklin Euro Government Bond Fund will be amended as follows:

*“The Fund principally invests in investment grade obligations of government and government-related issuers as well as supranational entities located throughout the European Monetary Union (~~“EMU”~~Eurozone countries).*

*In addition, in accordance with the investment restrictions, the Fund may invest in debt obligations of government, supranational and government-related issuers worldwide (including non-investment grade securities) with a maximum 15% combined limit for investments in securities issued by (i) ~~non-~~EMU~~non-European Monetary Union~~ issuers and (ii) issuers with ratings of BB+ or below and Ba1 or below.”*

The first paragraph of the investment objective / policy of the Templeton Euroland Fund will also be updated as follows:

*“The Fund’s investment objective is capital appreciation, which it seeks to achieve primarily through a policy of investing in equity and debt obligations of any issuer in a member country of the European Monetary Union (Eurozone countries) including corporations and governments, whether denominated in Euro or relevant national currency, and in stock or debt obligations denominated in Euro of any other issuer.”*

The amendments are for clarification purposes only and will not result in any additional risks or impact the investment strategy of the Funds. There is no change to the operation and/or the manner in which the Funds are being managed.

**(3) Update to the Franklin Strategic Income Fund’s expected and maximum levels of exposure to total return swaps, as well as its expected level of leverage**

The current investment policy of the Franklin Strategic Income Fund provides for an expected level of exposure that could be subject to total return swaps (unfunded) of 12% of the Fund’s net assets, subject to a maximum of 15%. The current expected level of leverage for the Fund (based on the “sum of notionals” approach) is 40%<sup>1</sup>, while the maximum level of leverage (based on the “commitment approach”) is 100%<sup>2</sup>.

It is proposed that with effect from 21 January 2019, the expected and maximum levels of exposure of this Fund to total return swaps be increased to 15% and 40% of the Fund’s net assets respectively. The Investment Manager believes that the increase in exposure to total return swaps will aid in the efficient portfolio management of the Fund. As a consequence of the increased exposure to total return swaps, the expected level of leverage for the Fund (based on the “sum of notionals” approach) will be increased to 65%<sup>1</sup>, while the maximum level of leverage (based on the “commitment approach”) will remain unchanged at 100%<sup>2</sup>.

The increase in the Fund’s expected and maximum levels of exposure to total return swaps, and the resultant increase in the expected level of leverage (based on the “sum of notionals” approach), will not result in any additional risks or impact the investment strategy of the Fund. There is no change to the operation and/or the manner in which the Fund is being managed.

**(4) Clarification of the investment policy of the Franklin U.S. Government Fund to re-state that it may invest 100% of its net assets in transferable securities and money market instruments issued or guaranteed by the U.S. Government, and that it may distribute dividends from capital, net realised and net unrealised capital gains**

The current investment policy of the Franklin U.S. Government Fund states that the Fund seeks to achieve its investment objective primarily through a policy of investing in debt obligations issued or guaranteed by the United States of America government and its agencies, including purchasing mortgage- and asset-backed securities.

For clarity, it is proposed that the investment policy of the Fund be enhanced to state that the Fund may invest up to 100% of its assets in transferable securities and money market instruments issued or guaranteed by the U.S. Government, in accordance with the applicable risk diversification requirements contained in the “INVESTMENT RESTRICTIONS” section of the Explanatory Memorandum.

In addition, the product key facts statement of the Franklin U.S. Government Fund discloses that the Fund may, at its discretion, pay dividends out of capital or out of gross income of the Fund while paying all or part of the Fund’s fees and expenses out of the capital of the Fund. Consistent with this disclosure, it is proposed that the investment policy of the Fund be elaborated upon to disclose that the Fund may make distribution from capital, net realised and net unrealised capital gains as well as income gross of expenses.

Shareholders of the Franklin U.S. Government Fund should note that payment of dividends out of capital (including net realised and net unrealised capital gains) amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of capital (including net realised and net

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<sup>1</sup> The level of leverage in the Fund may be higher or lower than the expected level shown above in certain circumstances, such as high market volatility.

<sup>2</sup> The level of leverage in the Fund is not expected to exceed the maximum level indicated above, but investors should note that there is possibility of higher leverage levels in circumstances, such as when trades are put in reaction to sudden high market volatility (to mitigate risk).

unrealised capital gains) may result in an immediate reduction in the Net Asset Value per Share of the Fund and may reduce any capital appreciation for the Shareholders of the Fund.

For details of the relevant risk considerations pertaining to the Fund's dividend policy, please refer to the sub-section on "Dividend Policy risk" under the "RISK CONSIDERATIONS" section of the Explanatory Memorandum.

The composition of the dividends (*i.e.*, the relative amounts paid out of (i) net distributable income and (ii) capital) (if any) for the past 12 months is available from the Hong Kong Representative on request and is also made available on the Hong Kong Representative's website ([www.franklintempleton.com.hk](http://www.franklintempleton.com.hk)<sup>3</sup>).

The clarifications above will not result in any additional risks or impact the investment strategy of the Fund. There is no change to the operation and/or the manner in which the Fund is being managed.

**(5) Elaborations on the investment policies of the Templeton Asian Bond Fund, the Templeton Emerging Markets Balanced Fund and the Templeton Emerging Markets Bond Fund to disclose their investment in Mainland China through the Bond Connect or directly (also referred to as CIBM direct)**

The investment policies of the Templeton Asian Bond Fund, the Templeton Emerging Markets Balanced Fund and the Templeton Emerging Markets Bond Fund will be elaborated on to disclose that they may invest up to 10% of their net assets in Mainland China through the Bond Connect or directly (also referred to as CIBM direct).

As a result of the Funds' investments in Mainland China through the Bond Connect or CIBM direct, the following "China Bond Connect risk" will apply to the Funds:

*"Bond Connect is a mutual market access scheme allowing overseas investors to trade in bonds circulated on the China Interbank Bond Market (CIBM) through connection between the Mainland and Hong Kong financial infrastructure institutions without quota limitations.*

*The Northbound Trading link commenced on 3 July 2017 with transactions being made possible through mutual access arrangements in respect of trading, custody and settlement. It involves China Foreign Exchange Trading System, China Central Depository & Clearing Co, Shanghai Clearing House, Hong Kong Exchanges & Clearing plus the Central Moneymarkets Unit (CMU). A delivery versus payment (DVP) settlement system for transactions through the Bond Connect scheme was implemented in August 2018 thereby reducing settlement risk.*

*The ultimate foreign eligible investors are the beneficial owners of the relevant CIBM bonds and may exercise their rights against the bond issuer through CMU as the nominee holder. The nominee holder may exercise its creditor rights and bring actions against bond issuers in Chinese courts.*

*CIBM securities traded via the Bond Connect can be subject to risks including but not limited to regulatory risks, liquidity risk, operational risk, PRC tax risk and reputational risk.*

*The Bond Connect encompasses recently developed trading systems. There can be no assurance that those systems will function correctly or will not be subject to further changes or adaptation. The relevant rules and regulations may be subject to change which may have potential retrospective effect. If the relevant mainland Chinese authorities suspend account opening or trading on the CIBM, the Funds' ability to invest in the CIBM will be adversely affected. In such event, the Funds' ability to achieve its investment objective may be negatively affected.*

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<sup>3</sup> The information in the website has not been reviewed by the Securities and Futures Commission.

*There is no specific written guidance by the Mainland China tax authorities on the treatment of income tax and other tax categories payable in respect of trading in the CIBM by eligible foreign institutional investors via the Bond Connect.*

*Securities traded through the Bond Connect may be subject to a range of reputational risks such as risks borne by companies being subject to cyber abuses, sanctions concerns and negative accusations over labor and human rights, environmental degradation, ties to high-risk countries and entities overseas.”*

In addition to the above China Bond Connect risk, please also refer to the risk disclosures on “Chinese Market risk” under the “RISK CONSIDERATIONS” section of the Explanatory Memorandum for details of the relevant risks associated with this proposed change.

Other than as disclosed above, the Investment Manager of the Funds believe there will not be any additional risks as a result of the elaboration to the Funds’ investment policies. There is no change to the operation and/or the manner in which the Funds are being managed.

**(6) Amendment to the investment policy of the Templeton Asian Growth Fund to broaden the investment universe of this Fund**

The current investment policy of the Templeton Asian Growth Fund as stated in its Hong Kong offering documents provides that the Fund invests principally (that is, at least two-thirds of the Fund’s net assets) in:

- (i) equity securities issued by companies of any size traded on stock exchanges in Asian countries (excluding Australia, New Zealand and Japan);
- (ii) equity securities issued by companies of any size located in, or doing significant business in, Asian countries (excluding Australia, New Zealand and Japan).

It is proposed that with effect from 21 January 2019. The investment policy of the Fund be expanded such that it is permitted to make the following investments in addition to what is currently stated in its investment policy summarised above:

- (a) depository receipts of companies (i) which are incorporated in the Asia Region, and/or (ii) which have their principal business activities in the Asia Region, and/or (iii) which are listed on recognized exchanges in capital markets of the Asia Region; and
- (b) equity securities of companies located outside of the Asia Region but which derive a significant proportion of their revenues or profits from the Asia Region or have a significant portion of their assets in the Asia Region.

Further to the changes proposed above, the investment policy of the Fund in the Explanatory Memorandum will be revised as follows:

***“Investment Policy***

*The Fund applies the traditional Templeton investment method. The stock selection approach is bottom-up, long-term value-oriented with strong emphasis on diligence and discipline.*

*The Fund may also invest in equity securities, which are listed on recognised exchanges in capital markets of the Asia Region (excluding Australia, New Zealand and Japan). The Fund invests primarily in transferable equity securities as well as depository receipts of companies (i) which are incorporated in the Asia Region, and/or (ii) which have their principal business activities in the Asia Region, and/or (iii) which are listed on recognised exchanges in capital markets of the Asia Region. The Asia Region*



*includes but is not limited to the following countries: Hong Kong, India, Indonesia, Korea, Malaysia, Mainland China, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan and Thailand, and excludes Australia, New Zealand and Japan. The Fund may also invest in equity securities of companies located outside of the Asia Region but which derive a significant proportion of their revenues or profits from the Asia Region or have a significant portion of their assets in the Asia Region. Under normal market conditions, the Fund invests primarily in common stocks.*

*Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in other types of transferable securities, including fixed income securities.*

*The Fund may invest up to 10% of its net assets in aggregate in China A-Shares (through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect) and in China B-Shares.*

*Investments in emerging market conditions are subject to a higher degree of risk, as described in the section “Risk Considerations”.*

The Investment Manager believes that this expansion in the investment universe for the Fund will be beneficial to Shareholders in the Fund. There will be no material change or increase in the overall risk profile of the Fund. Further, other than the change in the investment policy outlined herein, there will be no change in the operation and/or the manner in which the Fund will be managed.

\* \* \* \* \*

The changes set out in this letter are not expected to give rise to any change in the fee level or fee structure of the Funds, or any additional costs and expenses for Shareholders of the Company (other than the cost of publishing this letter, which is estimated to be approximately HKD500,000 and which will be charged and allocated to the Funds covered in the letter based on the pro rata share of the Net Asset Value of the Funds). Any additional costs and expenses arising from the changes will be borne by the Management Company.

The changes set out in this letter will not have any material adverse impact on the interests of the Funds’ investors and are not expected to materially prejudice the rights or interests of Shareholders of the Funds.

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The Management Company and the Board accept full responsibility for the accuracy of the information contained in this letter as at the date of its publication and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading.

An updated version of the Hong Kong offering documents of the Company will be available at the office of the Hong Kong Representative in due course. If you require further information, please do not hesitate to contact your investment consultant, call our Investor Hotline at +852 2805 0111 or contact the Hong Kong Representative at 17/F, Chater House, 8 Connaught Road Central, Hong Kong. If you are not a duly authorized intermediary for the Hong Kong market, please be advised that you are not required to forward this letter to your end clients.

Yours faithfully,

**Franklin Templeton Investments (Asia) Limited**

富蘭克林鄧普頓投資(亞洲)有限公司

As Hong Kong Representative of the Company

**IMPORTANT: This letter is important and requires your immediate attention. If you have any questions about the content of this letter, you should seek independent professional advice. The directors of Schroder International Selection Fund accept full responsibility for the accuracy of the information contained in this letter and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement misleading.**

**21 December 2018**

Dear Shareholder,

### **Schroder International Selection Fund – Hong Kong Dollar Bond**

The board of directors of Schroder International Selection Fund (the "Company") has decided to clarify the investment policy of Schroder International Selection Fund – Hong Kong Dollar Bond (the "Fund").

The Fund's investment policy will be clarified by removing a reference that the Fund will not invest in non-investment grade securities so as to align its investment policy with the Schroders drafting principles. For the avoidance of doubt, there will be no change to the way the Fund is managed and the Fund will remain not authorised to invest in non-investment grade bonds as this type of investment will not be expressly authorised by its investment policy.

The Fund's investment policy, which is contained in the Company's prospectus, is being clarified from:

#### **"Investment Policy**

The Fund invests at least two-thirds of its assets in fixed and floating rate securities denominated in HKD issued by governments, government agencies, supra-nationals and companies worldwide and derivatives related to the above instruments.

The Fund does not invest in non-investment grade securities (as measured by Standard & Poor's or any equivalent grade of other rating agencies).

The Fund may use derivatives, long and short, with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently. The Fund may also invest in Money Market Instruments and hold cash."

To:

#### **"Investment Policy**

The Fund invests at least two-thirds of its assets in fixed and floating rate securities denominated in HKD issued by governments, government agencies, supra-nationals and companies worldwide and derivatives related to the above instruments.

The Fund may use derivatives, long and short, with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently. The Fund may also invest in Money Market Instruments and hold cash."

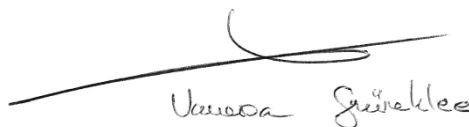
All other key features of the Fund and its risk profile will remain the same. There will be no change in the Fund's investment style or investment philosophy following this change.

Any expenses incurred directly as a result of making this change will be borne by Schroder Investment Management (Europe) S.A., the Company's management company.

If you have any questions or would like more information, please contact your usual professional advisor or Schroder Investment Management (Hong Kong) Limited at Level 33, Two Pacific Place, 88 Queensway, Hong Kong or calling the Schroders Investor Hotline on (+852) 2869 6968. Yours faithfully,



**Chris Burkhardt**  
Authorised Signatory



**Vanessa Grueneklee**  
Authorised Signatory

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE**

21 December 2018

Dear Shareholder,

**ABERDEEN GLOBAL**

We are writing to inform you of the changes that the Board of Directors of Aberdeen Global (the “**Company**”) proposes to make to the Company and its sub-funds (the “**Funds**”). The principal proposed changes are detailed in this letter.

Capitalised terms used in this letter shall have the same meaning ascribed to them in the latest version of the Prospectus and the Hong Kong Supplement of the Company, and the Product Key Facts Statement for each Fund (the “**Hong Kong Offering Documents**”) unless the context otherwise requires.

**1. Renaming of the Company**

As part of the ongoing rebranding of the Aberdeen Standard Investments business, the Board of Directors proposes to amend the Company’s articles of incorporation to reflect the renaming of the Company as Aberdeen Standard SICAV I. Accordingly, the reference to “Aberdeen Global” in the names of the Funds will be replaced by “Aberdeen Standard SICAV I”.

The Board of Directors invites you to an Extraordinary General Meeting of Shareholders of the Company which will need to decide on the new name. The convening notice to this meeting is attached hereto.

The draft articles of incorporation reflecting the proposed change is available free of charge at the Company’s registered office.

**2. Update to the Investment Philosophy and Process section**

The “Investment Philosophy and Process” section will be updated to include descriptions of additional investment categories, as well as to highlight that within the Active Equities category there are two distinct investment approaches: Long Term Quality and Focus on Change.

This section will also be updated to provide further detail regarding certain investment processes and portfolio outcomes which apply within various investment categories. In particular, the Active Equities and Fixed Income categories will be updated to reflect that environmental, social and governance considerations are integral to the investment strategies of Funds in these categories.

These amendments will be made for information purposes only and there will be no change in the respective Fund strategies.

**Aberdeen Global**

35a, avenue John F. Kennedy, L-1855 Luxembourg  
Telephone: +352 26 43 30 00 Fax: +352 26 43 30 97 [aberdeestandard.com](http://aberdeestandard.com)  
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### 3. Addition of a new risk factor concerning investments in variable interest entities (VIE)

Following an internal review, it has been decided to include a risk factor concerning investment in variable interest entities in the Prospectus, as follows:

#### **"VIE Structures**

Certain Funds may invest in companies with Variable Interest Entity ("VIE") structures in order to gain exposure to industries with foreign ownership restrictions. A VIE is a corporate structure which issues shares to investors. Those shares then behave in a similar way to ordinary shares issued by the company in that they represent a share of that company's profits. However, they do not represent legal ownership of the company's assets, unlike ordinary shares, because the VIE is legally separate or independent from the company. Because VIEs are created to allow foreign investors to access companies with foreign ownership restrictions (typically Chinese or other Emerging Market companies) there is a risk that the authorities in the country where the company is incorporated could take action which would have an adverse impact on the value of one or more VIEs, up to and including declaring that such structures are illegal and thus worthless".

The above risk factor is relevant to Aberdeen Global - Asia Pacific Equity Fund, Aberdeen Global - Asian Property Share Fund, Aberdeen Global - Asian Smaller Companies Fund, Aberdeen Global - Chinese Equity Fund, Aberdeen Global - Emerging Markets Equity Fund, Aberdeen Global - Emerging Markets Infrastructure Equity Fund and Aberdeen Global - Emerging Markets Smaller Companies Fund.

For your information, such reference to investments in VIE has been included for information purposes only and it will have no impact on the actual risk profile of the relevant Fund, which remains unchanged.

### 4. Investment Structure of Aberdeen Global – Indian Equity Fund

As stated under Appendix F of the Prospectus, Aberdeen Global – Indian Equity Fund invests into Indian securities through its wholly-owned subsidiary, Aberdeen Global Indian Equity Limited (the "**Subsidiary**").

On 12 December 2017, an extraordinary general meeting of the Shareholders of the Company ("**EGM**") approved the proposal to merge the Subsidiary into the Fund in accordance with article 1023-1 of the Luxembourg law dated 10 August 1915 on commercial companies, as amended, the Companies Act 2001 of Mauritius, as amended, and the provisions set out in the Articles of Merger published in the *Recueil Electronique des Sociétés et Associations* of Luxembourg on 31 October 2017 (the "**Merger**"). As stated in the notice to Shareholders dated 13 November 2017, the Board of Directors had come to the conclusion that the proposal would be to the benefit of investors in the Fund in terms of cost and risk reduction.

Due to certain outstanding conditions, it was not possible to implement the Merger on the scheduled effective date. As such, the Board of Directors decided to postpone the scheduled effective date of the Merger pending the expected, albeit delayed satisfaction of the requisite conditions. At that time it was expected that the Merger would become effective early in 2018 as described in statements to Shareholders posted on the Company's website.

Ultimately, however, it was not possible to obtain formal approval of the Securities and Exchange Board India ("**SEBI**") for the Merger. As formal SEBI approval for the Merger could not be obtained, it has been decided that it would be in the best interests of investors in the Fund to maintain the existing,

#### **Aberdeen Global**

35a, avenue John F. Kennedy, L-1855 Luxembourg  
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indirect investment structure via the Subsidiary. This decision has taken account of various potential implications, including recent changes to the Indian long-term capital gains tax regime.

It has therefore been decided to propose to the Shareholders of the Company to acknowledge that the Merger has not become effective and to withdraw and cancel the approval of the Merger. An extraordinary general meeting of the Shareholders of the Company is therefore convened to consider and approve the foregoing. The convening notice of such extraordinary general meeting of Shareholders is attached hereto.

The actions that have been taken in connection with the above are considered to be in the best interests of Shareholders of the Fund. Therefore all costs related to such actions, including those resulting from the relevant structural analysis and other work undertaken in connection with the proposal not to effect the Merger are charged to the Fund as extraordinary expenses.

#### **5. Change of name of Aberdeen Nominees Services Limited**

As part of the integration of Aberdeen Asset Management PLC and Standard Life plc and in line with previous name changes of other entities belonging to the new Aberdeen Standard Investments business, Aberdeen Nominees Services Limited has been renamed as Aberdeen Standard Investments Nominees Services Limited with effect from 3 December 2018.

#### **6. Renaming of the Management Company**

In the same vein, the management company of the Company, Aberdeen Global Services S.A. will be renamed as Aberdeen Standard Investments Luxembourg S.A. with effect from 1 January 2019.

#### **Hong Kong Offering Documents**

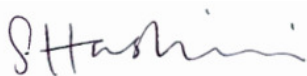
The changes detailed in this letter together with other miscellaneous changes and updates will be reflected in new Hong Kong Offering Documents in due course.

Your Board of Directors accepts responsibility for the accuracy of the information contained in this letter. To the best of the knowledge and belief of your Board of Directors (who have taken reasonable care to ensure this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the importance of such information.

If you have any questions or would like any further information please contact us at our registered office or at Aberdeen Standard Investments (Hong Kong) Limited whose office is at 30<sup>th</sup> Floor, LHT Tower, 31 Queen's Road Central, Hong Kong, Tel. 852 2103 4700.

Your Board of Directors believes that the changes are fair and reasonable and are in the best interests of Shareholders.

Yours faithfully,



Soraya Hashimzai  
For and on behalf of  
the Board of Directors – Aberdeen Global

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