Henderson
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The terms used but not otherwise defined in this notice shall have the same meanings as those defined in the prospectus of the Company dated 18 March 2016 (the "Prospectus").

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION TO BE TAKEN PLEASE CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, RELATIONSHIP MANAGER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

HENDERSON HORIZON FUND (the "Company")
SOCIETE D'INVESTISSEMENT A CAPITAL VARIABLE (SICAV)
LUXEMBOURG
RCS B 22847

29 March 2017

Dear Shareholder,

We are writing to you as a Shareholder in one or more of the Funds of the Company to inform you of the following changes that are being made to the Funds.

With effect from 2 May 2017:

1. The performance fee benchmark of Henderson Horizon Fund - Asian Growth Fund (the "**Asian Growth Fund**") will be changed as set out in Appendix 1;

2. The investment objective and strategy of Henderson Horizon Fund - Euro Corporate Bond Fund (the "**Euro Corporate Bond Fund**") will be changed as set out in Appendix 2:

With effect from 1 July 2017:

3. There will be (a) a change to the distribution policy and subsequent renaming of certain Distribution Share Classes of the following Funds; (b) a change of distribution frequency of the Distribution Share Classes of Global Property Equities Fund (details set out in Appendix 3):

   - Henderson Horizon Fund – Asia-Pacific Property Equities Fund (the "**Asia-Pacific Property Equities Fund**");
   - Henderson Horizon Fund – Global Property Equities Fund (the "**Global Property Equities Fund**");
   - Henderson Horizon Fund – Pan European Property Equities Fund (the "**Pan European Property Equities Fund**"); and
   - Henderson Horizon Fund – Euro Corporate Bond Fund.

Please refer to the relevant appendix to this notice for further information in relation to these changes and to the updated Hong Kong offering documents in respect of each Fund which will be made available in due course. For the avoidance of doubt, the term "Fund" shall mean the relevant Fund referred to in each appendix and the term "Investment Manager" shall include any relevant Sub-Investment Manager.

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The Directors confirm that in respect of the proposed changes:

- These changes will not impact the overall investment objectives of the Funds and will not result in any change to the overall risk profile of the Funds.
- There will be no change in the operation and/or manner in which the Funds are being managed.
- There will be no new fees or charges or increases in existing level of fees or charges borne by the Funds as a result of these changes.
- The costs and expenses will be borne by the Funds, these costs and expenses will not have a material impact on the fees and expenses incurred by the respective Funds.
- These changes will not materially prejudice existing investors' rights or interests.

Action to be taken

If you agree with the proposed changes, then you do not need to take any action.

If you do not agree with the proposed changes, then you can choose to redeem your Shares in the Funds or switch your Shares into shares of any other SFC-authorised sub-funds of the Company free of charge on any date up to **30 April 2017** for the changes mentioned in Appendices 1 and 2 and up **to 30 June 2017** for the changes mentioned in Appendix 3, in accordance with the provisions of the Hong Kong offering documents. However, as provided in the Hong Kong offering documents, please note that in circumstances which the Directors consider appropriate with the view to protect the interests of remaining Shareholders, a dilution adjustment to the net asset value of the Funds (to reflect more fairly the value of the investments in the circumstances) may be applied, this may lower the value of your redemption proceeds.

Redemption and switching of Shares

You may apply to redeem your holding or switch it into shares in any other SFC-authorised sub-funds of the Company by submitting your request to the local representative in Hong Kong (please refer to the contact details set out below) in accordance with the procedures set out in the Hong Kong offering documents.

You may also apply to redeem or switch your holdings by instructing the Registrar and Transfer Agent to carry out the redemption or switch by contacting:

RBC Investor Services Bank S.A,
Registrar and Transfer Agent,
14, Porte de France,
L-4360 Esch-sur-Alzette,
Grand Duchy of Luxembourg
Telephone: (352) 2605 9601
Fax: (352) 2460 9937

If you choose to redeem your Shares in the Fund, we will pay the redemption proceeds to you in accordance with the provisions of the Hong Kong offering documents, except that we will not impose any fee (except as described above) if you redeem as a result of the changes described in this notice.

We may require documentation to verify your identity if we do not already hold it. We may delay payment until we receive such verification. We will normally make payment in accordance with the standing instructions we hold on file. If you have changed your bank account and have not informed us, please confirm your up-to-date details in writing to RBC Investor Services Bank S.A. at the address provided above.

If you choose to switch your Shares to a holding in a different SFC-authorised sub-fund of the Company, we will use the proceeds to purchase shares in the sub-fund you specify at the share price applicable to that sub-fund in accordance with the provisions of the Hong Kong offering documents.

If you are in any doubt about the action to be taken, please seek advice from your stockbroker, bank manager, solicitor, accountant, relationship manager or other professional adviser.

A redemption of your Shares may affect your tax position. You should therefore seek guidance from a professional adviser on any taxes that apply in the country of your respective citizenship, domicile or residence.

Additional information

How to contact us
If you have any questions, please contact the Registrar and Transfer Agent, RBC Investor Services Bank S.A., using the details above, or your local representative in Hong Kong, RBC Investor Services Trust Hong Kong Limited, 51/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong (Tel: +852 29785656, Fax: +852 2845 0360). The Hong Kong offering documents will be updated to reflect the change described in this notice and will be available free of charge from the Hong Kong representative and at www.henderson.com* effective from 2 May 2017.

The Directors of the Company accept responsibility for the accuracy of this notice.

Yours faithfully

Iain Clark

Iain Clark
Chairman

** This website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC and not available to Hong Kong investors.*

Appendix 1

Change to the performance fee benchmark of the Asian Growth Fund ("Fund")

From **2 May 2017**, the performance of the Fund will be measured against the new performance fee benchmark MSCI AC Asia Pacific ex Japan Index (the **"New Benchmark"**), which more closely reflects the Fund's investment objective and strategy. The current benchmark is MSCI AC Asia ex Japan Index (the **"Current Benchmark"**).

The main difference between the Current Benchmark and the New Benchmark is that the New Benchmark includes exposure to Australia and New Zealand when measuring the performance of Asian equity markets. Both benchmarks are widely used by other funds in the same peer group as the Fund and the Investment Manager continues to see Australia and New Zealand as a part of the investment universe in accordance with the investment objective and strategy but it does not wish to take significant off-benchmark risk, and being restricted by the Current Benchmark's constituents. The New Benchmark will give the Investment Manager more investment options by allowing the Investment Manager to invest in equity securities of issuers located in more countries.

Please note that there may be times in the future when the Fund may be overweight or underweight in Australia and New Zealand depending on the investment opportunities in these markets relative to the rest of the Asia Pacific ex Japan region.

Up until 1 May 2017, the performance fee will be determined based on the Current Benchmark. Upon the change in benchmark, the performance fee in respect of the Fund will be determined based on the New Benchmark. As such, the circumstances in which a performance fee will be payable are likely to be different, as the performance of the two benchmarks is likely to differ. For the purpose of calculating the performance fee of the Fund, the index value of the New Benchmark will be adjusted on 2 May 2017, taking into account the under/over-performance of the Current Benchmark relative to the performance of the Fund, over the relevant performance period up to and including 1 May 2017.

Generally, each period from 1 July of a year to 30 June the following year shall be a performance period. For the purpose of this calculation, the last time that a performance fee was paid or the date on which the performance fee was introduced for the first period (whichever is later) will be considered to be the start of the relevant performance period. For example, where the Current Benchmark has appreciated 30% from 1 July 2016 up to 1 May 2017, the New Benchmark will be assigned a start index value such that the New Benchmark will also have 30% of over-performance from 1 July 2016 to 1 May 2017. Such adjustment is made to ensure the continuity and consistency in the calculation of the performance fee notwithstanding a change in the Fund's performance fee benchmark.

In respect of the current performance period from 1 July 2016 to 30 June 2017, any performance fee accrued will be paid to the Investment Manager on 30 June 2017. As at the date of this Notice, there are no performance fees accruing against the Current Benchmark in respect of the Fund. Performance fee against the Current Benchmark may continue to accrue from the date of this Notice until 1 May 2017 and from 2 May 2017 until 30 June 2017 against the New Benchmark. The aggregate accrued performance fee for the performance period from 1 July 2016 to 30 June 2017 will crystallise at the end of the performance period and be paid to the Investment Manager at the end of the performance period on 30 June 2017. To the extent that the net asset value per Share of the Fund decreases or underperforms either benchmark, no performance fee will be accrued until such decrease and any underperformance on a per Share basis has been made good in full and any previously accrued but unpaid performance fees will be partly or fully reversed accordingly.

Please note that the net asset value per Share of the Fund will be adjusted on a daily basis to reflect the level of the performance fee accrued where either:

c) the increase in the net asset value per Share of the Fund outperforms the increase in the relevant benchmark. The fee payable will be 10% of the value added over and above that benchmark in accordance with the high water mark principle; or

d) the net asset value per Share of the Fund increases and the relevant benchmark decreases. The fee payable by the Fund will be 10% of the positive growth of the Fund in accordance with the high water mark principle.

The current high water mark for the purpose of determining the performance fee of the Fund will not be affected by the change in the benchmark and will be carried forward for the purpose of determining the performance fee based on the New Benchmark. For further details regarding the high water mark principle and calculation of performance fees, please refer to the section in the Prospectus titled “Fees, Charges and Expenses – Performance Fees” and also of the section in the Hong Kong offering documents titled “Performance Fees”.

Appendix 2

Changes to the investment objective and strategy of the Euro Corporate Bond Fund ("Fund")

From **2 May 2017**, the Fund will be able to invest in the following additional financial instruments (subject to restrictions set out in the Prospectus):

- up to 20% of its net assets in contingent convertible bonds ("**CoCos**"); and
- total return swaps ("**TRS**")

The investment objective of the Fund in the Prospectus shall be amended as follows (the changes are shown in bold and underlined for your easy reference):

"The investment objective of the Euro Corporate Bond Fund is to provide a total return in excess of that generated by the iBoxx Euro Corporates Index by investing primarily in Euro denominated investment grade corporate bonds and other fixed and floating rate securities.

The Fund may invest up to 20% of its net assets in contingent convertible bonds.

The Fund may make use of a variety of instruments / strategies in order to achieve the Fund's objective including, but not limited to, forward rate notes, forward foreign exchange contracts (including non-deliverable forwards), interest rate futures, bond futures and OTC swaps (such as interest rate swaps, credit default swaps**,** ~~and~~ credit default swaps on indices **and total return swaps**)."

For Hong Kong investors, the investment objective and strategy of the Fund in the Product Key Facts Statement shall be amended as follows (the changes are shown in bold and underlined for your easy reference):

"**Investment objective**

The investment objective of the Sub-Fund is to provide a total return in excess of that generated by the iBoxx Euro Corporates Index through investment in the Euro denominated investment grade corporate bonds and other fixed and floating rate securities.

Investment strategy

The Sub-Fund invests primarily in Euro denominated investment grade corporate bonds and other fixed and floating rate securities.

The Sub-Fund has the ability to use financial derivatives instruments ("FDIs") such as forward rate notes, forward foreign exchange contracts (including non-deliverable forwards), interest rate futures, bond futures and over-the-counter interest rate swaps, credit default swaps**,** ~~and~~ credit default swaps on indices **and total return swaps**, to achieve the Sub-Fund's investment objectives or extensively for investment purposes. The Sub-Fund does not however use a specific derivatives strategy but will use FDIs extensively for investment purposes in accordance with their investment objectives and policies. There is a possibility that the NAV of the Sub-Fund may have a higher volatility due to its investment policies or portfolio management techniques.

The Sub-Fund may invest up to 20% of its net assets in contingent convertible bonds.

The global risk exposure of the Sub-Fund is determined and monitored using the relative Value at Risk approach. The Sub-Fund's leverage level is expected to be 50% of the Sub-Fund's total NAV, based on the sum of notional exposures of FDIs in the investment portfolio including those held for risk reduction purposes. The Sub-Fund's expected leverage calculated using the commitment approach will typically not exceed 75% of the Sub-Fund's total NAV.

The Sub-Fund's actual level of leverage might exceed the expected level from time to time under a number of circumstances provided the usage of FDIs is consistent with the Sub-Fund's investment objective and risk profile. The expected level of leverage is an indicator and not a regulatory limit. The expected level of leverage will be updated from time to time. The Investment Manager ("IM") may from time to time consider hedging currency and interest rates exposure but will not generally enter into contracts involving a speculative position in any currency or interest rate.

The Sub-Fund may engage in securities lending transactions. Lending transactions may not be carried out on more than 50% of the aggregate market value of the securities in the portfolio of the Sub-Fund.

~~The~~**Currently, the** Sub-Fund does not ~~currently intend to~~ engage in repurchase and/or reverse repurchase agreement transactions."

CoCos
CoCos are debt securities that, upon a predetermined 'trigger event' can be converted into shares of the issuer or are partly or wholly written off.

Due to the additional risks associated with investing in CoCos, the yield on CoCos can be higher than that available on other subordinated bank debt. The Investment Manager believes that in some instances, CoCos may provide a significant return advantage that is sufficient to compensate for the higher risk.

The following are specific risks concerning CoCos that investors should understand:

- **Trigger level risk -** Trigger levels relate to a minimum level of capital and/or solvency threshold for a financial institution, below which a CoCo may convert into shares or a write-down may occur. Trigger levels differ depending upon the specific terms of the bond issuance and regulatory requirements. It may be difficult to anticipate the triggering down events that would result in a conversion into shares or a write off. This may lead to a partial or total loss of the investment.
- **Capital structure inversion risk -** In some cases (for example when the write down trigger is activated), CoCos could incur some losses ahead of equity holders, thereby reversing the usual creditor hierarchy.
- **Coupon cancellation -** Coupon payments from CoCos are entirely discretionary and may be cancelled by the issuer at any point, for any length of time. Discretionary payments may sometimes be required to be cancelled, in whole or in part, if the issuer has insufficient reserves or due to regulatory requirements. The cancellation of payments is not an event of default and interest payments that are missed do not accrue to a future date but are permanently forgone. In addition, dividends on ordinary or preference shares may still be paid notwithstanding a cancellation of coupon payments on the CoCos.
- **Call extension risk -** CoCos are generally issued as perpetual instruments, callable at predetermined levels subject to the permission of the relevant regulator. It cannot be assumed that the perpetual CoCo will be called on call date. CoCos are a form

of permanent capital. The investor may not receive return of principal if expected on call date or indeed at any date.

- **Write-down risk -** Should a CoCo undergo a write-down, the Fund may lose some or all of the original investment in the CoCo.
- **Yield/Valuation risk -** CoCos often tend to compare favourably from a yield standpoint, comparing to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers. However, the risks associated with CoCos, such as, for example, the risk of conversion/write-down or coupon cancellation is higher.
- **Subordinated instruments -** CoCos are unsecured and subordinated instruments and will rank junior in priority of payment to the current and future claims of all senior creditors and certain subordinated creditors of the issuer.
- **Unknown risk -** As CoCos are relatively new, it is difficult to predict how they may react in a stressed market environment. In the event that a single issuer activates a trigger or suspends coupon payments, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore in an illiquid market, price formation may be increasingly difficult, making CoCos difficult to dispose of.
- **Conversion risk -** It might be difficult for the Investment manager to assess how the CoCos will behave upon conversion. In the case of conversion into equity, the Investment Manager might be forced to sell these new equity shares. A forced sale may lead to a liquidity issue for these shares.
- **Industry concentration risk -** CoCos are issued by banking/insurance institutions. If a Fund invests significantly in CoCos its performance will depend to a greater extent on the overall condition of the financial services industry than a Fund following a more diversified strategy.
- **Liquidity risk -** In certain circumstances, finding a buyer for CoCos may be difficult and the seller may have to accept a significant discount to the expected value of the CoCo in order to sell it.

Total Return Swaps ("TRS")
A TRS is a contract between two counterparties which involves swapping cash flows. One counterparty agrees to pay an amount which represents the total return on an underlying asset, index or basket of assets and in return, it receives from the other counterparty a specified fixed and/or floating cash flow related to the performance of the underlying asset, index or basket of assets.

The Fund may enter into a TRS for the purposes of generating a return or for hedging purposes.

A TRS can be used by the Fund to gain or hedge exposure to the performance of an underlying security or market index. As an example, a TRS may provide a more precise hedge for credit market exposures than using Credit Default Swap ("**CDS**") index derivatives, because the underlying asset is a corporate bond index rather than a basket of CDS contracts. In addition, the performance of corporate bonds and CDS contracts can diverge particularly over short time periods.

While the prudent use of derivatives, such as TRS, can be beneficial, using derivatives can involve a higher level of risk. Investors should familiarise themselves with the risks associated with derivatives contained in the Hong Kong offering documents.

Appendix 3

(c) Change to the distribution policy and subsequent renaming of certain Distribution Share Classes of Asia-Pacific Property Equities Fund, Global Property Equities Fund, Pan European Property Equities Fund and Euro Corporate Bond Fund (each a "Fund" and collectively the "Funds")

From 1 July 2017, the distribution policy for the Distribution Share Classes of the Funds listed in the table below will:

- be changed from distributing net income to gross income; and
- be renamed from "sub-class 1 or Class A1" to "sub-class 3 or Class A3".

Currently, sub-class 1 or Class A1 Shares distribute all relevant income **after** the deduction of fees, charges and expenses. This does not include realised and unrealised capital gains.

After the change is effective, sub-class 1 or Class A1 Shares of the Funds will take on the features of sub-class 3 or Class A3 Shares which will distribute all relevant income **before** the deduction of fees, charges and expenses. This means that fees, charges and expenses may be charged to capital of the Fund, so may result in capital erosion. These shares may also have the flexibility to distribute realised and unrealised capital gains.

The distribution policy will be changed because the new distribution policy (i.e. the current distribution policy of sub-class 3 or Class A3 Shares) will ensure a distribution of income to shareholders as close as possible to that which they would receive if they directly held the underlying securities of the Fund in which they have invested.

You should note that distributions of this nature may be treated (and taxable) as income, depending on local tax legislation. You should seek professional tax advice in this respect.

List of Distribution Share Classes affected by the change to the distribution policy:

Fund name	**ISIN**	**Current Share Class name**	**New Share Class name**	**First distribution calculation date under the new distribution policy:**	**First distribution payment date under the new distribution policy:**
Asia-Pacific Property Equities Fund	LU0229494629	A1 USD	A3 USD	30 June 2018	20 July 2018
Euro Corporate Bond Fund	LU0451950405	A1 EUR	A3 EUR	30 June 2018	20 July 2018
	LU0593293326	A1 HGBP	A3 HGBP	30 June 2018	20 July 2018
Global Property Equities Fund	LU0209137206	A1 USD	A3 USD	30 September 2017#	20 October 2017#
Pan European Property Equities Fund	LU0209156925	A1 EUR	A3 EUR	30 June 2018	20 July 2018

The first distribution calculation date and first distribution payment date of Global Property Equities Fund have been changed due to the change of distribution frequency of the Distribution Shares Classes in this Fund (see item(b) below).

In respect of sub-class 3 Shares, the Directors may in their discretion pay distributions out of gross investment income and net realised and unrealised capital gains subject to the minimum capital requirement imposed by law while charging all or part of the Share Class's fees and expenses to the capital of the Share Class. Payment of distributions out of gross investment income while charging the Share Class' fees and expenses to the capital of the Share Class, resulting in an increase in distributable income for the payment of distributions by the Share Class would effectively amount to paying distributions out of capital of that Share Class. Investors should also note that payment of distributions out of net unrealised capital gains amounts to the payment of distributions out of capital.

Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. This may result in capital erosion and a reduction in the potential for long-term capital growth. Any distributions involving payment of distributions out of the Share Class' capital or payment of distributions effectively out of the Share Class' capital (as the case may be) may result in an immediate reduction of the net asset value per share of that Share Class.

The Directors may amend the policy with respect to the above subject to the SFC's prior approval and by giving not less than one month's prior notice to investors.

The composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income (i.e. investment income after the deduction of fees, charges and expenses which may include net realised gains in respect of sub-class 3 Shares)) and (ii) capital (i.e. original capital and net unrealised capital gains)) for the last 12 months (if any) are available from the Hong Kong Representative on request and on the website www.henderson.com*. The 12-month period mentioned above is intended to be a rolling 12-month period starting from the date on which payment of dividend is being made by a Fund.

(d) Change of distribution frequency of the Distribution Shares Classes in the Global Property Equities Fund ("Fund")

In addition, the distribution frequency of the Distribution Shares Classes in this Fund will change from annual to quarterly payments as detailed in the table below.

	Current frequency	**New frequency**			
	Annual	**Quarterly**			
Distribution calculation date(s):	30 June	30 June	30 September	31 December	31 March
Distribution payment date:	Within 4 weeks of the distribution calculation date				

As a result of the above updates, the Product Key Facts Statements of the Funds will be updated.

Please refer to the updated Hong Kong offering documents for more information about the distribution policy and payment of distributions to Shareholders of the Distribution Share Classes of the Funds.

* *This website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC and not available to Hong Kong investors.*