

IMPORTANT: This letter requires your immediate attention. If you have any questions about the content of this letter, you should seek independent professional advice. The Directors of the Company accept responsibility for the accuracy of the contents of this letter.

Date: 6 January 2017

To: The Shareholders of Baring Emerging Markets Corporate Debt Fund (the “Fund”), a sub-fund of Baring Investment Funds plc (the “Company”)

Dear Shareholder,

We wish to advise that due to notice of several large redemptions and subsequent review of the Fund's operations, a decision has been made by the Company to terminate the Fund as it is not considered economically viable to continue its operation due to its small asset size. As at 17 December 2016 the assets of the Fund were approximately US\$17.4m and following upcoming redemptions this is expected to fall to approximately US\$2m. Where a fund has a small asset size, the costs and charges of running the Fund become higher in percentage terms, which reduces the potential for growth. We consider that these costs and charges could be more than the potential returns of the Fund. We have also considered merging the Fund with another Barings fund but there is not another suitable fund. Therefore, we believe it is in the best interest of shareholders that the Fund is terminated.

We hereby give you notice of the closure of the Fund pursuant to Clause 36.01 of the Memorandum and Articles of Association and that all of your Shares in the Fund will be compulsorily redeemed on 6 February 2017 (the “Compulsory Redemption Date”).

The termination costs of the Fund will be paid by Barings.

The effective date of termination of the Fund will be 6 February 2017.

You may wish to use the proceeds of the redemption of your Shares to subscribe, free of charge, for shares of the same class in any other of the Barings funds for which Baring Asset Management Limited acts as Investment Manager between now and the last Dealing Day on 6 February 2017. If you wish to do so, please complete Option 1 on the Form of Direction and return to the address listed below by no later than 12.00 noon on 6 February 2017. Full details of the funds can be found at www.baring.com, or from your usual contact at Barings. If you choose to switch to a Barings fund that is not domiciled in Ireland you will be required to go through the normal application process which may involve the completion of an application form and the verification of your identity (please clearly note on the application form that your instruction is based on a switch from the Baring Emerging Markets Corporate Debt Fund). Updated verification of your identity documentation may also be required in certain cases on switches into other Irish domiciled Barings funds. A switch instruction cannot be actioned until this process is completed. If you have any queries about the switch of shares into other Barings funds, please contact us on +44 (0) 333 300 0372 between 9.00 am and 5.00 pm UK time (Monday to Friday).

Baring International Fund Managers (Ireland) Limited

Georges Court, 54-62 Townsend Street, Dublin 2, Ireland

Registration No. 00161794. Registered office as above. VAT Registration No. IE 65 61 794C. Directors: David Conway (IE), Mark Thorne (IE), Michel Schulz (DE). Authorised and regulated by the Central Bank of Ireland.

BARINGS.COM

Please note that this letter is not an offer to subscribe for shares/units in any such funds nor does it constitute investment advice in relation to any such subscription. We always recommend that you consult with your own legal, tax and financial advisers before proceeding with any investment.

You may also redeem your Shares free of charge in the usual manner on any Dealing Day up to 12.00 noon (Dublin time) on the Compulsory Redemption Date. If you wish to do so, please complete Option 2 on the Form of Redemption and return to the address listed below.

If you do not switch or redeem your holding prior to the Compulsory Redemption Date, the net proceeds of redemption will be returned to you normally within three business days of the Compulsory Redemption Date. Please note if we require further information or documentation from you then the proceeds cannot be released until these have been received.

Please note that as the Fund will be winding down, a high proportion of the Fund may be held in cash assets up until the Compulsory Redemption Date as the Investment Manager will endeavour to maximise liquidity in the portfolio relative to liquidity needs.

Should you have any questions relating to these matters please contact your usual contact at Barings or call us on +44 (0) 333 300 0372 between 9.00 am and 5.00 pm UK time (Monday to Friday).

Yours faithfully,



**For and on behalf of,
Baring International Fund Managers (Ireland) Limited**

Baring Emerging Markets Corporate Debt Fund (the “Fund”)

FORM OF DIRECTION

I, being an investor in the Fund, hereby confirm that I have read the letter dated 6 January 2017 which explains the options I have regarding my investment in the Fund. Having read this letter I choose the following option by adding a cross in **one** of the boxes below:-

☐ **OPTION 1 - SWITCH MY INVESTMENT IN THE FUND INTO THE FOLLOWING FUND:**

By selecting option 1, I/we confirm that I/we have read (and retained a copy of) the Key Investor Information Document (“KIID”) and prospectus relating to the fund selected.

I/We confirm that I/we would like to switch all of my/our investment in the Fund into the following fund:

Fund Name:.....

Share Class Name:.....

ISIN:.....

Note: You can obtain a copy of the fund’s KIID and prospectus from the Baring website www.barings.com or if you do not have access to the website please contact us on +44 (0) 333 300 0372 between 9.00 am and 5.00 pm (Monday to Friday) and we will send you a copy of the relevant KIID and prospectus

Signature: Signature (for joint holder, if applicable):

Date: Date:.....

☐ **OPTION 2 - REDEEM MY SHARES IN THE FUND AND RECEIVE THE CASH**

Authorisation

Full Name (capitals):

Address:

Full Name of Joint Holder (if applicable):

Address:

Account Number (if known):

Number of Shares (if known):
.....

Signature: Signature (for joint holder, if applicable):

Date: Date:.....

IF YOU DO NOTHING

If we do not receive your response by 12 noon (Dublin time) on 6 February 2017, you will receive the proceeds from the sale of the assets of the Fund in the winding up.

We expect the winding-up to be completed as soon as practicable following the commencement of termination on 6 February 2017. At the time when the winding up is completed, we may make a final distribution payment as soon as practicable of any balance remaining net of a provision for any further expenses of the Fund. The proceeds could comprise of both your return of capital and (any) income distribution. Should income be payable income tax will be deducted. These will be detailed separately in the voucher accompanying payment.

NOTES:

1. Please indicate with a cross in the appropriate box above which option you wish to pursue (you can only make one cross)
2. To be valid, this form must be completed and received by Baring International Fund Managers (Ireland) Limited, C/O Northern Trust International Fund Administration Services (Ireland) Limited, Georges Court, 54-62 Townsend Street, Dublin 2, Ireland by no later than 12 noon on 6 February 2017.
3. If you opt to switch to a new fund, your existing Distribution Mandate instructions will apply to the new Fund. If you wish to change your Distribution Mandate instructions, please instruct

the change in writing to the address listed in note 2. If you choose an accumulating share class then no income is distributed.

4. Any alteration to this form must be initialled to be valid.