

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of the ILP Sub-Fund and complements the Product Summary. It is important to read the Product Summary before deciding whether to purchase the ILP Sub-Fund.
- If you do not have a copy, please contact us to ask for one.
- You should not invest in the ILP Sub-Fund if you do not understand it or are not comfortable with the accompanying risks.

## R174 FPIL Allianz Japan Equity (Invests in Allianz Japan Equity A USD)

Product Type (Specified Investment Product)	ILP Sub-Fund <sup>1</sup>	Launch Date	March 2015
Management Company	Allianz Global Investors GmbH	Custodian	AllFunds Bank S.A.U
Capital Guaranteed	No	Dealing Frequency	Every Uk Business Day
Name of Guarantor	N/A	Expense Ratio for the underlying Fund	1.85% (as at 18/10/2024)
SUB-FUND SUITABILITY			
<b>WHO IS THE SUB-FUND SUITABLE FOR?</b> -The ILP Sub-Fund is only suitable for investors who seek to pursue the objective of general capital formation/asset optimisation and/or above average participation in price changes. It may not be suitable for investors who wish to withdraw their capital from the funds within a short or medium timeframe. ILP Sub-Fund is aimed at investors with basic knowledge and/or experience of financial products. Prospective investors should be capable of bearing a financial loss and should not attach any importance to capital protection.  -It is important to remember that, as with most investments, the value of your investments is not guaranteed and can go down as well as up. Therefore, we suggest that you only invest money that can be committed for the medium to long term. You should also bear in mind that securities held within a fund may not be denominated in the currency of that fund, so unit prices may fall purely on account of exchange rate fluctuations.  -Please note that Friends Provident International Limited ('FPIL') investment products are intended for medium to long term investment and are not therefore designed for early surrender. If you do surrender early, a product surrender charge may be applied. Please note that the earlier you terminate your plan, the more you may lose.			<b>Further Information</b> -Refer to the section on 'Fees and Charges' in the relevant Product Summary.  -Refer to Appendix 6 Investor Profile of the underlying fund's Luxembourg Prospectus for further information on the suitability of the Sub-Fund.
KEY FEATURES OF THE SUB-FUND			
<b>WHAT ARE YOU INVESTING IN?</b> -You are investing in an ILP Sub-Fund that invests in the Allianz Japan Equity Fund* (the "underlying fund"), apart from a proportionately small amount which may be held in cash to optimise dealing efficiencies in the underlying fund. We endeavour to maintain a cash balance limit of up to 0.75%.  -The underlying fund is an income fund. However, as the ILP Sub-Fund does not distribute income, any income received from the underlying fund will be automatically reinvested.  *This is a collective investment scheme constituted in Luxembourg that aims to achieve long-term capital growth by investing in Japanese Equity Markets.			-Refer to Sections 1- The Company, 2-The Sub-Funds, 5-Investment Objectives and Policies and 17.1-Distribution Policy of the Sub-Funds of the underlying fund's Singapore Prospectus for further information on the features of the underlying fund.

<sup>1</sup> For an ILP sub-fund that feeds 100% into an underlying fund, some information provided below could be similar to the underlying fund. In this instance this ILP sub-fund will be at minimum feed 99.25% into the underlying fund, Allianz Japan Equity Fund.

### Investment Strategy

- A maximum of 30% of Fund assets may be invested in Emerging Markets
- The Fund applies Climate Engagement Strategy (including exclusion criteria)
- A minimum of 70% of Fund assets are invested in Japanese equity markets.

The Fund may use financial derivative instruments for efficient portfolio management (including for hedging) purposes and/or for the purpose of optimising returns or in other words investment purposes.

-Refer to Section 5 - Investment Objectives and Policies of the underlying fund's Singapore prospectus and the relevant section of 'Part 4: Sub-Funds' in the underlying fund's Luxembourg prospectus for further information on the investment strategy of the underlying fund.

### Parties Involved

#### WHO ARE YOU INVESTING WITH?

**Management Company of the underlying fund:** Allianz Global Investors GmbH

**Investment Manager of the underlying fund:** Allianz Global Investors Asia Pacific Limited

**Sub-Investment Manager of the underlying fund:** Allianz GI Japan

**Depository of the underlying fund:** State Street Bank International GmbH

-Refer to Sections 1- The Company, 3- Management and Administration and 4 - Singapore Representative and Other Parties of the underlying fund's Singapore prospectus for further information on the roles and responsibilities of these entities and what happens if they become insolvent.

### KEY RISKS

#### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

-The value of an investment is not guaranteed and can go up and down depending on performance. You could get back less than you have paid in. At times, the ILP Sub-Fund may (Subject to the Appointed Actuary's agreement and provisions allowed for in the Policy Conditions) need to change the way its price is calculated, to ensure that those moving in and out of the ILP Sub-Fund are fairly treated. This can have a negative effect on the ILP Sub-Fund's price and performance.

-Fund managers have the ability, in exceptional circumstances, to suspend trading in their funds for as long as necessary. When this occurs, we will need to delay the redeeming or switching of units in the relevant fund. You may not be able to access your money during this period.

**These risk factors may cause you to lose some or all your investment:**

#### Further Information

Refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.

-Refer to Section 7- Risk Factors of the underlying fund's Singapore prospectus.

-Refer to the 'Risks' section of the relevant Product Summary for further information.

### Market and Credit Risks

**General Market risks:** The underlying fund is exposed to various general trends and tendencies in the economic and political situation as well as securities markets and investment sentiment, which are partially attributable to irrational factors. Such factors could lead to substantial and longer-lasting drops in prices affecting the entire market.

**Emerging Market risks:** The underlying fund invests in emerging markets which are subject to greater liquidity risk, currency risk and general market risk. Increased risks may arise in connection with the settlement of securities transactions in Emerging Markets, especially as it may not be possible to deliver securities directly when payment is made. In addition, the legal, taxation and regulatory environment, as well as the accounting,

auditing and reporting standards in Emerging Markets may deviate substantially to the detriment of the investors from the levels and standards that are considered standard international practice. Increased custodial risk in Emerging Markets may also arise, which may, in particular, result from differing disposal methods for acquired assets. Such increased risks may have an adverse impact on the underlying fund and/or the investors.

**Country risk in Japan:** The underlying fund's investments focus on Japan, which may increase the concentration risk. Consequently, the underlying fund is particularly susceptible to the adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event or development in and risks of this country, or of companies based and / or operating in this country.

**Currency risks:** The underlying fund may hold assets or have a share class denominated in foreign currencies other than the base currency of the underlying fund. Accordingly, the underlying fund is exposed to a currency risk that if these foreign currency positions have not been hedged or if there is any change in the relevant exchange control regulations, the net asset value of the underlying fund or Class may be affected unfavourably. Any devaluation of the foreign currency against the base currency of the underlying fund would cause the value of the assets denominated in the foreign currency to fall.

### Liquidity Risks

**Liquidity risks:** There may be occasions when the manager is unable to sell some or all of the shares within the underlying fund, which could delay payment or redemption of proceeds.

-Purchases or sales by the underlying fund of illiquid securities (securities that cannot be sold readily) can lead to significant price changes.

### Product-Specific Risks

**Company-specific risks:** The value of the underlying fund's assets may drop significantly and for an extended period of time if company-specific factors (such as the issuer's business situation) deteriorates, even if the market trend is generally positive.

**Derivatives risks:** The derivatives may be misvalued or may have varying valuations; (ii) the use of derivatives may not completely hedge the risk intended to be hedged; (iii) derivative may become difficult to sell. In such cases, the underlying fund may not be able to liquidate a position at an appropriate time or price; (iv) there is also a creditworthiness risk (i.e. that the counterparty may default or be unable to completely fulfil its obligations); (v) given the leverage effect embedded in derivatives, even a small investment in derivatives could have a substantial, even negative, effect on the performance of the underlying fund.

### FEES AND CHARGES

#### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

-Charges are deducted by both FPIL and the underlying investment managers at each valuation point before calculating the unit price, as set out below.

#### FPIL charges (payable directly by you)

-You will need to pay an ILP Sub-Fund administration charge of 1.2%.

-There is currently no charge for switching Funds although switching to a Fund which differs from your plan currency may involve a cost associated with currency exchange. However, we reserve the right to charge for switches under certain conditions.

-Any sales and/or redemption charges will be determined by the terms of your Policy Conditions.

**Underlying investment managers' charges (these charges are as at 18/10/2024 and are payable by the ILP Sub-Fund from invested proceeds)**

Annual Management Charge (AMC)	1.80%
Additional Expenses	0.05%
Expense Ratio	1.85%
Performance Fee	Nil

-Refer to the 'Fees and Charges' section in the relevant Product Summary.

-Refer to the 'Charges' section of your Policy Conditions for further information.

-Refer to Section 6.1 Fees Payable by the Sub-Funds of the underlying fund's Singapore prospectus for further information on the All-In-Fee.

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

- Every UK Business Day
- Latest Fund prices can be obtained from <https://www.fpinternational.sg/fundcentre>

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

-There is a cooling off period of 30 days from when you receive your Policy Documents. If you decide to exit the policy during this time you should complete the Cancellation Form (enclosed with your Policy Documents) and send this back to the address provided, together with the original Policy Documents. We will refund any monies paid, less any shortfall (if any) as a result of the value of your investment falling by the time you tell us of your wish to cancel. If you elect to exit your policy after the cooling off period has expired, penalties may be applied.

-If you no longer wish to invest in the FPIL ILP Sub-Fund you have selected, you may switch all or part of your holdings into an alternative fund(s) by sending us a completed Switch/Redirection Request form, signed. Switching from one fund to another is done on a bid-to-bid basis, without charge (although we do reserve the right to charge). If you are switching between currencies, the relevant exchange rates will be applied and shown on your switch confirmation.

-The sale proceeds that you receive will be the realisation price multiplied by the number of units sold, less any charges. An example (assuming a redemption charge of 4%) is as follows\*:

Realisation price proceeds	Number of units sold	Gross Realisation
S\$0.93	x 100,000	= S\$93,000

Gross Realisation price proceeds	Realisation Fee	Net Realisation
S\$93,000	- S\$3,720	= S\$89,280

Further Information  
-Refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.

\*Refer to the section on 'Fees and Charges' in the relevant Product Summary.

## CONTACT INFORMATION

### HOW DO YOU CONTACT US?

For enquiries in relation to the underlying fund or any FPIL ILP Sub-Fund contact the Singapore representative at Friends Provident International Limited (Singapore Branch), 182 Cecil Street, Level 17 Frasers Tower, Singapore 069547, telephone number: (65) 6320 1088, email [singapore.enquiries@fpiom.com](mailto:singapore.enquiries@fpiom.com)

## APPENDIX: GLOSSARY OF TERMS

### Collective Investment Scheme

An arrangement that enables a number of investors to 'pool' their assets and have these professionally managed by an independent manager.

### Derivatives

Also known as Financial Derivative Instruments (FDI). Financial contracts whose value is tied to an underlying asset. Derivatives include futures and options.

### Efficient Portfolio Management (EPM)

EPM is a set of standards for prudent management of investment funds. The standards call for economically appropriate transactions that reduce risk, reduce cost or generate additional capital or income. For example, a currency overlay strategy using derivative instruments could be used to reduce volatility in asset returns resulting from currency fluctuations or be used to take advantage of these fluctuations to gain extra return.

### Expense Ratio

The Expense ratio provides customers with an indication of the overall costs of investing in a particular fund.

The expense ratio as calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. Different methods of calculation of Expense Ratio can be used, including Total Expense Ratio (TER) and Ongoing Charges Figure (OCF) but these are broadly the same.

**Hedge / Hedging**

Any transaction with the objective of limiting exposure to risk such as changes in exchange rates or prices.

**Net Asset Value (NAV)**

Net Asset Value is the value of the net assets of the Fund after deduction of all expenses.

**Ongoing Charges Figure (OCF)**

A type of Expense Ratio. The Ongoing Charges Figure is based on expenses of the underlying fund for the previous year and is a ratio of the total ongoing charges to the underlying fund's average Net Asset Value over its last reporting period. This figure may vary from year to year. The ongoing charges are applied by the underlying investment manager and pay for management and sundry costs of running the underlying fund, including marketing and distribution. These charges reduce the potential growth of your investment.

For more information about charges, please consult the Prospectus for the underlying Fund of the ILP Sub-Fund invested in, available from <https://www.fpinternational.sg/phs>.

Details of the calculation methodology can be found in full at [https://www.esma.europa.eu/sites/default/files/library/2015/11/10\\_674.pdf](https://www.esma.europa.eu/sites/default/files/library/2015/11/10_674.pdf).

**Open Ended Investment Company**

An open-ended collective investment vehicle, structured as an investment company, where new shares are created or redeemed, depending on demand from investors.

**Specified Investment Product (SIP)**

SIP is a class of investment products defined by the Monetary Authority of Singapore (MAS). Generally, (although not in all instances), financial advisers must carry out more due diligence, including customer knowledge assessment, when advising about a SIP.

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