

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.

R204 FPIL HSBC Hong Kong Equity (Invests in HSBC Global Investment Funds - Hong Kong Equity PD USD)

| | | | |
|---|---|--|------------------------|
| Product Type (Specified Investment Product) | ILP Sub-Fund ¹ | Launch Date | April 2017 |
| Management Company | HSBC Investment Funds (Luxembourg) S.A. | Custodian | AlIFunds Bank S.A.U |
| Capital Guaranteed | No | Dealing Frequency | Every UK Business Day |
| Name of Guarantor | N/A | Expense Ratio for the underlying Fund | 1.34% (as at 30/01/25) |

SUB-FUND SUITABILITY

WHO IS THE SUB-FUND SUITABLE FOR?

-The ILP Sub-Fund is only suitable for investors with a medium to long term investment horizon. It is intended for investors aiming for an investment where a high proportion of the assets may be invested in Equity or Equity-related securities, which may be subject to moderately high volatility.

-It is important to remember that, as with most investments, the value of your investments are 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.

Further Information

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

-Refer to the 'Investment Objectives, Focus and Approach' section of the underlying Fund's Singapore Prospectus for further information on the suitability of the Sub-Fund.

KEY FEATURES OF THE SUB-FUND

WHAT ARE YOU INVESTING IN?

-You are investing in an ILP Sub-Fund that invests in the HSBC Global Investment Funds – Hong Kong Equity Fund* ("the Fund" or "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.

*the underlying Fund is a Sub-Fund of HSBC Global Investment Funds. HSBC Global Investment Funds is an Open-Ended Investment Company incorporated in Luxembourg and its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

-Refer to the 'Investment Objectives, Focus and Approach' section of the underlying Fund's Singapore Prospectus for further information on the features of the Fund.

¹ For an ILP Sub-Fund that feeds 100% into the underlying Fund, therefore some information provided below could be similar to the underlying Fund. In this instance, this ILP Sub-Fund will at minimum feed 99.25% into the underlying Fund, HSBC Hong Kong Equity Fund.

| Investment Strategy | |
|---|--|
| <p>-The Fund aims to provide long term capital growth by investing in a portfolio of Hong Kong SAR Equities.</p> <p>-The Fund aims to achieve its objective while promoting ESG characteristics within the meaning of Article 8 of SFDR.</p> <p>-The Fund invests in normal market conditions a minimum of 90% of its net assets in Equities and Equity equivalent securities of companies which are domiciled in, based in, carry out the larger part of their business activities, or are listed on a Regulated Market, in Hong Kong SAR. The Fund may also invest in eligible closed-ended Real Estate Investment Trusts ("REITs").</p> <p>-Investments in Chinese Equities include, but are not limited to, China A-Shares and China B-Shares (and such other securities as may be available) listed on stock exchanges in the People's Republic of China ('PRC'). The Fund may directly invest in China A-Shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, subject to applicable quota limitations. Furthermore, the Fund may gain exposure to China A-shares indirectly through China A-Shares Access Products ('CAAP') such as, but not limited to, participation notes linked to China A-Shares.</p> <p>-The Fund may invest up to 20% of its net assets in China A-Shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect and up to 10% of its net assets in CAAPs. The Fund's maximum exposure to China A-Shares and China B-Shares is 20% of its net assets. The Fund will not invest more than 10% of its net assets in CAAPs issued by any single issuer of CAAPs.</p> <p>-The Fund normally invests across a range of market capitalisations without any capitalisation restriction. The Fund may invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other Sub-Funds of HSBC Global Investment Funds.</p> <p>-The Fund may use Financial Derivative Instruments for hedging and cash flow management. However, the Fund will not use Financial Derivative Instruments extensively for investment purposes. The Financial Derivative Instruments the Fund is permitted to use include, but are not limited to, futures and foreign exchange forwards (including non-deliverable forwards). Financial Derivative Instruments may also be used for Efficient Portfolio Management purposes.</p> | <p>-Refer to the 'Sub-Fund Details' section of the underlying Fund's Prospectus for further information on the investment strategy of the Fund.</p> |
| Parties Involved | |
| <p>WHO ARE YOU INVESTING WITH?</p> <p>Management Company of the underlying Fund: HSBC Investment Funds (Luxembourg) S.A.</p> <p>Investment Adviser of the underlying Fund: HSBC Global Asset Management (Hong Kong) Limited</p> <p>Depository Bank of the underlying Fund: HSBC Continental Europe, Luxembourg</p> <p>Singapore Representative of the underlying Fund: HSBC Global Asset Management (Singapore) Limited</p> | <p>-'Management & Administration of the Company' section of the underlying Fund's Singapore Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.</p> |
| KEY RISKS | |
| <p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>-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 (subject to the Appointed Actuary's agreement and provisions allowed for in the Policy Conditions), may need to change the way its price is calculated, to ensure that those moving in and out of the ILP Sub-Fund are treated fairly. This can have a negative effect on the ILP Sub-Fund's price and performance.</p> | <p>Further Information</p> <p>-Refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.</p> |

-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 of your investment:

-Refer to the 'Risks' section of the underlying Fund's Singapore Prospectus for further information on the risks of the Fund.

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

Market and Credit Risks

Emerging Market risks: Emerging markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.

Concentration risks: The Fund's investments are concentrated in Hong Kong. The value of the Fund may be more volatile than that of a Fund having a more diverse portfolio of investments. The value of the Fund may be more susceptible to adverse economic, political, foreign exchange, liquidity, tax, legal or regulatory events affecting the Hong Kong market.

Foreign Exchange risks: The underlying assets of the Fund may be denominated in currencies other than the currency of the share class you have invested into. The value of your investment may rise or fall in line with movements in the relevant exchange rates.

Liquidity Risks

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

Product-Specific Risks

Chinese Market risks: Investing in Emerging Markets such as the PRC subjects the Sub-fund to a higher level of market risk than investments in a developed country. This is due to, among other things, greater market volatility, lower trading volume, political and economic instability, settlement risk, greater risk of market shut down and more governmental limitations on foreign investment than those typically found in developed markets.

Stock Connect risks: Investments through the Stock Connect are subject to additional risks, namely, quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risks, nominee arrangements in holding China A-shares and regulatory risk.

Investment Leverage risks: Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when Derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.

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 be required to pay an ILP Sub-Fund administration charge of 1.2%

-There is currently no charge for switching Funds, although switching to a Fund where the currency of which differs from your plan currency, may result in currency exchange rate costs. Please note, we do 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.

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

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

Underlying investment managers' charges (these charges are as at 30/01/25 and are payable by the ILP Sub-Fund from invested proceeds)

| | |
|--------------------------------|-------|
| Annual Management Charge (AMC) | 1.00% |
| Additional Expenses | 0.34% |
| Expense Ratio | 1.34% |
| Performance Fee | Nil |

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 this 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 will 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*:

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 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

APPENDIX : GLOSSARY OF TERMS

China A-Shares Access Product (CAAP)

I.e. a Financial Derivative Instrument linked to a China A-Share or portfolios of China A-Shares which aims to synthetically replicate the economic benefit of the relevant China A-Share or portfolios of China A-Shares

China A-Shares

Shares issued by companies listed on the Shanghai or Shenzhen stock exchange and denominated in RMB.

China B-Shares

Shares issued by companies listed on the Shanghai or Shenzhen stock exchange and denominated in USD or HKD.

Equities

Ownership positions in companies that can be traded in public markets. Often produce current income which may be paid in the form of dividends. In the event of the company going bankrupt Equity holders' claims are subordinate to the claims of preferred stockholders and bondholders.

Expense Ratio

The Expense Ratio provides customers with an indication of the overall costs of investing in a particular Fund. The Expense Ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of Expense Ratios. Different methods can be used when calculating the Expense Ratio of a Fund,

including Total Expense Ratio (TER) and Ongoing Charges Figure (OCF) but these are broadly the same.

Financial Derivative Instruments (FDI)

Also known as Derivatives, these are financial contracts, the value of which is tied to an underlying asset. Examples include futures, options and warrants.

Hong Kong SAR

Hong Kong Special Administrative Region.

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 for the previous year and is a ratio of the total ongoing charges to the Fund's average Net Asset Value over its last reporting period. This figure may vary from year to year. The charges you pay are used to pay the costs of the underlying ILP Sub-Fund, including the costs of marketing and distributing it. 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/fund-centre/product-highlight-sheets-phs/index.htm>

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

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

Real Estate Investment Trust (REIT)

An entity that is dedicated to owning, and in most cases, managing real estate. This may include, but is not limited to, real estate in the residential (apartments), commercial (shopping centres, offices) and industrial (factories, warehouses) sectors.

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 have to carry out more due diligence, including customer knowledge assessment, when advising about a SIP.

Securities Lending

The act of loaning a stock, Derivative or other type of security to an investor or firm. Securities Lending requires the borrower to put up collateral, whether cash, security or a letter of credit.

SFDR

Sustainable Finance Disclosure Regulation is a European regulation introduced to improve transparency in the market for sustainable investment.

Stock Connect

The mutual market access programme through which investors such as Funds can deal in permitted securities listed on the Shanghai Stock Exchange (SSE) and the Shenzhen Stock Exchange (SZSE) through the Hong Kong Stock Exchange (SEHK) and clearing house in Hong Kong (Northbound Trading) and Chinese domestic investors can deal in select securities listed on the SEHK through the SSE or the SZSE or other Stock Exchanges in the future as permitted by the regulators and their respective clearing house.

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