

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.

## R259 Schroder ISF US Small & Mid-Cap Equity (USD) (Invests in Schroder International Selection Fund US Small & Mid-Cap Equity Fund A Accumulation USD)

<b>Product Type</b> (Specified Investment Product)	ILP Sub-Fund <sup>1</sup>	<b>Launch Date</b>	August 2025
<b>Management Company</b>	Schroder Investment Management (Europe) S.A.	<b>Custodian</b>	AllFunds Bank S.A.U
<b>Capital Guaranteed</b>	No	<b>Dealing Frequency</b>	Every UK Business Day
<b>Name of Guarantor</b>	N/A	<b>Expense Ratio for the underlying Fund</b>	1.84% (as at 15/02/2025)

### SUB-FUND SUITABILITY

#### WHO IS THE SUB-FUND SUITABLE FOR?

-The ILP Sub-Fund is only suitable for investors who seek capital growth and understand the risks of investing in equity and equity related securities of small and mid-sized US companies.

-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.

#### Further Information

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

- Refer to the 'Investment Objectives and Strategies / Product Suitability' section of the underlying fund's Singapore Prospectus for further information on the suitability of the underlying fund.

### KEY FEATURES OF THE SUB-FUND

#### WHAT ARE YOU INVESTING IN?

-You are investing in an ILP Sub-Fund that invests in the Schroder International Selection Fund US Small & Mid-Cap 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 of the ILP Sub-Fund is an accumulation fund, which means the underlying fund will automatically reinvest any dividends.

\*The underlying fund is a sub-fund of Schroder International Selection Fund, an umbrella structured open-ended investment company, which qualifies as a Société d'Investissement à Capital Variable ('SICAV') incorporated in Luxembourg. Its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

-Refer to the 'Important Information', 'The Fund', 'The Sub-Funds' and 'Investment Objectives and Strategies / Product Suitability' Sections of the underlying fund's Singapore Prospectus

<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 at a minimum, feed 99.25% into the underlying fund, Schroder International Selection Fund US Small & Mid-Cap Equity Fund.

	for further information on the features of the underlying fund.
<b>Investment Strategy</b>	
<p>-The underlying fund aims to provide capital growth in excess of the Russell 2500 Lagged (Net TR) index after fees have been deducted over a three to five year period by investing in equity and equity related securities of small and mid-sized US companies.</p> <p>-The underlying fund is actively managed and invests at least two-thirds of its assets in equity and equity related securities of small and mid-sized US companies. These are companies which, at the time of purchase, are considered to be in the bottom 40% by market capitalisation of the US equities market.</p> <p>-The underlying fund invests in a broad range of small and mis-sized US companies. The investment approach focuses on three types of US companies: companies that the investment manager of the underlying fund (“underlying investment manager”) believed demonstrate strong growth trends and improving levels of cash; companies which the underlying investment manager believes generate dependable earnings and revenues; and companies that the underlying investment manager believes are undergoing positive change that is not being recognised by the market. By doing so, the underlying investment manager believes that it can reduce overall risk and improve returns for investors over the medium to long term.</p> <p>-The underlying fund may also invest up to one-third of its assets directly or indirectly in other securities (including other asset classes), countries, regions, industries or currencies, Investment Funds, warrants and Money Market Investments, and hold cash (subject to the restrictions provided in Appendix I of the Luxembourg Prospectus).</p> <p>-The underlying fund maintains a higher overall sustainability score than the S&amp;P Mid cap 400 Lagged (Net TR) Index, based on the underlying investment managers rating criteria. More details on the investment process used to achieve this can be found in the “Fund Characteristics” section set out in the underlying fund’s details in Appendix III of the Luxembourg Prospectus.</p> <p>-The underlying fund may use derivatives with aim of reducing risk or managing the underlying fund more efficiently.</p> <p>-The net asset value of the underlying fund is likely to have high volatility due to its investment policies or portfolio management techniques.</p>	<p>Refer to the ‘Investment Objectives and Strategies / Product Suitability’ section of the underlying fund’s Singapore Prospectus for further information on the investment strategy of the underlying fund.</p>
<b>Parties Involved</b>	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <p><b>Management Company of the underlying fund:</b> Schroder Investment Management (Europe) S.A.</p> <p><b>Investment Manager of the underlying fund:</b> Schroder Investment Management North America Inc.</p> <p><b>Depository of the underlying fund:</b> J.P. Morgan SE, Luxembourg Branch</p>	<p>Refer to the ‘The Fund’, ‘Management and Administration’ and ‘Other Material Information’ sections 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>
<b>KEY RISKS</b>	
<p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b></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 may (Subject to the Appointed Actuary’s agreement and provisions allowed for in the Policy</p>	<p><b>Further Information</b></p> <p>-Refer to the ‘Valuations and Pricing’ section of</p>

<p>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.</p> <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.</p> <p><b>These risk factors may cause you to lose some or all your investment:</b></p>	<p>your Policy Conditions for further information.</p> <p>-Refer to the 'Risk Factors, Investments, Derivatives and Supplementary Information' section of the underlying fund's Singapore Prospectus for further information on risks of the of the underlying fund.</p> <p>-Refer to the 'Risks' section of the relevant Product Summary for further information.</p>
<b>Market and Credit Risks</b>	
<p><b>Market risk in US:</b> The value of investments by the underlying fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.</p>	
<b>Liquidity Risks</b>	
<p><b>Liquidity risk:</b> There is no secondary market for the underlying fund. All redemption requests should be made through FPIL . The liquidity of the underlying fund may be limited if a significant portion of the assets of the underlying fund is to be sold to meet redemption requests in a short time frame.</p>	
<b>Product-Specific Risks</b>	
<p><b>Counterparty risk:</b> The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the underlying fund, potentially creating a partial or total loss for the underlying fund.</p> <p><b>Currency risk:</b> The underlying fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.</p> <p><b>Derivatives risk:</b> The underlying fund may use derivatives as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk.</p> <p><b>Equity risk:</b> Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.</p> <p><b>Leverage risk:</b> The underlying fund uses derivatives for leverage, which makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.</p> <p><b>Sustainability risk:</b> The underlying fund may have limited exposure to some companies, industries or sectors and may forego certain investment opportunities or dispose of certain holdings that do not align with its sustainability criteria chosen by the underlying investment manager.</p>	
<b>FEES AND CHARGES</b>	
<p><b>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</b></p> <p>-Charges are deducted by both FPIL and the underlying investment managers at each valuation point before calculating the unit price, as set out below.</p> <p><b>FPIL charges (payable directly by you)</b></p> <p>-You will need to pay an ILP Sub-Fund administration charge of 1.2%.</p>	<p>-Refer to the 'Fees and Charges' section in the relevant Product Summary.</p> <p>-Refer to the 'Charges' section of</p>

-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 15/02/2025 and are payable by the ILP Sub-Fund from invested proceeds)**

Annual Management Charge (AMC)	1.50%
Additional Expenses	0.34%
Expense Ratio	1.84%
Performance Fee	Nil

your Policy Conditions for further information.

-Refer to the 'Charges and Expenses' section of the underlying fund's Singapore Prospectus for further information.

## 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

### 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.

### Investment Fund(s)

A UCITS or other UCI in which the underlying fund may invest, as determined in the investment rules described in

Appendix I of the underlying fund's Luxembourg Prospectus.

**Money Market Investments**

Money market instruments as defined under the UCITS Directive, are short-term debt instruments normally dealt on the money market which are liquid and have a value which can be accurately determined at any time.

**Net Asset Value (NAV)**

Net Asset Value is the value of the net assets of a 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.

**UCI:** an 'undertaking for collective investment' within the meaning of Article 2(2) of the law on undertakings for collective investment dated 17 December 2010, as amended.

**UCITS**

An 'undertaking for collective investment in transferable securities' within the meaning of points a) and b) of Article 1(2) of the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended, on the coordination of laws, regulations and administrative provisions relating to UCITS.

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