

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.

**R166 FPIL Schroder Global Multi-Asset Income (GBP HDG)  
(invests in Schroder International Selection Fund - Global Multi-Asset Income A Acc GBP Hedged)**

<b>Product Type</b> (Specified Investment Product)	ILP Sub-Fund <sup>1</sup>	<b>Launch Date</b>	December 2014
<b>Manager</b>	Schroder Investment Management (Europe) S.A	<b>Custodian</b>	HSBC Plc
<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>	1.58% (as at 07/08/20)

**SUB-FUND SUITABILITY**

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

-The ILP Sub-Fund is only suitable for investors who seek income and capital growth; and understand the risks of investing in equity and equity related securities and fixed and floating rate securities of companies worldwide, fixed and floating rate securities and currencies of governments and government agencies worldwide or indirectly through funds and derivatives. Please note the ILP Sub-Fund does not distribute income and where applicable will re-invest any income received from the underlying fund.

-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.

**Additional Information**

-For details of surrender charges please refer to the section on ‘Fees and Charges’ in the relevant Product Summary.  
-Please 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 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 Schroder International Selection Fund - Global Multi-Asset Income Fund\* (“the Fund” or “underlying fund”), apart from a proportionately small amount which may be held as a cash balance to optimise dealing efficiencies in the underlying fund. We endeavour to maintain a cash balance limit of up to 0.75%.

\*This is a fund which is domiciled in Luxembourg. It is an umbrella structured open-ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended.

The Fund aims to provide income and capital growth over the medium to longer term by investing primarily in global equities and global fixed income securities directly or indirectly through the use of Investment Funds or financial derivative instruments (including, but not limited to, futures, options and credit default swaps).

-Please 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 for further information on the features of the Fund.

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

<p>Accumulation Shares accumulate net income received from the Fund's investments, meaning it is kept in the Fund and its value is reflected in the price of the Shares in the Classes.</p> <p>Hedged Classes aim to provide you with the performance returns of the Fund's investments in the Fund's base currency by reducing the effects of exchange rate fluctuations between the relevant Class currency and the Fund's base currency.</p>	
<b>Investment Strategy</b>	
<p>-The Sub-Fund aims to provide an income distribution of 5% per annum and capital growth over a market cycle by investing in a diversified range of assets and markets worldwide. The Sub-Fund aims to provide a volatility (a measure of how much the Sub-Fund's returns may vary over a year) of between 5-7% per annum.</p> <p>-The Sub-Fund invests at least two-thirds of its assets directly or indirectly through derivatives in equity and equity-related securities, fixed income securities and Alternative Asset Classes. As the Sub-Fund is index-unconstrained it is managed without reference to an index.</p> <p>The Sub-Fund may invest:</p> <ul style="list-style-type: none"> <li>- up to 50% of its assets in below investment grade (fixed and floating rate) securities (being securities with a credit rating below investment grade as measured by Standard &amp; Poor's or any equivalent grade of other credit rating agencies) and unrated securities.</li> <li>- in excess of 50% of its assets in emerging market debt (fixed and floating rate) securities.</li> <li>- up to 20% of its assets in asset-backed securities and mortgage-backed securities</li> </ul> <p>-The Sub-Fund may use derivatives (including total return swaps), long and short, with the aim of achieving investment gains, reducing risk or managing the Sub-Fund more efficiently.</p>	<p>-Please refer to the 'Investment Objectives and Strategies / Product Suitability' and the 'Risk factors, Investments, Derivatives and Supplementary Information' sections of the underlying fund's Singapore prospectus for further information on the investment strategy of the Fund.</p>
<b>Parties Involved</b>	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <p>The Fund is a sub-fund of Schroder International Selection Fund.</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 Limited. The investment management of a portion of the fixed income portfolio of the Fund will be delegated by Schroder Investment Management Limited to Schroder Investment Management (Singapore) Ltd.</p> <p><b>Custodian of the underlying fund:</b> J.P. Morgan Bank Luxembourg S.A.</p> <p><b>The Singapore Representative of the underlying fund:</b> Schroder Investment Management (Singapore) Ltd.</p>	<p>-Please refer to 'The Fund' and 'Management and Administration' sections 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.</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 Conditions, need to change the way its price is calculated, to ensure that those moving into 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>-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 'cashing in' 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 of your investment:</b></p>	<p><b>Additional Information</b></p> <p>-Please refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.</p> <p>-Please refer to the 'Risk Factors, Investments, Derivatives and Supplementary Information' and Annexure II – 'Further Risk Factors' sections of the underlying fund's</p>

	<p>Singapore prospectus for further information on the risks of the Fund. -Please refer to the 'Risks' section of the relevant Product Summary for further information.</p>
<b>Market and Credit Risks</b>	
<p><b>You are exposed to market risk</b> -The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.</p> <p><b>You are exposed to credit risk.</b> -A decline in the financial health of an issuer could cause the value of its bonds to fall or become worthless.</p>	<p>-Please refer to the 'Risk Factors, Investments, Derivatives and Supplementary Information' section of the underlying fund's Singapore Prospectus for further information.</p>
<b>Liquidity Risks</b>	
<p><b>You are exposed to liquidity risks</b> -The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests on a short time frame. During this period, the portfolio allocation may be modified to prioritise liquidity.</p>	<p>-Please refer to the 'Important Information' and the 'Risk Factors, Investments, Derivatives and Supplementary Information' sections of the underlying fund's Singapore Prospectus for further information.</p>
<b>Product-Specific Risks</b>	
<p><b>You are exposed to China country risk.</b> -Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the Fund.</p> <p><b>You are exposed to 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 Fund, potentially creating a partial or total loss for the Fund.</p> <p><b>You are exposed to currency risk.</b> -The Fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.</p> <p><b>You are exposed to onshore renminbi currency risk.</b> -Currency control decisions made by the Chinese government could affect the value of the Fund's investments and could cause the Fund to defer or suspend redemptions of its shares.</p> <p><b>You are exposed to money market and deposit risk</b> -A failure of a deposit institution or an issuer of a money market instrument could create losses.</p> <p><b>You are exposed to derivatives risks</b> -The Fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The Fund's ability to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the Fund could suffer greater losses than if the Fund had not used such instruments.</p> <p><b>You are exposed to emerging and frontier markets risk</b> -Emerging markets and especially frontier markets, generally carry greater political, legal, counterparty and operational risk.</p> <p><b>You are exposed to equity risk.</b> -Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.</p>	<p>-Please refer to the 'Risk Factors, Investments, Derivatives and Supplementary Information' section of the underlying fund's Singapore Prospectus for further information.</p>

<p><b>You are exposed to high yield bond risk</b> -High yield bonds (normally lower rated or unrated) generally carry greater market, credit and liquidity risk.</p> <p><b>You are exposed to leverage risk.</b> -The 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>You are exposed to interest rate risk.</b> -A rise in interest rates generally causes bond prices to fall.</p> <p><b>You are exposed to operational risk</b> -Failures at service providers could lead to disruptions of fund operations or losses.</p>	
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**FEES AND CHARGES**

<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> -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.</p> <p><b>Underlying investment managers' charges (these charges are as at 07/08/20 and are payable by the ILP Sub-Fund from invested proceeds)</b></p> <table border="1" data-bbox="56 976 695 1102"> <tr> <td>Annual Management Charge (AMC)</td> <td>1.25%</td> </tr> <tr> <td>Additional Expenses</td> <td>0.33%</td> </tr> <tr> <td>Expense Ratio*</td> <td>1.58%</td> </tr> <tr> <td>Performance Fee</td> <td>Nil</td> </tr> </table> <p>*The Expense Ratio above is quoted in the underlying fund prospectus as the Ongoing Charges Figure ("OCF").</p>	Annual Management Charge (AMC)	1.25%	Additional Expenses	0.33%	Expense Ratio*	1.58%	Performance Fee	Nil	<p>-For full details of the charges that may apply please refer to the section on 'Fees and Charges' in the relevant Product Summary. -Please refer to the 'Charges' section of your Policy Conditions for further information.</p>
Annual Management Charge (AMC)	1.25%								
Additional Expenses	0.33%								
Expense Ratio*	1.58%								
Performance Fee	Nil								

**VALUATIONS AND EXITING FROM THIS INVESTMENT**

<p><b>HOW OFTEN ARE VALUATIONS AVAILABLE?</b> Every UK Business Day Latest fund prices can be obtained from <a href="http://www.fpinternational.sg/fund-centre/">http://www.fpinternational.sg/fund-centre/</a></p> <p><b>HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?</b> -There is a Cooling off period of 14 days from when you receive your Policy Documents. If you decide to exit the policy during this time you should complete the cancellation form 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) which may result if the value of your investment falls 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 alternative fund(s) by sending us a completed Fund Transfer 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*:</p> <table border="1" data-bbox="56 1774 1015 1900"> <tr> <td><u>Realisation price</u></td> <td><u>Number of units sold</u></td> <td></td> <td><u>Gross Realisation Proceeds</u></td> </tr> <tr> <td>\$S\$0.93</td> <td>X 100,000</td> <td>=</td> <td>\$S\$93,000</td> </tr> <tr> <td><u>Gross Realisation Proceeds</u></td> <td><u>Realisation Fee</u></td> <td></td> <td><u>Net Realisation Proceeds</u></td> </tr> <tr> <td>\$S\$93,000</td> <td>- \$S\$3,720</td> <td>=</td> <td>\$S\$89,280</td> </tr> </table>	<u>Realisation price</u>	<u>Number of units sold</u>		<u>Gross Realisation Proceeds</u>	\$S\$0.93	X 100,000	=	\$S\$93,000	<u>Gross Realisation Proceeds</u>	<u>Realisation Fee</u>		<u>Net Realisation Proceeds</u>	\$S\$93,000	- \$S\$3,720	=	\$S\$89,280	<p><b>Additional Information</b> -Please refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.</p> <p>*For full details of the charges that may apply please refer to the section on 'Fees and Charges' in the relevant Product Summary.</p>
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\$S\$93,000	- \$S\$3,720	=	\$S\$89,280														

**CONTACT INFORMATION**

<b>HOW DO YOU CONTACT US?</b>	
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<p><b>Email Address</b> singapore.enquiries@fpiom.com</p> <p><b>Telephone</b> +(00)65 6320 1088</p> <p><b>Postal Address</b> Friends Provident International Limited (Singapore Branch) 182 Cecil Street, Level 17 Frasers Tower, Singapore 069547</p>	
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**APPENDIX : GLOSSARY OF TERMS**

**Asset-Backed Securities**

Similar to mortgage-backed security except that the assets backing it are a specified pool of underlying assets other than mortgage based securities.

**Bond/Fixed Interest Security**

A bond is a type of investment that represents a written promise to repay a debt at an agreed time and to pay an agreed rate of interest on that debt. It provides periodic payments (which may be fixed or variable) and the return of capital at maturity. Generally, because these types of assets produce an income and can be less risky than other types of assets they offer a lower return.

**Credit Default Swap (CDS)**

A swap designed to transfer the credit exposure of fixed income products between parties. A credit default swap is also referred to as a credit derivative contract, where the purchaser of the swap makes payments up until the maturity date of a contract. Payments are made to the seller of the swap. In return, the seller agrees to pay off a third party debt if this party defaults on the loan. A CDS is considered insurance against non-payment. A buyer of a CDS might be speculating on the possibility that the third party will indeed default.

**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 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.

**Financial Derivative Instruments (FDI)**

Also known as Derivatives. Financial contracts whose value is tied to an underlying asset. Derivatives include futures and options.

**Future**

A financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price.

**High-Yield Bond**

Often called junk bonds, these are low grade fixed income securities of companies that show significant upside potential. The bond has to pay a high yield due to significant credit risk.

**Leverage**

The use of financial instruments to increase the potential return of an investment.

**Mortgage-Backed Securities**

A type of asset-backed security that is secured by a mortgage or collection of mortgages. These securities must also be grouped in one of the top two ratings as determined by an accredited credit rating agency, and usually pay periodic payments that are similar to coupon payments.

**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 <http://www.fpinternational.sg/fund-centre/product-highlight-sheets.jsp>.

Details of the calculation methodology can be found in full at [http://www.esma.europa.eu/system/files/10\\_674.pdf](http://www.esma.europa.eu/system/files/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.

**Option**

A privilege sold by one party to another that offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security at an agreed-upon price during a certain period of time or on a specific date.

**Societe d'Investissement a Capital Variable (SICAV)**

A Luxembourg incorporated company that is responsible for the management of a mutual fund and manages a portfolio of securities.

**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.

**Umbrella Fund**

An investment company which has a group of sub-funds (pools) each having its own investment portfolio. The purpose of this structure is to provide investment flexibility and widen investor choice.

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