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Financial Adviser

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April 2024

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
IF IN DOUBT PLEASE SEEK PROFESSIONAL ADVICE.**

Dear Policyholder

Policy Number: «Policy_No»
Your Financial Adviser: «AgentName»

Notification of changes to the underlying fund of R172 Schroder Strategic Bond (USD)

We are writing to you as your policy holds units in the Friends Provident International Limited ("FPIL") investment-linked policy sub-fund (the "ILP sub-fund") named above.

We have been notified by the directors and the management company of Schroder International Selection Fund (the "Company") of the following upcoming changes to the underlying fund of the ILP sub-fund. These changes will take effect from **8 May 2024** (the "Effective Date").

Changes to investment objective and comparator benchmark

The Company has advised that from the Effective Date, the investment objective of the underlying fund of the ILP sub-fund will change, and the current comparator benchmark will become the target benchmark.

Background and rationale

The investment objective of the underlying fund of the ILP sub-fund currently states that it aims to provide an absolute return (i.e. positive returns over a 12-month period in all market conditions). However, as bond market volatility has increased due to the recent market environment, the Company has noted that a 12-month time horizon to achieve an absolute return has become increasingly difficult to meet. The Company believe that a longer-term benchmark relative approach which takes into account the performance and trends of the market will provide a more realistic target for the underlying fund of the ILP sub-fund.

Investment objective changes

From the Effective Date, the investment objective of the underlying fund of the ILP sub-fund will be updated to reflect the change of target from absolute return (i.e. positive returns over a 12-month period in all market conditions), to capital growth and income in excess of ICE BofA 3 Month US Treasury Bill Index over a three to five year period after fees have been deducted by investing in fixed and floating rate securities issued by governments, government agencies, supra-nationals and companies worldwide.

Removal of comparator benchmark and addition of target benchmark

From the Effective Date, the current comparator benchmark of the underlying fund of the ILP sub-fund, (i.e. ICE BofA 3 Month US Treasury Bill Index), will become the target benchmark. The underlying fund of the ILP sub-fund will no longer have a comparator benchmark, which was only included for performance comparison purposes.

The new target benchmark has been selected because the target return of the underlying fund of the ILP sub-fund is to deliver the return of that benchmark, as stated in the updated investment objective from the Effective Date.

Please refer to the enclosed [Appendix](#) for comparison details of the changes to the underlying funds of the ILP sub-fund. The Company state that, save for the amendments detailed herein, all other key features of the underlying fund of the ILP sub-fund will remain the same; there will be no material change to the risks applicable to the ILP sub-fund, or in the operation and/or manner in which it is managed.

You do not need to take any action as a result of this letter if you wish to remain invested in the ILP sub-fund. Should you wish to select alternative fund(s), you are free to do so, without charge. This can be done online through the FPI Portal; simply log in at <https://portal.fpinternational.com>.

Factsheets for the available range of ILP sub-funds can be found via our interactive Fund Centre research tool on our website www.fpinternational.sg/fundcentre. Full information on the underlying funds are detailed in the relevant fund prospectuses, which are available on the Product Highlight Sheet page of our website www.fpinternational.sg/phs.

We recommend that you seek the advice of your usual financial adviser before making any investment decisions.

Who should you contact if you have any questions?

If you have any questions regarding your policy with us, please get in touch by calling us on +44 1624 821212, or by email at customer.services@fpiom.com.

If you have any questions regarding the operation of the ILP sub-funds, or the underlying funds, please email our Investment Marketing team at Fundqueries.Intl@fpiom.com.

Yours sincerely



Chris Corkish
Investment Marketing Manager

Important Information

Fund prices may fluctuate and are not guaranteed. Investment involves risk. Past performance should not be viewed as a reliable guide of future performance. Please refer to the principal brochure of the scheme for details including charges and risk factors.

All policyholders will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man, whatever their place of residence. Investors should be aware that specific investor protection and compensation schemes that may exist in relation to collective investments and deposit accounts are unlikely to apply in the event of failure of such an investment held within insurance contracts.

Appendix – Comparison changes to the underlying fund of the ILP sub-fund

Before the Effective Date	From the Effective Date
<p>Investment Objective</p> <p>The underlying fund aims to provide an absolute return after fees have been deducted by investing in fixed and floating rate securities. Absolute return means the underlying fund seeks to provide a positive return over a 12-month period in all market conditions, but this cannot be guaranteed and your capital is at risk.</p>	<p>Investment Objective</p> <p>The underlying fund aims to provide capital growth and income in excess of the ICE BofA 3 Month US Treasury Bill Index over a three to five year period ^{Note} after fees have been deducted by investing in fixed and floating rate securities issued by governments, government agencies, supra-nationals and companies worldwide.</p> <p>^{Note} For clarification purpose, this means to exceed a medium to long term return of the stated index after fees have been deducted. The three to five year period is considered as a medium to long term period, and is the period over which an investor should assess the underlying fund's performance.</p>
<p>Benchmark</p> <p>The underlying fund's performance should be assessed against its objective of providing a positive return over a 12-month period in all market conditions and compared against the ICE BofA US 3 Month Treasury Bill Index. The comparator benchmark is only included for performance comparison purposes and does not determine how the Investment Manager of the underlying fund invests the underlying fund's assets.</p> <p>The target benchmark has been selected because the target return of the underlying fund is to deliver the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the Investment Manager of the underlying fund believes that the benchmark is a suitable comparison for performance purposes given the underlying fund's investment objective and policy.</p>	<p>Benchmark</p> <p>The underlying fund's performance should be assessed against its target benchmark being to exceed the ICE BofA 3 Month US Treasury Bill Index. The Investment Manager of the underlying fund invests on a discretionary basis and is not limited to investing in accordance with the composition of a benchmark.</p> <p>The target benchmark has been selected because the target return of the underlying fund is to deliver the return of that benchmark as stated in the investment objective.</p>

Any terms not defined herein shall have the same meaning as set out in the current prospectus of the underlying fund of the Affected ILP sub-fund

SAMPLE