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**Financial Adviser**

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March 2025

**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 funds of:**

- **R139 DWS Invest Global Agribusiness (“Affected ILP sub-fund 1”)**
- **R221 DWS Invest Global Infrastructure (“Affected ILP sub-fund 2”)**
- **R223 DWS Invest Africa (“Affected ILP sub-fund 3”)**

**(together the “Affected ILP sub-funds”)**

We are writing to you as your policy holds units in one or more of the Friends Provident International Limited (“FPIL”) investment-linked policy sub-funds (“ILP sub-funds”) named above. We have been notified by DWS Invest (the “Company”) of changes to the underlying funds of the Affected ILP sub-funds. These changes will take effect from **25 April 2025** (the “Effective Date”).

**Background**

The Company has advised that it is making a number of amendments to the prospectus of the underlying funds of the Affected ILP sub-funds for clarity and consistency, as well as compliance with new guidelines published by the European Securities and Markets Authority (“ESMA”) regarding environmental, social and governance (“ESG”) or sustainability related terms.

**Changes relating to Affected ILP sub-funds 1-2**

From the Effective Date, the ESG assessment methodology in the pre-contractual information section of the prospectus of the underlying funds of Affected ILP sub-funds 1-2 will be updated. This is to ensure a consistent and coherent methodology for assessing potential assets in relation to the EU’s Sustainable Finance Disclosure Regulation (“SFDR”) classifications.

Please refer to the **Appendix enclosed** for details of the updated ESG assessment methodology. Updated Pre-Contractual Disclosure documents will be made available as part of the underlying fund prospectus following the Effective Date.

**Change relating to Affected ILP sub-fund 3**

The paragraph “additional exclusions” of the Special Section of the prospectus of the underlying fund of Affected ILP sub-fund 3 will be amended from the Effective Date for consistency. As part of this revision, the climate and transition risk assessment has been removed where it was part of the exclusion strategy.

### Changes relating to Affected ILP sub-funds 1-3

In accordance and to be aligned with ESMA guideline requirements, a dedicated disclaimer will be added to the investment policy of the underlying funds of Affected ILP sub-funds 1-3 within the underlying fund prospectus. The disclaimer will note that the investment strategy and/or restrictions of a target fund - an underlying fund within a fund of funds investment – may deviate from the respective investment strategy and restrictions of the underlying funds of Affected ILP sub-funds 1-3.

**These changes will take effect automatically and you do not need to take any action as a result of this communication.** 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](http://www.fpinternational.sg/fundcentre). Full information on the underlying funds is detailed in the relevant fund prospectuses, which are available on the Product Highlight Sheet page of our website [www.fpinternational.sg/phs](http://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](mailto: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](mailto:Fundqueries.Intl@fpiom.com).

Yours sincerely



Chris Corkish  
Head of Investment Marketing

### 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

### ESG assessment methodology of underlying funds of Affected ILP sub-funds 1-2 from the Effective Date:

#### **ESG assessment methodology**

The sub-fund aims to achieve the promoted environmental and social characteristics by assessing potential assets via an in-house ESG assessment methodology, regardless of their economic prospects for success, and by applying exclusion criteria based on this assessment.

The ESG assessment methodology is using a proprietary software tool which sources data from one or several ESG data providers, public sources and/or internal assessments to derive overall assessments. The methodology applied to derive such overall assessments can be based on different methods, such as prioritizing one data vendor, worst-of or averaging approach. Internal assessments may take into account factors such as an issuer's future expected ESG developments, plausibility of data with regard to past or future events, the willingness to engage in dialogue on ESG matters and/or ESG-related decisions of a company. Further, internal ESG assessments for investee companies may consider the relevance of the exclusion criteria for the market sector of the investee company.

The proprietary software tool uses, amongst others, the approaches described below to evaluate the adherence to the promoted ESG characteristics and whether investee companies follow good governance practices. The assessment approaches include, for example, exclusions related to revenues generated from controversial sectors or the exposure to such controversial sectors. In some of the assessment approaches, issuers receive one of six possible assessments, with "A" representing the best and "F" the worst assessment. If an issuer is excluded based on one assessment approach, the sub-fund is prohibited from investing in that issuer.

Depending on the investable universe, the portfolio allocation and the exposure to certain sectors, the assessment approaches described below may be more or less relevant which is reflected in the number of issuers being actually excluded.

#### **Norm Controversy Assessment**

The Norm Controversy Assessment evaluates the behaviour of companies in relation to generally accepted international standards and principles of responsible business conduct within, amongst others, the framework of the principles of the United Nations Global Compact, the United Nations Guiding Principles, the standards of the International Labour Organization and the OECD Guidelines for Multinational Enterprises. Examples of topics covered within these standards and principles include, but are not limited to, human rights violations, violations of workers' rights, child or forced labour, negative environmental impacts and business ethics. The Norm Controversy Assessment evaluates reported violations of the aforementioned international standards. Companies with the worst Norm Controversy Assessment of "F" are excluded as an investment.

#### **Freedom House Status**

Freedom House is an international non-governmental organization that classifies countries by their degree of political and civil liberties. Based on the Freedom House Status, countries that are classified as "not free" are excluded as an investment.

#### **Exposure to controversial sectors**

Companies that are involved in certain business areas and business activities in controversial areas ("controversial sectors") are excluded according to their share of total revenues generated in such controversial sectors as follows:

- a) Manufacturing and/or distribution of civil handguns or ammunition: 5% or more
- b) Manufacturing of tobacco products: 5% or more
- c) Mining of oil sand: 5% or more
- d) Companies that derive 25% or more from thermal coal mining and thermal coal-based power generation as well as companies with thermal coal expansion plans, such as additional expansion of coal mining, coal production or coal usage. Companies with thermal coal expansion plans are excluded based on an internal identification methodology. In the event of exceptional circumstances, such as measures imposed by a government to address challenges in the energy sector, the Management Company may decide to temporarily suspend the application of the coal-related exclusions to individual companies/geographical regions.

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

**Continued:****Exposure to controversial weapons**

Companies are excluded if they are identified as being involved in the manufacturing or selling of controversial weapons or key components of controversial weapons (anti-personnel mines, cluster munitions, and/or chemical and biological weapons). In addition, the shareholdings within a group structure may be taken into consideration for the exclusions.

**Use-of-Proceeds Bond Assessment**

This assessment is specific to the nature of this instrument and an investment in use-of-proceeds bonds is permitted only if the following criteria are met. Firstly, all use-of-proceeds bonds are checked for compliance with the Climate Bonds Standards, similar industry standards for green bonds, social bonds or sustainability bonds (such as ICMA Principles) or the EU Green Bond Standard or whether bonds have been subject to an independent review. Secondly, certain ESG criteria are applied in relation to the issuer of the bonds which can lead to the exclusion of issuers and their bonds as an investment.

**Target Fund Assessment**

Target funds are evaluated in relation to the underlying companies and are eligible if these companies are aligned with the criteria of the Norm Controversy Assessment and the exposure to controversial weapons (anti-personnel mines, cluster munitions, and/or chemical weapons and biological weapons). Investment in companies with the worst Norm Controversy Assessment of "F" is permitted up to a determined threshold. Considering the tolerance threshold, diversity of data vendors and methodologies, the available data coverage as well as the target fund portfolio rebalancing, this sub-fund may be indirectly exposed to certain assets that would be excluded if invested directly or for which data coverage is limited or not available.

**Sustainability Investment Assessment**

Further, for the proportion of sustainable investments, DWS measures the contribution to one or several UN SDGs and/or to other environmental sustainable objectives via its Sustainability Investment Assessment which evaluates potential investments in relation to different criteria to conclude whether an investment can be considered as sustainable as further detailed in the section "What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?".

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