

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.

## R212 FPIL Schroder Global Cities (USD) (Invests in Schroder International Selection Fund – Global Cities A Acc USD)

|   |   |  |                          |
|---|---|--|--------------------------|
| <b>Product Type</b><br>(Specified Investment Product) | ILP Sub-Fund <sup>1</sup>                   | <b>Launch Date</b>                           | September 2017           |
| <b>Management Company</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> | 1.84% (as at 09/02/2023) |

### SUB-FUND SUITABILITY

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

The Sub-Fund is only suitable for investors who are more concerned with maximising long-term returns than minimising possible short-term losses.

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 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 Cities\* (“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 of the ILP Sub-Fund is an accumulation fund, which means the fund will automatically reinvest any dividends

\*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.

-Refer to the ‘Important Information’, ‘The Fund’, ‘The Sub-Funds’ and the ‘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> The 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 be at minimum feed 99.25% into the underlying fund, Schroder Global Cities Fund.

| Investment Strategy  |   |
|--|---|
| <p>-The Fund is actively managed and invests its assets in (i) sustainable investments, which are investments that contribute towards more environmentally resilient and innovative cities and infrastructure, and (ii) investments that the Investment Manager deems to be neutral under its sustainability criteria.</p> <p>-The Fund invests at least two-thirds of its assets in equity and equity related securities of real estate companies worldwide with a focus on companies that invest in cities that the Investment Manager believes will exhibit continued economic growth, supported by factors such as strong infrastructure and supportive planning regimes.</p> <p>-The Fund invests in companies that do not cause significant environmental or social harm and have good governance practices, as determined by the Investment Manager's rating criteria.</p> <p>-The 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.</p> <p>-The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently.</p> | <p>-Refer to the 'Investment Objectives and Strategies / Product Suitability' and the sections of the underlying fund's Singapore Prospectus for further information on the investment strategy of the Fund.</p>  |
| Parties Involved   |   |
| <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 Limited</p> <p><b>Depository 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>-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>   |
| KEY RISKS  |   |
| <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>Further Information</b></p> <p>-Refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.</p> <p>-Refer to the 'Risk Factors, Investments, Derivatives and Supplementary Information' section and Annexure II of the underlying fund's Singapore Prospectus for further information.</p> <p>-Refer to the 'Risks' section of the relevant Product Summary for further information.</p> |

### Market and Credit Risks

**Market Risks:** The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

**Emerging and Frontier Markets Risks:** Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk

**Equity Risks:** Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.

### Liquidity Risks

**Liquidity Risks:** 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.

### Product-Specific Risks

**Counterparty Risks:** 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.

**China Country Risks:** Changes in China's political, legal, economic or tax policies could cause losses or higher costs for the Fund.

**Currency Risks:** The Fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.

**Derivatives Risks:** 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.

**Leverage Risks:** 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.

### 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 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.

**Underlying investment managers' charges (these charges are as at 09/02/2023 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   |

-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.

**VALUATIONS AND EXITING FROM THIS INVESTMENT**
**HOW OFTEN ARE VALUATIONS AVAILABLE?**

- Every UK Business Day
- Latest fund prices can be obtained from <http://www.fpinternational.sg/fund-centre/>

**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 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 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\*:

| 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. For full details of the charges that may apply please 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](mailto:singapore.enquiries@fpiom.com)

**APPENDIX : GLOSSARY OF TERMS**
**Financial Derivative Instruments (FDI)**

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

**Leverage**

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

**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-pps>

Details of the calculation methodology can be found in full at [www.esma.europa.eu/sites/default/files/library/2015/11/10\\_674.pdf](http://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.

**Net Asset Value (NAV)**

Net Asset Value is the value of the net assets of the Fund after deduction of all expenses.

**Societe d'Investissement à 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.

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