

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.

R217 FPIL HSBC Islamic Global Equity Index (Invests in HSBC Islamic Funds – HSBC Islamic Global Equity Index Fund Class AD USD)

Product Type (Specified Investment Product)	ILP Sub-Fund ¹	Launch Date	February 2018
Management Company	HSBC Investment Funds (Luxembourg) S.A.	Custodian	HSBC Plc
Capital Guaranteed	No	Dealing Frequency	Every UK Business Day
Name of Guarantor	N/A	Expense Ratio for the underlying Fund	0.90% (as at 26/01/23)

SUB-FUND SUITABILITY

WHO IS THE SUB-FUND SUITABLE FOR?

The Sub-Fund is only suitable for investors who seek capital appreciation over the long term, want exposure to global Equities consistent with Shariah principles and are comfortable with the risks and volatility associated with investing in Equities.

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 ‘Sub-Fund Information’ section of the underlying Fund’s 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 HSBC Islamic Funds – Islamic Global Equity Index Fund* (“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%.

Please note the ILP Sub-Fund does not distribute income and where applicable will re-invest any income received from the underlying Fund.

*The underlying Fund is a Sub-Fund of HSBC Islamic Funds. HSBC Islamic Funds is an Open-Ended Investment Company incorporated in Luxembourg and its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

-Refer to the ‘Sub-Fund Information’ section of the underlying Fund’s Prospectus for further information on the features of the Fund.

¹ For an ILP Sub-Fund feeds 100% into the underlying Fund, therefore some information provided below could be similar to the underlying Fund. In this instance, this ILP Sub-Fund will at minimum feed 99.25% into the underlying Fund, HSBC Islamic Global Equity Index Fund.

Investment Strategy	
<p>-The Fund aims to track as closely as possible the performance of the Dow Jones Islamic Market Titans 100 Net Index (the “Islamic Index”) by investing in securities that are included in the Islamic Index.</p> <p>- The Fund will be passively managed and will aim to invest in the shares of the companies in generally the same proportion as in the Islamic Index. The Islamic Index is comprised of the shares of companies in emerging and developed markets that are based anywhere in the world. Securities in the Islamic Index are weighted by float-adjusted market capitalisation. Each component's weight is capped at 10% of the index's total free-float market capitalisation. Weights are reviewed on a quarterly basis. The Islamic Index is calculated and published by S&P Dow Jones (the “Index Provider).</p> <p>-The Islamic Index methodology uses a screening process to determine whether a security is eligible for inclusion in the index. Index components are selected by filtering the index universe through screens for business activities and financial ratios to remove stocks that are not suitable for Islamic investment purposes. Examples of business activities which are excluded from inclusion of the index are: alcohol, tobacco, pork-related products, conventional financial services and weapons and defences.</p> <p>-If an investment becomes non-compatible with Shariah principles, the Investment Adviser shall sell such investment. The cost of any such reversal would be borne by the Fund.</p>	<p>Refer to the ‘Sub-Fund Information’ section of the underlying Fund’s Prospectus for further information on the investment strategy of the Fund.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <p>Management Company of the underlying Fund: HSBC Investment Funds (Luxembourg) S.A.</p> <p>Investment Adviser of the underlying Fund: HSBC Global Asset Management (UK) Limited</p> <p>Depository Bank of the underlying Fund: HSBC Continental Europe, Luxembourg</p> <p>Singapore Representative of the underlying Fund: HSBC Global Asset Management (Singapore) Limited</p>	<p>-Refer to the ‘Company Details’ section of the underlying Fund’s prospectus for further information on the roles and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</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 in 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 redeeming or switching of units in the relevant Fund. You may not be able to access your money during this period.</p> <p>These risk factors may cause you to lose some or all of your investment:</p>	<p>-Refer to the ‘Valuations and Pricing’ section of your Policy Conditions for further information.</p> <p>-Refer to the ‘General Risk Considerations’ section of the underlying Fund’s prospectus for further information on the risks of the Fund.</p>
Market and Credit Risks	
<p>Market Risks: The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount invested by them in the Fund. In particular, the value of investments may be affected by uncertainties such as international, political and economic developments or changes in government policies.</p>	<p>-Refer to the ‘Risks’ section of the relevant Product Summary for further information.</p>

<p>Emerging Market Risks: Emerging markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.</p> <p>Foreign Exchange Risks: The underlying assets of the Fund may be denominated in currencies other than the currency of the share class you have invested into. The value of your investment may rise or fall in line with movements in the relevant exchange rates.</p> <p>Equity Risks: The Fund is exposed to equity markets for all or part of their total assets. The value of these assets can therefore rise or fall and investors may not get back all of their original investment.</p>	
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Liquidity Risks

<p>Liquidity Risks: There may be occasions when the manager is unable to sell some or all of the shares within the Fund, which could delay payment or redemption of proceeds.</p> <p>-Redemptions in the Fund may be suspended in certain circumstances detailed in the Prospectus; this may in turn affect the ILP Sub-Fund.</p>	
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Product-Specific Risks

<p>Index Replication Risks: As the Fund will seek to track (replicate) an index, by investing directly in the components of the index, any fluctuation/volatility of the index may result in increases/decreases of the Sub-Fund valuation</p> <p>Concentration Risk: An index may be concentrated in companies operating in certain markets or securities listed in certain stock exchanges; therefore any situation impacting such markets or stock exchanges may also impact the index and the Fund performance.</p> <p>Shariah Restrictions: It is possible that the restrictions placed on investment such as the prohibition on the use of interest bearing investments, the donations to approved charities and the limited universe of stocks available to the Investment Adviser may result in the Sub-Funds performing less well than Funds with similar investment objectives which are not subject to Shariah restrictions.</p>	
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FEES AND CHARGES

<p>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.</p> <p>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.</p> <p>Underlying investment managers' charges (these charges are as at 26/01/23 and are payable by the ILP Sub-Fund from invested proceeds).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Annual Management Charge (AMC)</td> <td style="width: 30%;">0.75%</td> </tr> <tr> <td>Additional Expenses</td> <td>0.15%</td> </tr> <tr> <td>Expense Ratio</td> <td>0.90%</td> </tr> <tr> <td>Performance Fee</td> <td>Nil</td> </tr> </table>	Annual Management Charge (AMC)	0.75%	Additional Expenses	0.15%	Expense Ratio	0.90%	Performance Fee	Nil	<p>-Refer to the section on 'Fees and Charges' in the relevant Product Summary.</p> <p>-Refer to the 'Charges' section of your Policy Conditions for further information.</p>
Annual Management Charge (AMC)	0.75%								
Additional Expenses	0.15%								
Expense Ratio	0.90%								
Performance Fee	Nil								

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 (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 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.

*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@fpim.com

APPENDIX : GLOSSARY OF TERMS
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 is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of Expense Ratios. Different methods can be used when calculating the Expense Ratio of a Fund, including Total Expense Ratio (TER) and Ongoing Charges Figure (OCF) but these are broadly the same.

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 <https://www.fpinternational.sg/phs>. Details of the calculation methodology can be found in full at 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.

Shariah

Shariah refers to the body of Islamic law. The term means "way" or "path"; it is the legal framework within which public and some private aspects of life are regulated for those living in a legal system based on Muslim principles.

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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