

## **Legg Mason Western Asset Global Bond Trust (SP)**

**This Fund Summary is for the above ILP Sub-Fund and should be read in conjunction with the Product Summary**

### **Structure of ILP Sub-Fund**

The ILP sub-fund is a feeder fund investing in the underlying Legg Mason Western Asset Global Bond Trust which is a Singapore authorised stand-alone open-ended unit trust and has no fixed duration. This ILP sub-fund is included under the CPF Investment Scheme but is closed to new subscription and it is classified as Broadly Diversified with Low to Medium Risk.

The units in the ILP Sub-Funds are not classified as Excluded Investment Products.

### **Information on the Managers**

#### Investment Manager of the underlying fund

The Company has appointed Franklin Templeton International Services S.à r.l. (the “Manager”) to manage the Company pursuant to the Management Agreement as transferred to Franklin Templeton International Services S.à r.l. by operation of law following the merger of Legg Mason Investments (Ireland) Limited into Franklin Templeton International Services S.à r.l. The Manager is organised under the laws of Luxembourg and authorised and regulated by the Commission de Surveillance du Secteur Financier.

It is a part of Franklin Templeton Investments. Franklin Templeton Investments provides investment management and advisory services to a worldwide client base. Franklin Templeton International Services S.à r.l. has been managing collective investment schemes since 1991. Franklin Templeton International Services S.à r.l. is organised under the laws of Luxembourg and is authorised and regulated by the Commission de Surveillance du Secteur Financier. It is a part of Franklin Templeton Investments. Franklin Templeton Investments provides investment management and advisory services to a worldwide client base.

The Managers of the Underlying Fund are Legg Mason Asset Management Singapore Pte. Limited, whose registered office is at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623. The Managers are regulated by the Authority. The Managers are an indirect wholly-owned subsidiary of Franklin Resources, Inc., a global investment management organization with subsidiaries operating as Franklin Templeton.

The Managers have been managing collective investment schemes in Singapore since 2006. As at 30 June 2020, the Managers have approximately S\$3.15 billion of assets under their management.

#### The Sub-Managers of the Underlying Fund

Western Asset Management Company Limited (WAMCL) is the investment manager of the underlying fund Western Asset Management Company (WAMC), and Western Asset Management Company Pte. Ltd. (WAMC Pte Ltd), (the “Sub-Investment Managers”) have been appointed as the sub-investment managers of the Legg Mason Western Asset Asian Opportunities Fund (the “Underlying Fund”).

The Sub-Managers are, like the Managers, indirect wholly-owned subsidiaries of Franklin Resources, Inc.. The Sub-Managers’ strategic goal is to provide above average returns over the long term by managing diversified, risk controlled, value oriented portfolios across a range of investment products in major and emerging markets and utilising multiple investment strategies to achieve above market returns while approximating market risk. Each of the Sub-Managers advises and manages an extensive range of investments on behalf of institutions and individuals. Through unit trusts and separate account management, the Sub-Managers provide their investors with access to fixed interest and currency investment opportunities that seek to add value and control risk. WAMCL oversees management of the overall portfolio of the Trust. WAMC manages the North America, South America and Central America portfolio of debt securities of the underlying fund and WAMC Pte Ltd manages the Asia ex-Japan portfolio of debt securities of the underlying fund.

### **WAMC Pte Ltd**

WAMC Pte Ltd is incorporated in Singapore and is regulated by the Authority. WAMC Pte Ltd has been managing collective investment schemes in Singapore since 2003. As at 30 June 2020, WAMC Pte Ltd managed approximately S\$7.438 billion of assets on behalf of institutional clients and collective investment schemes.

#### **WAMC**

WAMC is organised as a corporation under the laws of California, U.S.A. and is registered in the US with the US Securities and Exchange Commission as an investment adviser pursuant to the US Investment Advisers Act 1940 and also as a commodity-trading adviser and a commodity pool operator under the Commodity Exchange Act. WAMC is regulated by the US Securities and Exchange Commission. WAMC has extensive experience in the mutual funds industry, having been managing mutual funds and other types of collective investment schemes since 1973.

#### **WAMCL**

WAMCL is organised as a corporation in the United Kingdom and is regulated and supervised in respect of its investment management activities by the UK Financial Conduct Authority. WAMCL is regulated by the UK Financial Conduct Authority. WAMCL has extensive experience in the mutual funds industry, having been managing mutual funds and other types of collective investment schemes since 1996.

In the event of the insolvency of a Sub-Manager, the Managers shall be entitled to terminate the management agreement with that Sub-Manager immediately in accordance with applicable laws. In such a situation, it is likely that the Managers would replace that Sub-Manager with another company within the Legg Mason group.

#### **Other Parties**

The Trustee of the Underlying Fund is HSBC Institutional Trust Services (Singapore) Limited whose registered address is at 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #48- 01, Singapore 018983. The Trustee is regulated in Singapore by the Authority.

The custodian for the Underlying Fund is The Hongkong and Shanghai Banking Corporation Limited (the “Custodian”) whose registered office is at 1 Queen’s Road Central, Hong Kong. The Custodian is regulated by the Hong Kong Monetary Authority and authorised as a registered institution by the Securities and Futures Commission of Hong Kong.

The registrar of the Underlying Fund is the Trustee and the register of Holders (the “Register”) is kept at 20 Pasir Panjang Road (East Lobby), #12-21 Mapletree Business City, Singapore 117439, and is accessible to the public during normal business hours. The Register is conclusive evidence of the number of Units held by each Holder and the entries in the Register shall prevail if there is any discrepancy between the entries in the Register and the details appearing on any statement of holding, unless the Holder proves to the satisfaction of the Managers and the Trustee that the Register is incorrect.

The administrator of the Underlying Fund is HSBC Institutional Trust Services (Singapore) Limited (the “Administrator”), whose registered office is at 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #48-01, Singapore 018983.

#### **Investment Objectives, Focus & Approach**

The investment objectives, focus and approach of the underlying Legg Mason Western Asset Global Bond Trust is described in the “Investment Objective, Focus and Approach of the Funds” section in the Legg Mason Western Asset Global Bond Trust Prospectus.

#### **Risks**

In addition to the risks stated in the Product Summary, the risks may include:

##### General Risks

Before investing in the Underlying Fund, potential policyholders should consider and satisfy themselves as to the risks of investing in the Underlying Fund. Generally, some of the risk factors that potential policyholders should consider are economic (such as growth, inflation, or policy changes), interest rate, political, liquidity, default, foreign exchange, regulatory, repatriation risks and the risks of investing in warrants.

An investment in the Underlying Fund is meant to produce returns over the long-term. Potential policyholders should not expect to obtain short-term gains from such investment. Potential policyholders should be aware that the price of Units, and the income from the underlying fund, may fall or rise. Potential policyholders may not get your original investment amount back.

Market risk is the possibility of an investor experiencing losses due to factors that affect the overall performance of financial markets, including: changes in interest rates; trade, fiscal, monetary and exchange controls programmes and policies of governments; national and international political and economic events; the global and domestic effects of a pandemic; and any other failure of markets to function. Economic, financial or political events, trading and tariff arrangements, public health events, terrorism, natural disasters and other circumstances in one country or region could have profound impact on global economies or markets. Whether or not the Trust invests in securities of issuers located in or with significant exposure to countries experiencing economic, political or financial difficulties, the value and liquidity of the Underlying Fund's investments may be negatively affected.

**Cyber Security Risks.** With the increased use of technologies such as the internet and other electronic media and technology to conduct business, the Managers, the Underlying Fund and the Underlying Fund's service providers and their respective operations are susceptible to operational, information security and related risks including cyber security attacks or incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorised access to digital systems, networks or devices (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information.

By affecting (a) the Managers, (b) the Underlying Fund and/or the Underlying Fund's service providers and (c) the issuers of securities in which the Underlying Fund invests, cyber security failures or breaches have the ability to cause disruptions and impact business operations, potentially resulting in:

- (i) financial losses, shutting down, disabling, slowing or otherwise disrupting operations, business process or website access functionality;
- (ii) interference with the Underlying Fund's ability to calculate its net asset value;
- (iii) impediments to trading;
- (iv) the inability of the Underlying Fund's Holders to transact business;
- (v) violations of applicable privacy and other laws;
- (vi) regulatory fines, penalties, reputational damage;
- (vii) reimbursement or other compensation costs or additional compliance costs; and
- (viii) the loss of propriety information and data corruption.

Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Managers and the Underlying Fund's service providers. Similar adverse consequences could result from cyber security attacks, failures or breaches affecting issuers of securities in which the Underlying Fund invests, counterparties with which the Underlying Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for the Underlying Fund's Holders) and other parties. In addition, substantial costs may be incurred in order to try to prevent any cyber incidents in the future.

The approach taken by the Managers to help manage the liquidity of the Underlying Fund is to activate liquidity management tools, such as the imposition of redemption gates, the suspension of redemptions and the application of Dilution Adjustment. The activation of such liquidity management tools may have an adverse impact on potential policyholder's redemptions from the Underlying Fund. For instance, the suspension of redemptions will mean that potential policyholders will not be able to redeem from the Underlying Fund during the suspension period, the imposition of the 10% limit on the number of Units that can be redeemed on any Dealing Day (redemption gate) may mean potential policyholders may not be able to redeem from the Underlying Fund on that Dealing Day, and the application of Dilution Adjustment will affect the amount of the realisation proceeds potential policyholder will receive for their Units.

### Specific Risks

The following are some of the risk factors that potential policyholders should consider:

Prices of securities in the Underlying Fund may go down or up in response to changes in economic conditions, political conditions, interest rates and the market's perception of securities which in turn may cause the price of Units to rise or fall.

The income earned by the Underlying Fund may be affected by fluctuations in foreign exchange rates. The Managers and (as the case may be) the Sub-Managers will actively monitor and manage the Underlying Fund's exposure to adverse foreign exchange risks by hedging through the forwards or futures markets. In addition, a Class may be designated in currencies other than in Singapore Dollars. Where a Class is designated in a currency other than in Singapore Dollars, the Managers will not employ any technique to hedge the Class's exposure to changes in exchange rates between Singapore Dollars and the currency of the Class. Investors whose reference currency is Singapore Dollars may therefore be exposed to this exchange rate risk.

Issuers of instruments held in the Underlying Fund may default upon their obligations despite careful selection of issuers. Such risks however can be minimised through rigorous credit analysis.

Any investments by the Underlying Fund in bonds, debentures, loan stocks, convertibles and other debt securities may rise or decline in value if interest rates change. In general, the price of debt securities rises when interest rates fall and falls when interest rates rise.

The investments in the Underlying Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies and other restrictions and controls which may be imposed by relevant authorities.

The Underlying Fund will use swaps, forwards, options and futures for the purposes of hedging and efficient portfolio management. Where such instruments are financial derivatives on commodities, such transactions shall be settled in cash at all times or as may otherwise be required under the Code. While this may create substantial opportunities, it also involves risk, including possible default by counterparties to the arrangement. To reduce counterparty risks, the counterparties will be top quality financial institutions. Some of other risks associated with financial derivatives are market risks, management risks, credit risks, liquidity risks and leverage risks. The value of financial derivative instruments is subject to market risks and may fall in value as rapidly as it may rise and it may not always be possible to dispose of such instruments during such fall in value. In such a situation, the cost incurred in obtaining the financial derivatives may not be recoverable. Investments in financial derivatives may require the deposit of initial margin and additional margins on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the Underlying Fund's investment positions may be liquidated at a loss.

Whilst there is always a chance of any stock market becoming illiquid due to exceptional circumstances, global bonds of investment grades (defined as Aa2 by Moody's, AA by S&P, AA by Fitch Inc. or its equivalent thereof by other internationally reputable credit rating agencies and Japanese bonds of investment grades defined as A2 by Moody's, A by S&P, A by Fitch Inc. or its equivalent thereof by other internationally reputable credit rating agencies), in which the Underlying Fund predominantly invests, have traditionally demonstrated a high level of liquidity.

**The above should not be considered as an exhaustive list of the risks which potential policyholders should consider before investing in LionGlobal Japan Growth Fund. Potential policyholders should be aware that an investment in LionGlobal Japan Growth Fund may be exposed to other risks of an exceptional nature from time to time.**

### Fees and Charges

In addition to the fees and charges shown in the Product Summary, the following fees are payable through deduction from the asset value of the ILP sub-fund:

<b>Fees Payable by the Underlying Funds, which the ILP sub-fund invests into</b>	
<b>Legg Mason Western Asset Global Bond Trust A acc SGD</b>	
Annual Administration Fee:	Currently 0.75% p.a. Maximum 0.75% p.a.

### Past Performance<sup>2</sup> : as at 30 June 2021

**NOTE: PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.**

Fund / Benchmark	3 Months	6 Months	1 Year	3 Year *	5 Year *	10 Year *	Since Inception* (3 Jan 2005)

Legg Mason Western Asset Global Bond Trust (SP)	0.37%	-3.91%	-2.61%	2.46%	0.17%	1.89%	0.47%
Benchmark: FTSE World Govt Bond Index ex Japan (S\$)	0.85%	-2.81%	-1.76%	4.48%	2.52%	4.15%	2.60%

\*Annualised Performance

### Total Expense Ratio and Turnover Ratio

Funds	Expense Ratio	Turnover Ratio
Legg Mason Western Asset Global Bond Trust (SP)	2.38%	19.46%

The expense ratio and turnover ratio stated in the table above are for the year ending 30 June 2021.

### Soft Dollar Commissions or Arrangements

The Managers and Sub-Managers currently do not but shall be entitled to receive and enter into soft-dollar commissions/arrangements in respect of the Underlying Fund. The Managers and Sub-Managers will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Managers and Sub-Managers may receive include specific advice as to the advisability of dealing in, or the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for clients.

Soft-dollar commissions received shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment. The Managers and the Sub-Managers will not accept or enter into soft dollar commissions/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Managers or the relevant Sub-Manager (as the case may be), assist it in its management of the Underlying Fund, provided that it shall ensure at all times that best execution is carried out for the transactions, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

### Conflicts of Interest

The Managers and, as the case may be, the Sub-Managers may from time to time have to deal with competing or conflicting interests of the Underlying Fund with other funds managed by the Managers. For example, the Managers may make a purchase or sale decision on behalf of some, or all of the other underlying funds managed by them without making the same decision on behalf of the Underlying Fund, as a decision whether or not to make the same investment or sale for the Underlying Fund depends on factors such as the cash availability and portfolio balance of the Underlying Fund. However, the Managers will use reasonable endeavours at all times to act fairly and in the interests of the Underlying Fund. In particular, after taking into account the availability of cash and relevant investment guidelines of the other Underlying Funds managed by the Managers, the Managers will endeavour to ensure that securities bought and sold will be allocated in an equitable and practical manner among the Underlying Fund and the other Underlying Funds managed by the Managers.

The factors which the Managers will take into account when determining if there are any conflicts of interest as described above include the assets and, where applicable, the debt securities of the Underlying Fund. To the extent that another Underlying Fund managed by the Managers intends to purchase substantially similar assets, the Managers will ensure that the assets are allocated equitably and that the interests of all investors are treated equally between the Underlying Fund and the other Underlying Funds.

The Managers may from time-to-time act as investment manager or investment adviser in relation to, or be otherwise involved in, other Underlying Funds which have similar investment objectives to those of the Underlying Fund. It is, therefore, possible that they may, in the course of business, have potential conflicts of interests with the Underlying Fund. The Managers will, at all times, have regard in such event to their obligations to the Underlying Fund and will ensure that such conflicts are resolved fairly. In addition, the Managers and each of their affiliated entities will, at all times, have regard to their obligations to the Underlying Fund and shall ensure that in any transaction carried out with the Underlying Fund, such transaction will be carried out as if effected on normal commercial terms negotiated at arm's length.

The Managers or their related entities or the Trustee may own, hold, dispose or otherwise deal with Units as though they were not a party to the Deed. If there is any conflict of interest arising as a result of that dealing, the Managers and the Trustee, following consultation, will resolve the conflict in a just and equitable manner as they deem fit.

Associates of the Trustee may be engaged to provide financial, banking or brokerage services to the Underlying Fund or buy, hold and deal in any investments, enter into any contracts or other arrangements with the Trustee and make profits from those activities. Such services, where provided, and such activities with the Trustee, where entered into, will be on an arm's length basis.

### **Reports**

The financial year-end of the ILP Sub-Fund is 30 June. Singapore Life Ltd. will make available semi-annual report and annual audited report of the ILP Sub-Fund within 2 months and 3 months respectively from the relevant reporting periods.

In addition, Singapore Life Ltd. will make available financial reports of the Underlying Fund as they become available from the Investment Manager. Policyholders can access these reports via the website at [www.singlife.com](http://www.singlife.com)

### **Specialised ILP Sub-Fund**

The ILP Sub-Fund is not a specialised Sub-Fund as set out in MAS Notice 307 on Investment-Linked Policies issued by the Monetary Authority of Singapore.