

E126 United SGD Fund

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

Structure of ILP Sub-Fund

The ILP Sub-Fund is an open-ended feeder fund and invests all or substantially all of its assets into the United SGD Fund (the “Underlying Fund”), a Singapore-authorised stand-alone open-ended fund constituted in Singapore. The Underlying Fund is denominated in Singapore dollars.

The units in the ILP Sub-Fund are classified as Excluded Investment Products.

Information on the Manager

The Managers are UOB Asset Management Ltd (“UOBAM”).

UOBAM is a wholly-owned subsidiary of United Overseas Bank Limited (“UOB”). Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for over 30 years. UOBAM is licensed and regulated by the Authority. UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Indonesia, Taiwan and Japan. UOBAM has two joint ventures: Ping An Fund Management Company Limited and UOB-SM Asset Management Pte. Ltd. In addition, it also has a strategic alliance with UTI International (Singapore) Private Limited.

Through its network of offices, UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at 28 February 2021, UOBAM manages 59 unit trusts in Singapore. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

UOBAM's investments team conducts independent and rigorous fundamental research within a proven investment process and framework. In equities, UOBAM's team has acquired specialist skills in investment in global markets and major global sectors. It combines a disciplined research effort that aims to identify and invest in high performing businesses at the right price, with a systematic model portfolio construction process, to diversify sources of alpha to achieve more consistent performance over time. In fixed income, UOBAM's coverage spans a wide spectrum comprising G10 government bonds, developed market corporate bonds, Asia sovereigns and corporates, emerging market bonds and Singapore fixed income. In addition to independent research to uncover relative value opportunities, UOBAM adopts diversified investment strategies combined with active risk management to generate sustainable total return for its portfolios.

Since 1996, UOBAM has won a total of 209 awards in Singapore. These awards recognise UOBAM's investment performance across different markets and sectors.

As at 28 February 2021, UOBAM and its subsidiaries in the region have a staff strength of over 400 including about 38 investment professionals in Singapore.

Other Parties

Please refer to the sections on “The Trustee, Custodian and Administrator” and “Other Parties” in the United SGD Fund Prospectus for details of other parties involved in the Underlying Fund.

Investment Objectives, Focus and Approach

The investment objective, focus and approach of the Underlying Fund is described in the section under “Investment Objective, Focus and Approach” in the Underlying Fund.

Risks

The ILP Sub-Fund is not listed on the Singapore Exchange and you can redeem only on Business Days through Singapore Life Ltd. In respect of Singapore investors, there is no secondary market for the ILP Sub-Fund.

General Risks

You should consider and satisfy yourself as to the risks of investing in the Underlying Fund. Generally, some of the risk factors that you should consider are market risks, interest rate risks, foreign exchange risks, political risks, repatriation risks, liquidity risks and derivatives risks. The degree to which these risks affect investments in the Underlying Fund varies depending on the Underlying Fund's investment objective, approach and focus, and you should also consider the risks specific to the Underlying Fund.

An investment in the Underlying Fund is meant to produce returns over the long-term and you should not expect to obtain short-term gains from such investment.

You should be aware that the price of Units and the income accruing from the Units, may fall or rise and that you may not get back your original investment.

Specific Risks

Market Risk in the Global Markets

You should consider and satisfy yourself as to the usual risks of investing and participating in publicly traded securities. Prices of securities that the Underlying Fund invests in may be affected by changes in economic conditions, interest rates and the market's perception of securities which in turn may cause the price of Units to rise or fall.

Foreign Exchange and Currency Risk

The Underlying Fund is denominated in Singapore dollars and the Classes are each denominated in the relevant currency (which may or may not be Singapore dollars). Where the Underlying Fund makes investments which are denominated in foreign currencies, fluctuations in the exchange rates of the currency or currencies in which the underlying assets of the Underlying Fund are denominated (the "Portfolio Currency") against the base currency of the Underlying Fund and/or the denominated currency of the relevant Class may affect the value of the relevant Units. In our management of the Underlying Fund, we may hedge the foreign currency exposure of the Underlying Fund or any Class against the Portfolio Currency and may adopt an active or passive currency management approach in doing so. However, the foreign currency exposure of the Underlying Fund or the relevant Class may not be fully hedged depending on the circumstances of each case. Such considerations shall include but are not limited to the outlook on the relevant currency, the costs of hedging and the market liquidity of the relevant currency. Subject to the provisions of the Code, in the hedging of any such foreign currency exposure of the relevant Class, we may hedge up to 100% of the proportion of the NAV attributed to such Class.

Please note that hedging transactions may be entered into whether or not the Hedged Currency is declining or increasing in value relative to the Portfolio Currency; consequently, where such hedging is undertaken, it may protect investors in the relevant Hedged Class against a decrease in the value of the currency being hedged but it may also preclude investors from benefiting from an increase in the value of such currency. Investors in a Hedged Class will still be exposed to the market risks that relate to the underlying investments in the Underlying Fund and any exchange rate risks that arise from the policy of the Underlying Fund that is not fully hedged.

There can be no guarantee that the hedging strategy applied in a Hedged Class will entirely eliminate the adverse effects of changes in exchange rates between the Portfolio Currency and the Hedged Currency.

Political Risk

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

Derivatives Risk

As the Underlying Fund may (subject to the Code) use or invest in FDIs, it will be subject to risks associated with such investments. FDIs include, but are not limited to, foreign exchange forward contracts. An investment in a FDI may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment position. If the required margin is not provided in time, the investment may be liquidated at a loss. Therefore, it is essential that such investments in FDIs are monitored closely. We have the controls for investments in FDIs and have in place systems to monitor the derivative positions of the Underlying Fund. Please see section 5.8 in the Underlying Fund prospectus for more information on our risk management procedures on certain investments.

Liquidity Risk

Investments by the Underlying Fund in some Asian and/or emerging markets often involve a greater degree of risk due to the nature of such markets which do not have fully developed services such as custodian and settlement services often taken for granted in more developed markets. There may be a greater degree of volatility in such markets because of the speculative element, significant retail participation and the lack of liquidity which are inherent characteristics of these markets.

Small Capitalisation Companies Risk

Investments in companies with small capitalisation generally carry greater risk than is customarily associated with companies with larger capitalisation, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies and less liquidity. The result may be greater volatility in the share prices of such companies

Single Country, Sector or Region Risk

You should be aware that investments in a single country, sector or region which may present greater opportunities and potential for capital appreciation may be subject to higher risks as they may be less diversified than a global portfolio.

Interest Rate Risks

The Underlying Fund's investments in debt securities are subject to the risk of interest rate fluctuations, and the prices of debt securities may go up or down in response to such fluctuations in interest rates.

Credit and Default Risks

Adverse changes in the financial condition of the issuer of the debt securities which the Underlying Fund is invested in, or in general economic conditions, or both, or an unanticipated rise in interest rates, may increase the potential for default.

Broker Risk

We may engage the services of third party securities brokers and dealers to acquire or dispose the investments of the Underlying Fund and to clear and settle its exchange traded securities trades. In selecting brokers and dealers and in negotiating any commission involved in their transactions, we consider, amongst other things, the range and quality of the professional services provided by such brokers and dealers and their credit standing and licensing or regulated status.

It is possible that the brokers or dealers engaged for the Underlying Fund may encounter financial difficulties that may impair the Underlying Fund's operational capabilities. If a broker or dealer fails or becomes insolvent, there is a risk that the Underlying Fund's orders may not be transmitted or executed and its outstanding trades made through the broker or dealer may not settle.

Counterparty Risk

Where the Underlying Fund enters into over-the-counter transactions, the Underlying Fund is exposed to the risk that a counterparty may default on its obligations to perform under the relevant contract. If a counterparty becomes bankrupt or insolvent, the Underlying Fund could experience delays in liquidating an investment and may therefore incur significant losses, including losses resulting from a decline in the value of the investment during the period in which the Underlying Fund seeks to enforce its rights. The Underlying Fund may also be unable to realise any gains on the investment during such period and may incur fees and expenses to enforce its rights. There is also a risk that counterparty contracts may be terminated earlier due to, for instance, bankruptcy, supervening illegality or change in the tax or accounting laws relative to those laws existing at the time the contracts were entered into.

Risk Relating to Distributions

Where Class A (Dist) SGD, Class A (Dist) USD (Hedged), Class S SGD Dist or Class S USD Dist (Hedged) makes distributions to Holders, such distributions are at our absolute discretion and are not guaranteed. Distributions may be made from dividend/interest income and capital gains derived from the investments of the Underlying Fund. Dividend/interest income may be adversely affected by events such as (but not limited to) investee entities suffering unexpected losses and/or paying lower than expected dividends, and adverse currency exchange rate fluctuations. Subject to the distribution policy of the relevant Class, distributions may also be made out of capital. The declaration and/or payment of distributions (whether out of income, capital gains, capital or otherwise) may have the effect of lowering the NAV of the relevant Class. Moreover, distributions out of capital may amount to a reduction of the relevant Holder's original investment. Distributions may also result in reduced future returns to the relevant Holders.

Investment Management Risk

Investment performance depends on the portfolio management team and the team's investment strategies. If the investment strategies do not perform as expected, if opportunities to implement those strategies do not arise, or if the team does not implement its investment strategies successfully, an investment portfolio may underperform or suffer significant losses.

Risk of using rating agencies and other third parties

Credit ratings of instruments invested into by the Underlying Fund represent our and/or rating agencies' opinion regarding the credit quality of the instrument or the institution and are not a guarantee of quality. Rating methodologies generally rely on historical data, which may not be predictive of future trends and adjustments to credit ratings in response to subsequent changes in circumstances may take time. When a debt security is rated, the downgrading of such debt security could decrease the value and liquidity of the security.

Where we rely on ratings issued by credit rating agencies, we have established a set of internal credit assessment standards and have put in place a credit assessment process to ensure that the Underlying Fund's investments are in line with these standards. Information on our credit assessment process will be made available to investors upon request.

We may rely, without independent investigation, upon pricing information and valuations furnished to the Underlying Fund by third parties, including pricing services and independent brokers/dealers. Their accuracy depends on these parties' methodology, due diligence and timely response to changing conditions. We will not be responsible for any failures by such parties in their valuations.

The above is not an exhaustive list of the risks which you should consider before investing in the Underlying Fund. An investment in the Underlying 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 also payable through deduction from the asset value of the Underlying Fund.

| Underlying Fund Name | Annual Management Charge |
|--|--------------------------|
| United SGD Fund (Class A Accumulation SGD) | 0.63% |

Past Performance¹: as at 31 December 2021

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

| Fund / Benchmark [^] | 3 Months | 6 Months | 1 Year | 3 Years* | 5 Years* | 10 Years* | Since Inception* (19 Jun 1998) |
|----------------------------------|----------|----------|--------|----------|----------|-----------|--------------------------------|
| United SGD Fund | -0.35% | -0.20% | 0.15% | 2.44% | 1.90% | 2.99% | 3.05% |
| Benchmark: 12M Bank Deposit Rate | 0.00% | 0.00% | 0.22% | 1.00% | 1.17% | 0.85% | 1.23% |

* Annualised performance

[^] Benchmark was changed from 6-months SIBID Rate to 12M Bank Deposit Rate with effect from 3 May 2021.

¹ Performance shown in fund currency and calculated before sales charges are deducted. Fees and charges payable through deduction of premium or cancellation of units are excluded in deriving the performance. Performance is calculated on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment.

Expense Ratio and Turnover Ratio

| Underlying Fund Name | Expense Ratio | Turnover Ratio |
|--|---------------|----------------|
| United SGD Fund (Class A Accumulation SGD) | 0.67% | 121.06% |

The expense and turnover ratios stated in the table above are for financial year ended 31 December 2021.

The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore (“IMAS”). The calculation of the Underlying Fund’s expense ratio at 31 December 2020 was based on total operating expenses divided by the average net asset value respectively for the financial period. The total operating expenses do not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Underlying Fund does not pay any performance fee. The average net asset value is based on the daily balances.

The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net asset value.

Soft Dollar Commissions or Arrangements

Subject to the provisions of the Code, we may from time to time receive or enter into soft-dollar commissions/ arrangements in the management of the Underlying Fund. We will comply with applicable regulatory and industry standards on soft dollars. The soft-dollar commissions/arrangements may include specific advice as to the advisability of dealing in, or of the value of any investment, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurement, 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 custodian service in relation to the investments managed for clients. Soft-dollar commissions/arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees’ salaries or direct money payment.

We will not accept or enter into soft-dollar commissions/arrangements in respect of the Underlying-Fund unless (a) such soft-dollar commissions/arrangements can reasonably be expected to assist us in our management of the SubFund, (b) best execution is carried out for the transactions and (c) no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

Conflicts of Interest

We are of the view that there is no conflict of interest in our management of other funds and the Underlying Fund because of the following structures in place:

- (a) Investment decisions for each fund are made impartially. There are no preferred customers or funds and all accounts are treated equally.
- (b) All investment ideas are shared equally among fund managers.
- (c) We subscribe to the Code of Ethics and the Standards of Professional Conduct as prescribed by the Chartered Financial Analyst Institute (“CFA Institute”) in the United States of America. The CFA Institute is the primary professional organisation for security analysts, investment managers and others who are involved in the investment decision-making process. All charter holders of the CFA Institute and candidates who are in pursuit of the charter, including those from Singapore, are expected to comply with CFA Institute standards. The Code of Ethics and the Standards of Professional Conduct are in place to ensure high ethical and professional standards of investment professionals as well as fair treatment of the investing public.
- (d) Despite the possible overlap in the scope of investments, none of the funds are identical to one another and investment decisions are made according to the individual risk-return characteristic of the relevant fund.
- (e) Most importantly, our usual fair and unbiased practice is to allocate investments proportionately between various funds which place the same orders simultaneously. However, if there are any potential conflicts of interests due to competing orders for the same securities, we will adopt an average pricing policy whereby orders that are partially fulfilled on a particular day will be allotted proportionately

among the funds based on their respective initial order size and such quantity allotted will be at the average price of such investments on that particular day.

We shall conduct all transactions with or for the Underlying Fund on an arm's length basis. Save as provided in the Deed, our associates may be engaged to provide banking, brokerage, financial or other services to the Underlying Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the Trustee or us and make profits or derive benefits from these activities. Such services to the Underlying Fund, where provided, and such activities with the Trustee or us, where entered into, will be on an arm's length basis. We and our related entities, officers or employees may from time to time invest and deal in Units for each of our respective individual accounts or (in our case and in the case of our related entities) for the account of another person (including, without limitation, our and our related entities' other clients).

In such an event, we will have regard to our obligations to the Underlying Fund and, in particular, our obligation to act in the best interests of the Underlying Fund and the Holders so far as practicable, having regard to applicable laws and our obligations to our other clients. If a conflict of interest does arise, we will endeavour to ensure that such conflict is resolved fairly.

Subject to the provisions of the Code, we may from time to time:

- (i) invest monies of the Underlying Fund in the securities of any of our related corporations (as defined in Section 4 of the Companies Act, Chapter 50 of Singapore) (each, a "related corporation");
- (ii) invest monies of the Underlying Fund in other collective investment schemes managed by us or our related corporations; and
- (iii) deposit monies of the Underlying Fund in the ordinary course of business of the Fund with our related corporations which are banks licensed under the Banking Act, Chapter 19 of Singapore, finance companies licensed under the Finance Companies Act, Chapter 108 of Singapore, merchant banks approved as financial institutions under Section 28 of the Monetary Authority of Singapore Act, Chapter 186 of Singapore or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

We will endeavour to ensure that such investments and deposits are made on normal commercial terms and are consistent with the investment objective, focus and approach of the Underlying Fund.

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.

Specialised ILP Underlying Fund

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