

United SGD Fund

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

Fund code	ILP sub-fund	Underlying Fund
E126	United SGD Fund	United Choice Portfolios II - United SGD A Acc Fund SGD

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 35 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, Japan and Vietnam. UOBAM has a joint venture with Ping An Fund Management Company Limited and strategic alliances with Wellington Management and 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 31 October 2022, 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 including responsible investment practices combined with active risk management to generate sustainable total return for its portfolios.

Since 1996, UOBAM has won a total of 218 awards in Singapore. These awards recognise UOBAM’s investment performance across different markets and sectors.

As at 31 October 2022, UOBAM and its subsidiaries in the region have a staff strength of over 450 including about 40 investment professionals in Singapore.

Other Parties

The Trustee of the Underlying Fund is State Street Trust (SG) Limited.

The Trustee has appointed State Street Bank and Trust Company (“SSBT”) as the Custodian of the Underlying Fund.

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 focus of the Underlying Fund is to invest substantially all its assets in money market and short term interest bearing debt instruments and bank deposits with the objective of achieving a yield enhancement over Singapore dollar deposits.

UOBAM's research process is fundamental and valuation driven, and bottom-up in approach. They have a team of credit analysts for both Singapore fixed income issuers and high grade corporate issuers in the developed markets. This benefits their Singapore credit research efforts as many high grade foreign issuers have issued Singapore-dollar denominated securities. For Singapore, Asia and emerging markets, their team of credit analysts conducts a detailed credit analysis that evaluates industry outlook, business review, financial review, management expertise, strength of ownership and specific debt structure. This results in an implied rating score. Relative valuation will determine corporate credit selection. For rated issuers, mainly US/Europe high grade issuers, to supplement the fundamental analysis by their G10 credit team, they have implemented a quantitative credit risk approach based from the KMV model. This model uses the Merton option framework to calculate the implied asset volatility or the Expected Default Frequency (EDF) of any corporate bond issue. Other inputs include an asset correlation database, which is generated from a proprietary risk management system. Together, the model will calculate the return-expected loss trade off for any corporate bond issue.

The Underlying Fund is actively managed without reference to its benchmark, which is used as a target for the Underlying Fund to beat.

The Underlying Fund is suitable for investors who seek to achieve a yield enhancement over Singapore dollar deposits; and are comfortable with the volatility and risks of a bond fund which invests in money market and short term interest bearing debt instruments and bank deposits.

The Underlying Fund intends to use or invest in FDIs.

The Underlying Fund may net its over-the-counter derivative positions with a counterparty through bilateral contracts for novation or other bilateral agreements with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code.

Where the Underlying Fund uses or invests in FDIs on commodities, all such transactions shall be settled in cash at all times.

Please refer to Investment Considerations in the Underlying Fund's Fund Prospectus for further information.

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. Please refer to Risks section in the Underlying Fund's Prospectus for further information.

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 2022

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* (8 Jul 2009) ²
United SGD Fund	0.62%	-0.15%	-2.31%	0.28%	1.00%	2.02%	2.96%
Benchmark: 6M Compounded SORA	0.51%	0.74%	0.88%	0.69%	1.13%	0.93%	0.76%

* Annualised performance

^ Changes to the benchmark during the life of the Underlying Fund and Reasons for changes:

- (a) from inception to 2 May 2021 – 6-month SIBID Rate;
- (b) from 3 May 2021 to 7 April 2022 – 12M Bank Deposit Rate
(Discontinuation of the previous benchmark)
- (c) from 8 April 2022 to present – 6M Compounded SORA
(Discontinuation of the previous benchmark)

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.

2 8 July 2009 is the launch date of the ILP sub-fund. Previously known as 19 June 1998, which was the Underlying Fund's launch date.

Expense Ratio and Turnover Ratio

Underlying Fund Name	Expense Ratio	Turnover Ratio
United SGD Fund (Class A Accumulation SGD)	0.64%	54.14%

The expense and turnover ratios stated in the table above are for financial year ended 31 December 2022.

The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back-end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Soft Dollar Commissions or Arrangements

We do not receive any soft dollar commissions in respect of the Underlying Fund(s).

Conflicts of Interest

We do not have any conflict of interests which may exist or arise in relation to the Underlying Fund(s) and its management.

Suspension of dealings

We reserve the right to suspend immediately any issue, withdrawal, exchange or other dealing in relation to the Underlying Funds if the fund manager, or any government or regulatory body of competent jurisdiction, or we (at our reasonable discretion) decide to suspend the issue, withdrawal, exchange or other dealing in the units or shares of the Underlying Funds.

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