

## **Schroder International Selection Fund (Schroder ISF) Asian Bond Total Return Fund**

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

<b>Fund Code</b>	<b>ILP sub-fund</b>	<b>Underlying Funds</b>
SABR	Schroder ISF Asian Bond Total Return Fund A	Schroder ISF Asian Bond Total Return Fund A Accumulation SGD Hedged

### **Structure of ILP sub-fund**

The above ILP sub-fund is a feeder fund investing into the Schroder ISF Asian Bond Total Return Fund (the “Underlying Fund”), an open-ended investment company organised as a “société anonyme” under the laws of the Grand Duchy of Luxembourg and qualifies as a Société d’Investissement à Capital Variable (“SICAV”). Please refer to “Section 1 The Company” in the Schroder ISF Luxembourg Prospectus for further information on the structure of the Underlying Fund.

The units in the ILP sub-fund are not classified as Excluded Investment Products.

### **Information on the Manager**

#### **Investment Manager**

Schroder Investment Management (Singapore) Ltd (the “Manager”) is the manager of the Underlying Fund. The Manager was incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992. The Manager is part of the Schroder group (“Schroders”). The Manager is licensed and regulated by The Monetary Authority of Singapore.

Schroders has been managing collective investment schemes and discretionary funds in Singapore since the 1970s. Schroders is a leading global asset management company, whose history dates back over 200 years. The group’s holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Schroders aims to apply its specialist asset management skills in serving the needs of its clients worldwide, through its large network of offices and over 700 portfolio managers and analysts covering the world’s investment markets. Past performance of the Manager is not necessarily indicative of their future performance.

### **Other Parties**

The Singapore Representative of the Underlying Fund is Schroder Investment Management (Singapore) Ltd.

The Depositary of the Underlying Fund is J.P. Morgan SE, Luxembourg Branch. J.P. Morgan SE is a European Company (Societas Europaea) organized under the laws of Germany, having its registered office at Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany and is registered with the commercial register of the local court of Frankfurt.

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

<b>Underlying Fund</b>	<b>Investment Objectives, Focus &amp; Approach</b>
Schroder ISF Asian Bond Total Return Fund A Accumulation SGD Hedged	<p>The investment objective of the Underlying Fund aims to provide capital growth and income by investing in fixed and floating rate securities issued by governments, government agencies, supra-nationals and companies in Asia.</p> <p>The Underlying Fund is actively managed and invests at least two-thirds of its assets in fixed and floating rate securities, derivatives related to these securities and currencies. The fixed and floating rate securities are issued by governments, government agencies, supra-nationals and companies in Asia. For the purposes of this Underlying Fund, Asia includes the following west Asian countries: Bahrain, Israel, Lebanon, Oman, Qatar, Saudi Arabia, Turkey and United Arab Emirates. The Underlying Fund is designed to participate in rising</p>

	<p>markets whilst aiming to mitigate losses in falling markets through the use of derivatives. The mitigation of losses cannot be guaranteed.</p> <p>The Underlying Fund may invest in mainland China through the RQFII scheme or Regulated Markets (including the CIBM via Bond Connect or CIBM Direct). The Underlying Fund may invest up to 50% of its assets in securities that have a below investment grade credit rating (as measured by Standard &amp; Poor's or any equivalent grade of other credit rating agencies for rated bonds and implied Schroders ratings for nonrated bonds). The Underlying 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 (subject to the restrictions provided in Appendix I of the Schroder ISF Asian Bond Total Return Fund Luxembourg Prospectus).</p> <p>The Underlying Fund may (exceptionally) hold 100% of its assets in Money Market Investments or cash. This will be limited to a maximum of six months (otherwise the Underlying Fund will be liquidated). During this period, the Underlying Fund will not fall within the scope of MMFR. The Underlying Fund intends to use derivatives (including total return swaps), long and short, with the aim of achieving investment gains, reducing risk or managing the Underlying Fund more efficiently. Where the Underlying Fund uses total return swaps, the underlying consists of instruments in which the Underlying Fund may invest according to its Investment Objective and Investment Strategy. In particular, the aim is to use total return swaps on a temporary basis in market conditions including but not limited to periods of slow economic growth and falling interest rates, and where the Investment Manager's view is that sovereign spread premiums will compress. The gross exposure of total return swaps will not exceed 20% and is expected to remain within the range of 0% to 5% of the Net Asset Value of the Underlying Fund. In certain circumstances this proportion may be higher.</p>
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## 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.

Please refer to "Appendix II Risks of Investment" in the Schroder ISF Asian Bond Total Return Fund Luxembourg Prospectus for a description of the risk factors associated with investing in the Underlying Fund. The risks may include:

### General Risks

Past performance is not a guide to future performance and Shares and should be regarded as a medium to long-term investment. The value of investments and the income generated by them may go down as well as up and Shareholders may not get back the amount originally invested. Where the Fund Currency varies from the Investor's home currency, or where the Fund Currency varies from the currencies of the markets in which the Underlying Fund invest, there is the prospect of additional loss (or the prospect of additional gain) to the Investor greater than the usual risks of investment.

### Investment Objective Risk

Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro-economic environment, investment objectives may become more difficult or even impossible to achieve. There is no express or implied assurance as to the likelihood of achieving the investment objective for the Underlying Fund.

### Regulatory Risk

The Company is domiciled in Luxembourg and Investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally, the Underlying Fund will be registered in non-EU jurisdictions. As a result of such registrations the Underlying Fund may be subject, without any notice to the shareholders in the Underlying Fund concerned, to more restrictive regulatory regimes. In such cases the Underlying Fund will abide by these more restrictive requirements. This may prevent the Underlying Fund from making the fullest possible use of the investment limits.

### Business, Legal and Tax Risks

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders' rights under such laws and regulations may involve significant uncertainties. Furthermore, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. Some of the Underlying Fund may be subject to withholding and other taxes. Tax law and regulations of any jurisdiction are frequently reviewed and may be changed at any time, in certain cases with retrospective effect. The interpretation and applicability of tax law and regulations by tax authorities in some jurisdictions are not consistent and transparent and may vary from jurisdiction to jurisdiction and/or region to region. Any change in taxation legislation could affect the value of the investments held by and the performance of the Underlying Fund.

### Risk Factors Relating to Industry Sectors/Geographic Areas

Underlying Fund that focus on a particular industry or geographic area are subject to the risk factors and market factors which affect this particular industry or geographic area, including legislative changes, changes in general economic conditions and increased competitive forces. This may result in a greater volatility of the Net Asset Value of the Shares of the Underlying Fund. Additional risks may include greater social and political uncertainty and instability; and natural disasters.

### Risk of Suspension of Share Dealings

Investors are reminded that in certain circumstances their right to redeem or switch Shares may be suspended (refer Section 2.5, "Suspensions or Deferrals") in the Schroder ISF Luxembourg Prospectus.

### Interest Rate Risk

The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the values of existing debt instruments, and rising interest rates generally reduce the value of existing debt instruments. Interest rate risk is generally greater for investments with long durations or maturities. Some investments give the issuer the option to call or redeem an investment before its maturity date. If an issuer calls or redeems an investment during a time of declining interest rates, the Underlying Fund might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates.

### Credit Risk

The ability, or perceived ability, of an issuer of a debt security to make timely payments of interest and principal on the security will affect the value of the security. It is possible that the ability of the issuer to meet its obligation will decline substantially during the period when the Underlying Fund own securities of that issuer, or that the issuer will default on its obligations. An actual or perceived deterioration in the ability of an issuer to meet its obligations will likely have an adverse effect on the value of the issuer's securities. If a security has been rated by more than one nationally recognised statistical rating organisation the Underlying Fund's Investment Manager may consider the highest rating for the purposes of determining whether the security is investment grade. The Underlying Fund will not necessarily dispose of a security held by it if its rating falls below investment grade, although the Underlying Fund's Investment Manager will consider whether the security continues to be an appropriate investment for the Underlying Fund. The Underlying Fund's Investment Manager considers whether a security is investment grade only at the time of purchase. Some of the Underlying Fund will invest in securities which will not be rated by a nationally recognised statistical rating organisation, but the credit quality will be determined by the Investment Manager.

Credit risk is generally greater for investments issued at less than their face values and required to make interest payments only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition, and does not reflect an assessment of an investment's volatility and liquidity. Although investment grade investments generally have lower credit risk than investments rated below investment grade, they may share some of the risks of lower-rated investments, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default.

#### Liquidity Risk

Liquidity risk exists when particular investments are difficult to purchase or sell. The Underlying Fund's investment in illiquid securities may reduce the returns of the Underlying Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Illiquid securities may be highly volatile and difficult to value.

#### Inflation/Deflation Risk

Inflation is the risk that the Underlying Fund's assets or income from the Underlying Fund's investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the Underlying Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of the Underlying Fund's portfolio.

#### Derivatives Risk

For the Underlying Fund that uses derivatives to meet its specific investment objective, there is no guarantee that the performance of the derivatives will result in a positive effect for the Underlying Fund and its Shareholders.

#### Warrants Risk

When the Underlying Fund invests in warrants, the price, performance and liquidity of such warrants are typically linked to the underlying stock. However, the price, performance and liquidity of such warrants will generally fluctuate more than the underlying securities because of the greater volatility of the warrants market. In addition to the market risk related to the volatility of warrants, the Underlying Fund investing in synthetic warrants, where the issuer of the synthetic warrant is different to that of the underlying stock, is subject to the risk that the issuer of the synthetic warrant will not perform its obligations under the transactions which may result in the Shareholders, suffering a loss.

#### Credit Default Swap Risk

A credit default swap allows the transfer of default risk. This allows the Underlying Fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. In addition, if there is a credit event and the Underlying Fund do not hold the underlying reference obligation, there may be a market risk as the Underlying Fund may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Underlying Fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. The Company will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

#### Futures, Options and Forward Transactions Risk

The Underlying Fund may use options, futures and forward contracts on currencies, securities, indices, volatility, inflation and interest rates for hedging and investment purposes.

Transactions in futures may carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the Underlying Fund. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options may also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the Underlying Fund are fixed, the Underlying Fund may sustain a loss well in excess of that amount. The Underlying Fund will also be exposed to the risk of the purchaser exercising the option and the Underlying Fund will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the Underlying Fund holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Forward transactions and purchasing options, in particular those traded over-the-counter and not cleared through a central counterparty, have an increased counterparty risk. If a counterparty defaults, the Underlying Fund may not get the expected payment or delivery of assets. This may result in the loss of the unrealised profit.

#### Credit Linked Note Risk

A credit linked note is a debt instrument which assumes both credit risk of the relevant reference entity (or entities) and the issuer of the credit linked note. There is also a risk associated with the coupon payment; if a reference entity in a basket of credit linked notes suffers a credit event, the coupon will be re-set and is paid on the reduced nominal amount. Both the residual capital and coupon are exposed to further credit events. In extreme cases, the entire capital may be lost. There is also the risk that a note issuer may default.

#### Equity Linked Note Risk

The return component of an equity linked note is based on the performance of a single security, a basket of securities or an equity index. Investment in these instruments may cause a capital loss if the value of the underlying security decreases. In extreme cases the entire capital may be lost. These risks are also found in investing in equity investments directly. The return payable for the note is determined at a specified time on a valuation date, irrespective of the fluctuations in the underlying stock price. There is no guarantee that a return or yield on an investment will be made. There is also the risk that a note issuer may default.

Underlying Fund may use equity linked notes to gain access to certain markets, for example emerging and less developed markets, where direct investment is not possible. This approach may result in the following additional risks being incurred – lack of a secondary market in such instruments, illiquidity of the underlying securities, and difficulty selling these instruments at times when the underlying markets are closed.

#### Insurance Linked Securities Risk

Insurance linked securities may incur severe or full losses as a result of insurance events such as natural, man-made or other catastrophes. Catastrophes can be caused by various events, including, but not limited to, hurricanes, earthquakes, typhoons, hailstorms, floods, tsunamis, tornados, windstorms, extreme temperatures, aviation accidents, fires, explosions and marine accidents. The incidence and severity of such catastrophes are inherently unpredictable, and the Underlying Fund's losses from such catastrophes could be material. Any climatic or other event which might result in an increase in the likelihood and/or severity of such events (for example, global warming leading to more frequent and violent hurricanes) could have a material adverse effect on the Underlying Fund. Although the Underlying Fund's exposure to such events will be diversified in accordance with its investment objective, a single catastrophic event could affect multiple geographic zones and lines of business or the frequency or severity of catastrophic events could exceed expectations, either of which could have a material adverse effect on the Underlying Fund's Net Asset Value.

***The foregoing risk factors do not purport to be a complete explanation of the risks involved in investing in the Underlying Funds. Please refer to on "Appendix II Risk of Investment" in the Schroder ISF Asian Bond Total Return Fund Luxembourg Prospectus, for more details on risks relating to the Underlying Funds.***

#### **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. The Annual Management Charges (AMC) of the Underlying Funds are:

Underlying Fund Name	AMC
Schroder ISF Asian Bond Total Return Fund A Accumulation SGD Hedged	1.00%

## Past Performance<sup>1</sup>: as at 30 June 2022

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

Fund / Benchmark <sup>^</sup>	3 Months	6 Months	1 Year	3 Years*	5 Years*	10 Years*	Since Inception* (2 April 2012)
Schroder ISF Asian Bond Total Return	-2.45%	-5.06%	-5.92%	0.41%	1.57%	1.21%	1.24%

\* Annualised performance

<sup>^</sup> There is no benchmark for Schroder International Selection Fund (ISF) Asian Bond Total Return.

<sup>1</sup> 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 (gross of fees). 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
Schroder ISF Asian Bond Total Return Fund A Accumulation SGD Hedged	1.38%	65.43%

The expense and turnover ratios stated in the table above are for the period ended 30 June 2022.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore guidelines on the disclosure of expense ratios. It does not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, 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. It is calculated by dividing expenses by daily average NAV, and multiplied by the appropriate factor to annualise the figure and is disclosed as a percentage.

The turnover ratio is calculated based on the lower of purchases and sales expressed as a percentage of the daily average net asset value.

## Soft Dollar Commissions or Arrangements

The investment manager and sub-investment manager of the Underlying Fund may enter into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the investment manager or sub-investment manager (as the case may be), including the relevant Underlying Fund, and where the investment manager or the sub-investment manager (as the case may be) is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the relevant Underlying Fund. Any such arrangements must be made by the investment manager or the sub-investment manager on terms commensurate with best market practice.

## Conflicts of Interest

The investment managers of the Underlying Fund may effect transactions, including techniques and instruments such as securities lending, repurchase agreements and reverse repurchase agreements, in which the investment managers have, directly or indirectly, an interest which may involve a potential conflict with the investment managers' duty to Schroder ISF. The investment managers of the Underlying Fund shall not be liable to account to Schroder ISF for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the investment managers' fees, unless otherwise provided, be abated.

The investment managers of the Underlying Fund will ensure that such transactions are effected on terms which are not less favourable to Schroder ISF than if the potential conflict had not existed. Such potential conflicting interests or duties may arise because the investment managers of the Underlying Fund may have invested directly or indirectly in Schroder ISF.

The prospect of the performance fee may lead the investment manager of the Underlying Fund to make investments that are riskier than would otherwise be the case.



## **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-funds**

The ILP sub-funds are not specialised sub-funds as set out in MAS Notice 307 on Investment-Linked Policies issued by the Monetary Authority of Singapore.