

LSFI LionGlobal Singapore Fixed Income Investment Fund

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 above ILP Sub-Fund are feeder funds that invests all or substantially all of its assets into LionGlobal Singapore Fixed Income Investment Fund (the “Underlying Fund”), a Singapore constituted umbrella unit trust in Singapore.

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

Information on the Managers

The Managers of the Underlying Fund are Lion Global Investors Limited (Company Registration Number 198601745D), whose registered office is at 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513. We hold a capital markets services licence for fund management issued by the MAS and are regulated by the MAS.

Established in Singapore since 1986, Lion Global Investors is a part of Great Eastern Holdings, the oldest and most established life insurance group in Singapore and Malaysia. We are also a member of the OCBC group, the second largest financial services group by assets in Singapore.

Backed by a strong local parentage and heritage, combined with the ability to leverage the Group’s resources and connectivity, Lion Global Investors is uniquely positioned to deliver best-in-class Asian-centric solutions to our investors. The partnership with Great Eastern and OCBC remains the bedrock of our resiliency and stability. As a Group, we embrace the philosophy of managing our clients’ assets for the long run and help them grow their wealth through the generations.

As at 31 March 2022, our assets under management (AUM) stands at S\$69.2 billion (US\$51.1 billion).

Other Parties

The Trustee of the Underlying Fund is HSBC Institutional Trust Services (Singapore) Limited (Company Registration Number 194900022R) 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 MAS.

The Custodian of the Underlying Fund is The Hongkong and Shanghai Banking Corporation Limited, whose registered address 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 auditor of the Underlying Fund is PricewaterhouseCoopers LLP.

Investment Objectives, Focus & Approach

The investment objective of the Underlying Fund aims to achieve steady returns over time by investing primarily in bonds and other debt securities denominated in Singapore Dollars. In addition, the Underlying Fund may also invest in bonds and other debt securities in currencies other than the Singapore Dollar.

The Managers current intention is to invest it as a direct investment portfolio investing primarily in bonds and other debt securities denominated in Singapore Dollars. In addition, the Underlying Fund may also gain exposure to bonds through investing into other bond funds. It may also invest in bonds and other debt securities in currencies other than the Singapore Dollar. There is no single issuer limit of 10% applicable if the assets of the Underlying Fund are invested in Singapore Government bonds. Therefore it may be possible that all or substantially all of the assets of the Underlying Fund are invested in Singapore Government bonds.

(i) Investment Philosophy

The Managers aim to deliver consistent outperformance on a risk adjusted basis through market cycles. As an active asset manager, the Managers seek to add value through the effective combination of research driven investment ideas and

rigorous portfolio construction disciplines. In addition, the Managers will manage five principal areas of risks, namely, country, duration, interest, currency and credit.

(ii) Investment Process

The Managers investment process incorporates both the ‘top-down’ and ‘bottom-up’ approaches. The top-down approach employs three forms of analysis - fundamental, technical and valuation and leads to macro decisions, on country allocation, duration, yield curve positioning and currency.

The bottom-up approach involves research into each company’s business, financial and credit position and aims to enhance the portfolio’s return via active credit selection and ongoing credit monitoring.

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 risk

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 interest market, derivatives, liquidity, political, repatriation, regulatory, currency risks, and risks associated with investments in debt securities which are default and interest rate risks.

An investment in an Underlying Fund is meant to produce returns by capital appreciation over the long-term and you should not expect 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

The risks of investing and participating in listed and unlisted securities apply. Prices of securities may go up or down in response to changes in economic conditions, interest rates, and the market’s perception of securities. These may cause the price of Units in the Underlying Fund to go up or down as the price of Units in the Underlying Fund is based on the current market value of the investments of the Underlying Fund.

There are risks of investing in bonds and other fixed income securities. Bond prices may go up or down in response to interest rates with increases in interest rates leading to falling bond prices.

The market prices of bonds and other fixed income securities are also affected by credit risks, such as risk of default by issuers and liquidity risk.

Derivatives Risks

The Underlying Fund may from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk and leverage risk.

The Managers do not intend to use derivatives transactions for speculation or leverage but may use them for efficient portfolio management and hedging the existing exposure of the Underlying Fund provided that derivatives are not used to gear the overall portfolio. The use of derivatives for efficient portfolio management should only be a temporary measure (not more than three months) to employ the resources of the Underlying Fund when an investment has been divested. The Managers will attempt to minimise the risks through careful selection of reputable counterparties and constant monitoring of the Underlying Fund’s derivatives positions.

Derivative instruments are highly volatile instruments and their market values may be subject to wide fluctuations and expose the Underlying Fund to potential gains and losses. Where such instruments are used, the Managers will ensure that the risk management and compliance procedures and controls adopted are adequate and have been or will be implemented and that the Managers have the necessary expertise to manage the risks relating to the use of these financial derivative instruments. Depending on the severity, non-compliance or deviation from established controls or limits will be escalated to senior management and monitored for rectification. The Managers have a dedicated team which oversees portfolio risk management.

Additionally, all open positions/exposure to derivatives will be marked to market at a frequency of at least equal to the frequency of the net asset value calculation of the Underlying Fund.

The Managers have a structured Compliance Monitoring Program (“CMP”). There is a dedicated compliance team to implement the CMP. The Manager’s investment compliance team separately monitors the portfolios for compliance with the investment guidelines. Investment guidelines will be reviewed by the investment compliance team and checks will be programmed into our automated pre-trade compliance system as far as possible. In addition, guidelines which cannot be electronically monitored will be manually checked for compliance. The Managers may modify the risk management and compliance procedures and controls at any time as we deem fit and in the interests of the Underlying Fund.

The global exposure of the Underlying Fund to financial derivatives or embedded financial derivatives will not exceed 100% of the net asset value of the Underlying Fund.

The Managers currently use the commitment approach as described in Appendix 1 of the Code to determine the Underlying Fund’s exposure to financial derivatives. In determining the Underlying Fund’s exposure to financial derivatives, the Managers will adopt the calculation methods set out under paragraph 4.10 of Appendix 1 of the Code.

In addition to the provisions on derivatives as set out in Appendix 1 of the Code, the LionGlobal Singapore Fixed Income Investment shall comply with the Notice on the Sale of Investment Products, the Notice on Recommendations on Investment Products and the Securities and Futures (Capital Markets Products) Regulations 2018 for the purpose of classifying Units of this Underlying Fund as Excluded Investment Products and prescribed capital markets products.

Political Risks

The political situation in the countries may have an effect on the value of the securities of companies in whose securities an Underlying Fund has invested, which may in turn impact on the value of the Units in the Underlying Fund.

Currency Risks

The net asset value per Unit of the Underlying Fund and Class will be computed in the base currency of the Underlying Fund i.e. Singapore Dollars whereas the investments held for the account of the Underlying Fund may be acquired in other currencies. The base currency value of the investments of the Underlying Fund designated in another currency may rise and fall due to exchangeable fluctuations in respect of the relevant currencies. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital. The investments of the Underlying Fund may or may not be fully hedged into its base currency. In addition, currency hedging transactions, while potentially reducing the currency risks to which the Underlying Fund would otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty.

Where the Underlying Fund enters into “cross hedging” transactions (e.g., utilising currency different than the currency in which the security being hedged is denominated), the Underlying Fund will be exposed to the risk that changes in the value of the currency in which the securities are denominated, which could result in loss on both the hedging transaction and the relevant securities.

Risks associated with investments in debt securities

Default Risks

Investments in debt securities are subject to adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, which may impair the ability of the issuer to make payments of interest and principal, especially if the issuer is highly leveraged. Such issuer’s ability to meet its debt obligations may also be adversely affected by specific corporate developments, or the issuer’s inability to meet specific projected business forecasts, or the unavailability of additional financing. Also, an economic downturn or an increase in interest rates may increase the potential for default by the issuers of these securities.

Interest-rate Risks

Investments in debt securities are also 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.

The above should not be considered as an exhaustive list of the risks which you should consider before investing in the Underlying Fund. You should be aware that 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. The Annual Management Charges (AMC) of the Underlying Funds are:

Underlying Fund Name	AMC
LionGlobal Singapore Fixed Income Investment Fund Class A SGD	0.50%

Past Performance¹: as at 30 June 2023

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* (2 April 2012)
LionGlobal Singapore Fixed Income Investment Fund	0.81%	2.04%	3.07%	-1.84%	1.43%	2.01%	1.80%
Benchmark: JPMorgan SGB Index	0.53%	1.73%	4.08%	-2.38%	1.58%	1.81%	1.53%

* *Annualised performance*

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 (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
LionGlobal Singapore Fixed Income Investment Fund Class A SGD	0.59%	30.00%

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

Soft Dollar Commissions or Agreements

The Managers shall be entitled to and currently do receive or enter into soft-dollar commissions or arrangements in respect of the Underlying Fund. The Managers will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions or arrangements which the Managers may receive or enter into include specific advice as to the advisability of dealing in or as to 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 their 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 will not accept or enter into soft-dollar commissions or arrangements unless such soft-dollar commissions or arrangements would reasonably assist us in their management of the Underlying Fund, provided that the Managers 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 or arrangements.

Conflicts of Interest

The Managers and the Trustee are not in any position of conflict in relation to the Underlying Fund. The Managers and the Trustee shall conduct all transactions with or for the Underlying Fund at arm's length. The Managers are of the view that they are not in a position of conflict in managing the Underlying Fund and their other funds as each of the funds has its own investment universe, investment objectives and investment restrictions, separate and distinct from each of the other funds. The Managers are obligated by the provisions of each respective deed of trust to observe strictly such separate and distinct investment mandate for each of the funds. If the various funds place orders for the same securities as the Underlying Fund, the Managers shall try as far as possible to allocate such securities among the funds in a fair manner based on a proportionate basis.

The Managers affiliates and the Trustee's affiliates are or may be involved in other financial, investment and professional activities which may sometimes give rise to possible conflict of interest within the management of the Underlying Fund. The Managers and the Trustee will each ensure that the performance of their respective duties will not be impaired by any such involvement. If a conflict of interest does arise, the Managers and/or the Trustee shall try to ensure that it is resolved fairly and in the interest of the Holders.

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 contracts or other arrangements with the Trustee and make profits from these activities. Our associates may also be engaged to provide financial, banking or brokerage services to the Underlying Fund and make profits from these activities. Such services, where provided, and such activities, where entered into, by our associates or the associates of the Trustee, 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.

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.