

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of the ILP Sub-Fund and complements the Product Summary. It is important to read the Product Summary before deciding whether to purchase the ILP Sub-Fund.
- If you do not have a copy, please contact us to ask for one.
- You should not invest in the ILP Sub-Fund if you do not understand it or are not comfortable with the accompanying risks.

R157 FPIL Invesco Euro Corporate Bond (Invests in Invesco Funds – Invesco Euro Corporate Bond A Acc)

Product Type (Specified Investment Product)	ILP Sub-Fund ¹	Launch Date	March 2014
Management Company	Invesco Management S.A.	Custodian	HSBC Plc
Capital Guaranteed	No	Dealing Frequency	Every UK Business Day
Name of Guarantor	N/A	Expense Ratio for the underlying Fund	1.27% (as at 16/02/22)

SUB-FUND SUITABILITY

WHO IS THE SUB-FUND SUITABLE FOR?

The ILP Sub-Fund may appeal to investors who are seeking a return over the medium and long term via exposure to a portfolio of Debt Securities denominated in Euro from corporate issuers and are willing to accept moderate to high volatility.

It is important to remember that, as with most investments, the value of your investments are not guaranteed and can go down as well as up. Therefore we suggest that you only invest money that can be committed for the medium to long term. You should also bear in mind that securities held within a Fund may not be denominated in the currency of that Fund, so unit prices may fall purely on account of exchange rate fluctuations.

Please note that Friends Provident International Limited (“FPIL”) investment products are intended for medium to long term investment and are not therefore designed for early surrender. If you do surrender early, a product surrender charge may be applied. Please note that the earlier you terminate your plan, the more you may lose.

Additional Information

-For details of surrender charges please refer to the section on ‘Fees and Charges’ in the relevant Product Summary.

-Please refer to the ‘Appendix A-Bond Funds’ section of the underlying Fund’s Prospectus for further information on the suitability of the Sub-Fund.

KEY FEATURES OF THE SUB-FUND

WHAT ARE YOU INVESTING IN?

You are investing in an ILP Sub-Fund that invests in the Invesco Funds – Invesco Euro Corporate Bond (“the Fund” or “underlying Fund”), apart from a proportionately small amount which may be held in cash to optimise dealing efficiencies in the underlying Fund. We endeavour to maintain a cash balance limit of up to 0.75%.

*The underlying Fund is a Sub-Fund of Invesco Funds. Invesco Funds is an Open-Ended Investment Company incorporated in Luxembourg and its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

-Please refer to the ‘Section 4 - The SICAV and its Shares’ and the ‘Appendix A-Bond Funds’ sections of the underlying Fund’s Prospectus for further information on the features of the Fund.

¹ The ILP Sub-Fund feeds 100% into the underlying Fund, therefore some information provided below could be similar to the underlying Fund. In this instance, this ILP Sub-Fund will at a minimum, feed 99.25% into the underlying Fund.

Investment Strategy	
<p>-The Fund aims to achieve a combination of income and capital growth over the medium to long-term, by investing primarily in Debt Securities denominated in Euro issued by corporate issuers.</p> <p>-Up to 30% of the NAV of the Fund may be invested in aggregate in cash, cash equivalents, Money Market Instruments and Debt Securities issued by companies or other entities not meeting the above requirements.</p> <p>-The Fund may invest up to 10% of its NAV in securities which are either in default or deemed to be at high risk of default as determined by the SICAV (“Distressed Securities”). Up to 30% of the NAV of the Fund may be invested in non-investment grade debt.</p> <p>-The Fund’s use of derivatives may include derivatives on credit, rates and currencies and may be used to achieve both long and short positions, which overall will not result in the Fund being directionally short or short any asset class.</p> <p>-Non-Euro denominated investments are intended to be hedged back into Euro at the discretion of the Investment Manager.</p> <p>-The Fund may enter into Financial Derivative Instruments for Efficient Portfolio Management, hedging purposes and for investment purposes.</p>	<p>-Please refer to the ‘Appendix A-Bond Funds’ and the ‘Section 7-Investment Restrictions’ sections of the underlying Fund’s Prospectus for further information on the investment strategy of the Fund.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <p>Manager of the underlying Fund: Invesco Management S.A.</p> <p>Investment Adviser of the underlying Fund: Invesco Asset Management Ltd.</p> <p>Custodian of the underlying Fund: The Bank of New York Mellon SA/NV, Luxembourg Branch</p>	<p>-Please refer to the ‘Section 9-The SICAV, its Management and Administration’ section of the underlying Fund’s Prospectus for further information on the roles and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>-The value of an investment is not guaranteed and can go up and down depending on performance. You could get back less than you have paid in. At times, the ILP Sub-Fund may (Subject to the Appointed Actuary’s agreement and provisions allowed for in the Policy Conditions) need to change the way its price is calculated, to ensure that those moving in and out of the ILP Sub-Fund are fairly treated. This can have a negative effect on the ILP Sub-Fund’s price and performance.</p> <p>-Fund managers have the ability, in exceptional circumstances, to suspend trading in their Funds for as long as necessary. When this occurs, we will need to delay the redeeming or switching of units in the relevant Fund. You may not be able to access your money during this period.</p>	<p><u>Additional Information</u></p> <p>-Please refer to the ‘Valuations and Pricing’ section of your Policy Conditions for further information.</p> <p>-Please refer to the ‘Section 8-Risk Warnings’ section of the underlying Fund’s Prospectus for further information on the risks of the Fund.</p>

<p>These risk factors may cause you to lose some or all of your investment:</p>	<p>-Please refer to the 'Risks' section of the relevant Product Summary for further information.</p>
<p>Market and Credit Risks</p>	
<p>Foreign Exchange Risks -The underlying assets of the Fund may be denominated in currencies other than the currency of the share class you have invested into. The value of your investment may rise or fall in line with movements in the relevant exchange rates.</p> <p>Interest Rate Risks -The Bonds or Fixed Interest Securities that the Fund invests in may fall in value if the interest rates change and this will adversely impact the Net Asset Value of the Fund. In general, the prices of Debt Securities rise when interest rate fall, whilst their prices fall when interest rates rise. Longer term Debt Securities are usually more sensitive to interest rate changes.</p> <p>Credit Risks -Investment in Bonds or other Fixed Interest Securities (including corporate and sovereign bonds) are subject to the risk that issuers do not make payments on interest and principal of such securities. An issuer suffering from an adverse change in its financial condition could lower the quality of a security leading to greater price volatility on that security.</p>	
<p>Liquidity Risks</p>	
<p>Liquidity Risks -In general the Fund manages its investments, including cash, such that it can meet its liabilities for the redemption of any shares that investors wish to sell. Investments held may need to be sold if insufficient cash is available to finance such redemptions.</p> <p>-If the size of the disposals is sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of the Fund.</p>	
<p>Product-Specific Risks</p>	
<p>Concentration Risks -As the Fund will invest primarily in Debt Securities or instruments denominated in Euro issued by corporate issuers, such concentration may exhibit a higher than usual degree of risk and may be subject to above average volatility.</p> <p>Lower Rated/Unrated Securities Risk -The credit quality of Debt Securities is often assessed by rating agencies. Lower-rated securities (below Investment Grade) and unrated securities may be higher yielding but be subject to wider fluctuations in yield, wider bid-offer spreads, lower liquidity and consequently greater fluctuations in market values and greater risk of loss of principal and interest, than higher-rated (Investment Grade) securities</p> <p>Financial Derivative Instruments Risks -The use of Financial Derivative Instruments may give rise to Leverage, liquidity, counterparty and valuation risks at times. Given the Leverage effect embedded in derivatives, such investments may result in higher Volatility or a significant loss in the Fund's assets within a short period of time.</p>	

FEES AND CHARGES
WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Charges are deducted by both FPIL and the underlying investment managers at each valuation point before calculating the unit price, as set out below.

FPIL charges (payable directly by you)

- You will need to pay an ILP Sub-Fund administration charge of 1.2%.
- There is currently no charge for switching Funds although switching to a Fund which differs from your plan currency may involve a cost associated with currency exchange. However, we reserve the right to charge for switches under certain conditions
- Any sales and/or redemption charges will be determined by the terms of your Policy Conditions.

Underlying investment managers' charges (these charges are as at 16/02/22 and are payable by the ILP Sub-Fund from invested proceeds)

Annual Management Charge (AMC)	1.00%
Additional Expenses	0.27%
Expense Ratio*	1.27%
Performance Fee	Nil

-For full details of the charges that may apply please refer to the section on 'Fees and Charges' in the relevant Product Summary.

-Please refer to the 'Charges' section of your Policy Conditions for further information.

VALUATIONS AND EXITING FROM THIS INVESTMENT
HOW OFTEN ARE VALUATIONS AVAILABLE?

Every UK Business Day
 Latest Fund prices can be obtained from: www.fpinternational.sg/Fundcentre

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

-There is a cooling off period of 30 days from when you receive your Policy Documents. If you decide to exit the policy during this time you should complete the Cancellation Form (enclosed with your Policy Documents) and send this back to the address provided, together with the original Policy Documents. We will refund any monies paid, less any shortfall (if any) as a result of the value of your investment falling by the time you tell us of your wish to cancel. If you elect to exit your policy after the cooling off period has expired, penalties may be applied.

-If you no longer wish to invest in the FPIL ILP Sub-Fund you have selected, you may switch all or part of your holdings into an alternative Fund(s) by sending us a completed Switch/Redirection Request form, signed. Switching from one Fund to another is done on a bid-to-bid basis, without charge (although we do reserve the right to charge). If you are switching between currencies, the relevant exchange rates will be applied, and shown on your switch confirmation.

-The sale proceeds that you receive will be the realisation price multiplied by the number of units sold, less any charges. An example (assuming a redemption charge of 4%) is as follows*:

Realisation price proceeds	Number of units sold	Gross Realisation
S\$0.93	x 100,000	= S\$93,000

Gross Realisation price proceeds	Realisation Fee	Net Realisation
S\$93,000	- S\$3,720	= S\$89,280

Additional Information

-Please refer to the 'Valuations and Pricing' section of your Policy Conditions for further information, and to Section 6.2 on Calculation of assets and liabilities of the underlying Fund's prospectus for information on Swing Pricing.

*For full details of the charges that may apply please refer to the section on 'Fees and Charges' in the relevant Product Summary.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

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APPENDIX : GLOSSARY OF TERMS

Bond/Fixed Interest Security/Debt Security

A Bond is a type of investment that represents a written promise to repay a debt at an agreed time and to pay an agreed rate of interest on that debt. It provides periodic payments (which may be fixed or variable) and the return of capital at maturity. Generally, because these types of assets produce an income and can be less risky than other types of assets they offer a lower return.

Efficient Portfolio Management (EPM)

EPM is a set of standards for prudent management of investment Funds. The standards call for economically appropriate transactions that reduce risk, reduce cost or generate additional capital or income. For example, a currency overlay strategy using derivative instruments could be used to reduce volatility in asset returns resulting from currency fluctuations or be used to take advantage of these fluctuations to gain extra return.

Expense Ratio

The Expense Ratio provides customers with an indication of the overall costs of investing in a particular Fund. The Expense Ratio as calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of Expense Ratios. Different methods of calculation of Expense Ratio can be used, including Total Expense Ratio (TER) and Ongoing Charges Figure (OCF) but these are broadly the same.

Financial Derivative Instruments (FDI)

Also known as derivatives, they are financial contracts, the value of which is tied to an underlying asset. Examples of derivatives include futures, options and warrants.

Investment Grade

A rating that indicates that a municipal or corporate bond has a relatively low risk of default.

Leverage

The use of financial instruments to increase the potential return of an investment.

Net Asset Value (NAV)

Net Asset Value is the value of the net assets of the Fund after deduction of all expenses.

Ongoing Charges Figure (OCF)

A type of Expense Ratio. The Ongoing Charges Figure is based on expenses for the previous year and is a ratio of the total ongoing charges to the Fund's average Net Asset Value over its last reporting period. This figure may vary from year to year. The charges you pay are used to pay the costs of the underlying ILP Sub-Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

For more information on charges, please consult the Prospectus for the underlying Fund of the ILP Sub-Fund invested in, available from <https://www.fpiinternational.sg/phs>. Details of the calculation methodology can be found in full at https://www.esma.europa.eu/sites/default/files/library/2015/11/10_674.pdf

Open-Ended Investment Company

An open-ended collective investment vehicle, structured as an investment company, where new shares are created or redeemed, depending on demand from investors.

Specified Investment Product (SIP)

SIP is a class of investment products defined by the Monetary Authority of Singapore (MAS). Generally, (although not in all instances), financial advisers have to carry out more due diligence, including customer knowledge assessment, when advising about a SIP.

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