

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.

R237 FPIL Pictet Timber (USD) (Invests in Pictet – Timber P USD Acc)

Product Type (Specified Investment Product)	ILP Sub-Fund ¹	Launch Date	September 2021
Management Company	Pictet Asset Management (Europe) S.A. Luxembourg	Custodian	HSBC Plc
Capital Guaranteed	No	Dealing Frequency	Every UK Business Day
Name of Guarantor	N/A	Expense Ratio for the underlying Fund	2.01% (as at 29/07/22)

SUB-FUND SUITABILITY

WHO IS THE SUB-FUND SUITABLE FOR?

The ILP Sub-Fund is only suitable for investors seeking capital growth and who have a 5 years or more investment horizon. It is suitable for investors who wish to invest in shares of companies worldwide active in the forestry value chain.

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 Annex 2, section 50 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 Pictet – Timber* ('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%.

Please note the ILP Sub-Fund does not distribute income and where applicable will re-invest any income received from the underlying Fund.

*The underlying Fund is a Sub-Fund of Pictet. Pictet 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 'Legal Status' section 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 minimum feed 99.25% into the underlying Fund.

Investment Strategy	
<p>-The Fund applies a capital growth strategy by investing at least two-thirds of its total assets/total wealth in Equities, or in any other transferable security linked to or similar to Equities issued by companies throughout the world.</p> <p>-The Fund also applies a sustainable strategy, which aims to achieve a positive environmental impact by investing at least two-thirds of its total assets/total wealth in companies that contribute to solving global environmental challenges through sustainable forest management and wood-based materials.</p> <p>-The Fund invests mainly in companies whose significant proportion of their activities (as measured by turnover, enterprise value, earning before income and tax, or similar metrics) are related to, but not limited to, financing, planting, and management of forests and wooded areas and/or in the processing, production and distribution of wood and wood fibre based materials, products and related services along the entire forest value chain.</p> <p>-The investment process integrates ESG factors based on proprietary and third-party research to evaluate investment risks and opportunities. The proportion of the Fund's portfolio subject to ESG analysis is at least 90% of the net assets or number of issuers. When selecting the Fund's investments, the ESG characteristics of issuers are taken into account to increase or decrease the target weight. It is expected that the resulting Fund's ESG characteristics will be higher than the reference index after removing the bottom 20% of issuers with the lowest ESG characteristics.</p> <p>-The Fund may use Derivatives to reduce various risks (Hedging) and for Efficient Portfolio Management, and may use structured products to gain exposure to portfolio assets.</p>	<p>-Please refer to Annex 2, section 50 of the underlying Fund's Prospectus for further information on the suitability of the Sub-Fund.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <p>Management Company of the underlying Fund: Pictet Asset Management (Europe) S.A.</p> <p>Investment Manager of the underlying Fund: Pictet AM S.A.</p> <p>Depository/Custodian of the underlying Fund: Bank Pictet & Cie (Europe) AG-Luxemburgische Niederlassung.</p> <p>Singapore representative of the underlying Fund: Pictet Asset Management (Singapore) Pte. Ltd</p>	<p>-Please refer to the 'Management and Administration Structure' 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 treated fairly. 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>Additional Information</p> <p>-Please refer to the 'Valuations and Pricing' section of your Policy Conditions for further information.</p> <p>-Please refer to the 'Risk Considerations' section of the underlying Fund's Prospectus for further information on the risks of the Fund.</p>

These risk factors may cause you to lose some or all of your investment:

Market and Credit Risks

Emerging Market Risks
-Investments in emerging markets are generally more sensitive to risk events, such as changes in the economic, political, fiscal and legal environment, as well as fraud.

Foreign Currency Risks
-Securities held by the Fund may be denominated in currencies different from its base currency. The Fund may seek to Hedge currency exposures or take a currency position for investment purposes, exposing your investments to losses if currencies move against these positions.

Liquidity Risks

Liquidity Risks
-There may be occasions when the manager is unable to sell some or all of the shares within the Fund, which could delay payment or redemption of proceeds.

Product-Specific Risks

Financial Derivative Instruments Risks
-The Fund may invest in Derivatives, which may be purchased on regulated markets or over-the-counter and may have less liquidity than conventional assets, exposing the Fund to higher risks and potential losses.

Sector Risks
-Funds that are focusing on a single industry sector may be subject to losses that are more severe than other diversified portfolios. Also, potential changes to rules and regulations governing a particular industry sector may have an adverse impact on the performance of the relevant compartments.

Sustainability Risks
-The risk arising from any environmental, social or governance events or conditions that, were they to occur, could cause a material negative impact on the value of the investment.

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 that 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 29/07/22 and are payable by the ILP Sub-Fund from invested proceeds)

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.

Annual Management Charge (AMC)	1.60%
Additional Expenses	0.41%
Expense Ratio	2.01%
Performance Fee	Nil

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

Every UK Business Day

Latest Fund prices can be obtained from <http://www.fpiinternational.sg/Fund-centre/>

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 this 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 will 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.

* 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?
Email Address

singapore.enquiries@fpiom.com

Telephone

+(00)65 6320 1088

Postal Address

Friends Provident International Limited (Singapore Branch)
182 Cecil Street,
Level 17 Frasers Tower,
Singapore 069547

APPENDIX : GLOSSARY OF TERMS**Derivatives**

Also known as Financial Derivative Instruments (FDI). Financial contracts whose value is tied to an underlying asset. Derivatives include futures and options.

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.

Equities

Ownership positions in companies that can be traded in public markets. Often produce current income which may be paid in the form of dividends. In the event of the company going bankrupt equity holders' claims are subordinate to the claims of preferred stockholders and bondholders.

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.

Hedge/Hedging

Any transaction with the objective of limiting exposure to risk such as changes in exchange rates or prices.

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 about charges, please consult the Prospectus for the underlying Fund of the ILP Sub-Fund invested in, available from <http://www.fpinternational.sg/Fund-centre/product-highlight-sheets-phs/index.htm>.

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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