

ASIAN BOND FUND

Investment objective

To provide a medium- to long-term rate of return by investing mainly in Asian fixed income securities.

Investment scope

The sub-fund is invested in the BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class (the underlying fund). The underlying fund will invest at least 70% of its total assets in the fixed income transferable securities of issuers domiciled in, or exercising the predominant part of their economic activity in, Asian Tiger countries (i.e. South Korea, the People's Republic of China, Taiwan, Hong Kong, the Philippines, Thailand, Malaysia, Singapore, Vietnam, Cambodia, Laos, Myanmar, Indonesia, Macau, India and Pakistan). The underlying fund may also invest in the full spectrum of available securities, including non-investment grade. It may use financial derivative instruments for efficient portfolio management or to hedge market, interest rate and currency risks. Please refer to the "Investment Objectives & Policies" and "Derivatives – General" sections of the underlying fund's Luxembourg Prospectus for further information. The Luxembourg Prospectus is available within the Singapore prospectus at www.blackrock.com/sg/en/literature/prospectus/bgf-singapore-prospectus-sg.pdf.

Investment Approach

The BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class seeks to identify mispriced securities by using a rigorous fundamental research approach. It believes that Asian fixed income markets are still developing and have exploitable inefficiencies. The sub-investment manager employs top-down macroeconomic analysis with a bottom-up approach to credit selection.

Fund details

Launch Date	3 May 2016
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	BlackRock (Luxembourg) S.A.
Custodian	Citibank N.A.
Dealing Frequency	Every business day
Initial Sales Charge	3.5% (an extra 0.5% bonus unit will be given for all single premium and top-ups)
Annual Management Fee	1.0% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Inclusion in CPFIS	N.A.
CPFIS Risk Classification	N.A.
Structure	Single Fund
Benchmark	J.P. Morgan Asia Credit Index Hedged to Singapore Dollars
Subscription Method	Cash / SRS
Financial Year End	31 December
Distribution	The sub-fund offers a monthly payout feature and intends to provide a monthly distribution with effect from 27 May 2016. The Manager intends to pay the distribution within 45 days from the declaration date. The declaration date is set on the 3rd last business day of every month. The declaration date is subject to review and the Manager has the sole discretion to determine the rate and frequency of the distribution. Distributions are not guaranteed and can be made out of income, capital gains, and/or capital of the sub-fund.

The default option for distribution is to reinvest them into the sub-fund. If policyholder wants to encash the distribution, he must notify the Manager in writing at least 30 days before the declaration date. Any distribution below S\$50 has to be reinvested and encashment is not allowed. Any distribution payable for investment bought using SRS monies, if applicable, will also be reinvested.

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Past Performance of the underlying fund as of 31 December 2015

	1-month	3-month	6-month	1-year	Since inception [^]
BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class	-0.7%	2.0%	0.1%	3.1%	2.5%
Benchmark	-0.2%	1.6%	1.4%	3.8%	3.4%

Fund net performance in SGD on a bid to bid pricing basis with dividends and distributions reinvested. Inception date of BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class was 10 December 2014. Benchmark is J.P. Morgan Asia Credit Index Hedged to Singapore Dollars. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Source: J.P. Morgan

[^] Returns above one year are annualised. Past performance is not indicative of future performance. There are limitations to using performance of the underlying fund as a proxy for the performance of the sub-fund.

Fund Manager

The sub-fund is managed by NTUC Income Insurance Co-operative Limited. It invests all assets in the BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class which is managed by the sub-investment Manager BlackRock (Luxembourg) S.A..

NTUC Income Insurance Co-operative Limited

NTUC Income was established in 1970 to provide affordable insurance for workers in Singapore. Today, over two million people in Singapore look to NTUC Income for trusted advice and solutions when making their most important financial decisions. Our wide network of advisers and partners provide life, health and general insurance to serve the protection, savings and investments needs of customers across all segments of society.

As a social enterprise, NTUC Income is committed to making insurance accessible, affordable and sustainable for all.

NTUC Income has managed life insurance funds since its establishment and ILP sub-funds since 1973. As of 31 December 2015, NTUC Income had S\$30.70 billion in assets under management. Our financial strength and diversified investment portfolio is reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

BlackRock (Luxembourg) S.A.

BlackRock (Luxembourg) S.A. has been appointed by BlackRock Global Funds to act as its management company (“Management Company”). It is a wholly owned subsidiary within the BlackRock Group. BlackRock Group means the BlackRock group of companies, the ultimate holding company of which is BlackRock, Inc. The Management Company is regulated by the Luxembourg Commission de Surveillance du Secteur Financier. The Management Company has managed collective investment schemes or discretionary funds for approximately 8 years.

In respect of the BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class, the Management Company has delegated its investment management functions to BlackRock (Singapore) Limited (the “Investment Adviser”). The Investment Adviser provides advice and management in the areas of fixed income securities and sector selection and strategic allocation.

BlackRock (Singapore) Limited is domiciled in Singapore and regulated by the Monetary Authority of Singapore. BlackRock (Singapore) Limited has managed collective investment schemes or discretionary funds for approximately 11 years.

In respect of the BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class, the Investment Adviser has sub-delegated some of its functions to BlackRock Asset Management North Asia (the “Sub-Investment Adviser”). Notwithstanding the appointment of the Investment Adviser or Sub-Investment Adviser, the Management Company accepts full responsibility to the Company for all investment transactions. BlackRock Asset Management North Asia Limited is domiciled in Hong Kong and regulated by the Securities and Futures Commission and has been managing collective investment schemes or discretionary funds for approximately 10 years.

As of 31 December 2015, BlackRock Group’s assets under management was US\$4.65 trillion.

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Risks

NTUC Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

The securities and instruments in which the sub-fund may invest are subject to market fluctuations and other risks inherent in such investments and there can be no assurance that any appreciation in value will occur.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

The risk factors may cause you to lose some or all of your investments. A description of the major risks is provided below. This is not an exhaustive list of risks.

Market and Credit Risks

You are exposed to market risks. The value of investments by the sub-fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

You are exposed to interest rate risks. The sub-fund's investment in debt securities may be subject to the risk of interest rate fluctuations which may cause the price of debt securities to go up or down. In general, as nominal interest rates rise, the value of fixed income securities is likely to fall.

You are exposed to currency risks. Foreign currency exchange rate movements are likely to influence the returns to investors in Singapore, hence investors may be exposed to exchange rate risk. While the underlying fund attempts to hedge the currency risk passively, there can be no guarantee that it will be successful in doing so.

You are exposed to credit risks. The value of the sub-fund will be negatively affected if the issuer or guarantor of a fixed income instrument, or counterparty to a derivative contract, is unable or unwilling to meet its financial obligations.

You are exposed to sovereign debt risks. The sub-fund may invest in bonds issued or guaranteed by governments or authorities, which may involve political, economic, default or other risks.

You are exposed to emerging markets risks. Emerging markets will generally be subject to greater political, legal, counterparty and operational risks.

You are exposed to foreign investment restriction risks. Some countries prohibit or restrict the repatriation of income, capital or the proceeds from the sale of securities. The sub-fund may incur higher costs investing in these countries. Such restrictions may delay the investment or repatriation of capital of the sub-fund.

Liquidity Risks

You are exposed to liquidity risks. There is no secondary market for the sub-fund. All redemption requests should be made to the Manager or its appointed agents.

Redemption of the underlying fund may be suspended in certain circumstances detailed in the underlying fund's Luxembourg prospectus under Appendix B – Summary of Certain Provisions of the Articles and of Company Practice (www.blackrock.com/sg/en/literature/prospectus/bgf-singapore-prospectus-sg.pdf).

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Product-Specific Risks

You are exposed to derivatives risks. The use of derivatives may expose the sub-fund to a higher degree of risk. Derivative contracts can be highly volatile and a relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative position can hence increase the sub-fund's volatility. The sub-fund may sustain loss as a result of the failure of a derivatives counterparty to comply with the term of the derivative contract. The sub-fund may also use derivatives to facilitate more complex efficient portfolio management techniques.

You are exposed to distressed securities risks. The sub-fund may invest in securities issued by a company that is in financial difficulty or in default. There is no guarantee that any exchange offer or reorganisation will be successfully completed.

You are exposed to non-investment grade risks. Non-investment grade securities will generally pay higher yields than more highly rated securities but will be subject to greater market credit and default risks.

You are exposed to risk of securities lending. The sub-fund may engage in securities lending. As such, the sub-fund will have a credit risk exposure to the counterparties to any securities lending contract. The sub-fund's investment can be lent to counterparties over a period of time. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the sub-fund. Please refer to the section on "Use of Derivatives and Securities Lending" of the underlying fund's prospectus for more details (www.blackrock.com/sg/en/literature/prospectus/bgf-singapore-prospectus-sg.pdf).

You are exposed to risk relating to distributions. The Manager of the sub-fund has the absolute discretion to determine whether a distribution is to be made. The Manager also reserves the right to review and make changes to the distribution policy from time to time. Where the income generated by the sub-fund is insufficient to pay distributions as declared, the Manager may at its discretion make such distributions out of the capital of the sub-fund. In circumstances where distributions are paid out of the capital of the sub-fund, the NAV of the sub-fund will be reduced.

Expense and turnover ratio

	Expense Ratio	Turnover Ratio
As of 31 December 2015	N.A.	N.A.

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.

The turnover of the underlying fund for the year ended 2015 was 94.10%.

Soft dollar commission or arrangement

The sub-investment managers did not retain for their own account cash or commission rebates arising out of transactions executed in or outside Singapore. Soft dollar commission/arrangement had been received/entered into by the sub-investment managers in respect of the ILP. The soft dollar commission/arrangement relates essentially to research services, economic and political analyses, portfolio analyses, market analyses, data and quotation services, computer hardware and software used for and in support of the investment process. The sub-investment managers did not accept or enter into soft dollar commission/arrangement unless such commission/arrangement would, in the opinion of the sub-investment managers, assist the sub-investment managers in the management of the ILP. The sub-investment managers confirmed that trades were made on best execution basis, that is, the sub-investment managers took all reasonable steps to obtain the best possible result for the ILP, taking into account the following execution factors: price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of a trade or transaction, and there was no churning of trades.

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Conflicts of interest

The Manager and sub-investment manager may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, the Manager and sub-investment manager will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager and sub-investment manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict. Please refer to the section on "Conflicts of Interest and Relationships within the BlackRock Group and with the PNC Group" in Appendix C – Additional Information in the underlying fund's Luxembourg Prospectus for more information (www.blackrock.com/sg/en/literature/prospectus/bgf-singapore-prospectus-sg.pdf).

Other parties

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

Reports

If you wish to track the performance of the sub-funds you have invested in, you can refer to the Semi Annual Fund Report and the Annual Fund Report for our ILP sub-funds.

The financial year end of NTUC Income's ILP sub-funds is 31 December of each year. You can find the semi annual financial statements in the Semi Annual Fund Report, and the annual audited financial statements in the ILP Financial Statements. The Semi Annual Fund Report will be available by the end of August of each year, and the Annual Fund Report and annual audited financial statements by the end of March of the following year respectively.

The Semi Annual Fund Report and Annual Fund Report are available on NTUC Income's website at www.income.com.sg/fund/cooprices.asp, and the annual audited financial statements are available at www.income.com.sg/about-us/reports-publications. Alternatively, you can also approach our insurance advisers, contact us at 6788 1122/6788 1777, or email csquery@income.com.sg to request for a copy of the reports.

IMPORTANT NOTES

The Asian Bond Fund is an Investment-Linked Policy (ILP) sub-fund issued by NTUC Income Insurance Co-operative Limited (Unique Entity Number No. S97CS0162D), a co-operative society registered in Singapore and having its registered address office at 75 Bras Basah Road, NTUC Income Centre, Singapore 189557. The information in this fund summary is for informational use only. A product summary relating to the sub-fund is available and may be obtained through NTUC Income. A potential investor should read the product summary before deciding whether to subscribe for units in the sub-fund. Investments are subject to investment risks including the possible loss of the principal amount invested. Past performance, as well as the prediction, projection or forecast on the economy, securities markets or the economic trends of the markets targeted by the sub-fund are not necessarily indicative of the future or likely performance of the sub-fund. The sub-fund returns are calculated on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment. The performance of the sub-fund is not guaranteed and the value of units in the sub-fund and the income accruing to the units, if any, may fall or rise. Any opinion or estimate contained in this document is subject to change without notice.

Information correct as of 3 May 2016