

The Product Highlights Sheet is an important document.

Prepared on: 29 June 2021

- 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.

ASIAN BOND FUND

Product Type	<i>ILP Sub-Fund¹</i>	Launch Date	<i>3 May 2016</i>
Manager	<i>NTUC Income Insurance Co-operative Limited (Income)</i>	Custodian	<i>The Bank of New York Mellon</i>
Capital Guaranteed	<i>No</i>	Dealing Frequency	<i>Every business day</i>
Name of Guarantor	<i>Not applicable</i>	Expense Ratio as of 31 December 2020	<i>1.26%</i>

SUB-FUND SUITABILITY

<p>WHO IS THE PRODUCT SUITABLE FOR?</p> <p>The sub-fund is <u>only</u> suitable for investors who:</p> <ul style="list-style-type: none"> • seek capital growth and income over a medium to long-term period; • comfortable with the risks associated with the sub-fund investing mainly in Asian fixed income securities including non-investment grade bonds; • seek regular income through monthly distribution; and • appreciate that the sub-fund is not a capital guaranteed fund, i.e. the amount of capital invested or return received is not guaranteed. <p>It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in the sub-fund.</p>	<p>For further information, please refer to “Investment Objective, Investment Scope and Fund Details” of the Fund Summary for ILP.</p>
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KEY FEATURES OF THE SUB-FUND

<p>WHAT ARE YOU INVESTING IN?</p> <p>The sub-fund aims to provide a medium to long-term rate of return by investing mainly in Asian fixed income securities. The sub-fund intends to achieve this objective by investing all or substantially all of its assets in the BlackRock Global Funds - Asian Tiger Bond Fund (“underlying fund”) A6 SGD Hedged Share Class. The sub-fund is denominated in Singapore Dollars.</p> <p>The sub-fund currently offers a monthly distribution pay-out feature. Distributions are not guaranteed and can be made out of income, capital gains, and/or capital of the sub-fund.</p>	<p>For further information, please refer to “Investment Objective, Investment Scope and Fund Details” of the Fund Summary for ILP.</p>
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Investment Strategy	
<p>The sub-fund uses a fundamental active investment approach that blends top-down macroeconomic analysis with bottom-up to credit selection. Quantitative tools will be used to support the investment process, notably in the areas of fair value assessments, portfolio construction and risk management. The Sub-Investment Manager seeks to generate additional alpha through off-benchmark allocations, including Asian local currency debt and investments in non-benchmark USD credit in the Asia Pacific region. Fixed Income derivatives may be used as alternative investments when compared on relative value basis against physical bonds.</p> <p>Prior to 17 August 2021, the underlying fund seeks to invest in bonds issued by governments and companies in Asia excluding Japan. The currency exposure of the underlying fund is flexibly managed. The underlying fund may use financial derivative instruments for investment purposes and for purposes of efficient portfolio management.</p>	<p>For further information, please refer to “Investment Scope and Investment Approach” of the Fund Summary for ILP.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <p>The sub-fund is managed by NTUC Income Insurance Co-operative Limited. The manager of BlackRock Global Funds – Asian Tiger Bond Fund is BlackRock (Luxembourg) S.A.</p> <p>The custodian of the sub-fund is The Bank of New York Mellon.</p>	<p>For further information, please refer to “Fund Manager” of the Fund Summary for ILP.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>You should consider and satisfy yourself as to the risks of investing in the sub-fund. An investment in the sub-fund is meant to produce returns over the long-term. You should not expect to obtain short-term gains from such investments. The risk factors may cause you to lose some or all of your investments. A description of the major risks is provided below.</p>	<p>For further information, please refer to “Risks” of the Fund Summary for ILP.</p>
Market and Credit Risks	
<p>You are exposed to the following risks:</p> <p>Market Risks The value of investments by the underlying fund may go up and down due to changing economic, political or market conditions, or due to an issuer’s individual situation.</p> <p>Interest Rate Risks The underlying 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.</p> <p>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.</p> <p>Credit Risks The value of the underlying 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.</p>	

<p>Sovereign Debt Risks The underlying fund may invest in bonds issued or guaranteed by governments or authorities, which may involve political, economic, default or other risks.</p> <p>Emerging Markets Risks Emerging markets will generally be subject to greater political, legal, counterparty and operational risks.</p> <p>Foreign Investment Restriction Risks Some countries prohibit or restrict the repatriation of income, capital or the proceeds from the sale of securities. The underlying fund may incur higher costs investing in these countries. Such restrictions may delay the investment or repatriation of capital of the underlying fund.</p>	
Liquidity Risks	
<p>You are exposed to liquidity risks There is no secondary market for the sub-fund. All redemption requests should be made to the Manager. In exceptional circumstances, the sub-fund's investment in the underlying fund may not be readily redeemable.</p>	
Product-Specific Risks	
<p>You are exposed to the following risks:</p> <p>Derivatives Risks The use of derivatives may expose the underlying 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 underlying fund's volatility. The underlying fund may sustain loss as a result of the failure of a derivatives counterparty to comply with the term of the derivative contract. The underlying fund may also use derivatives to facilitate more complex efficient portfolio management techniques.</p> <p>Distressed Securities Risks The underlying 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.</p> <p>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.</p> <p>Risks of Securities Lending The underlying fund may engage in securities lending. As such, the underlying fund will have a credit risk exposure to the counterparties to any securities lending contract.</p> <p>Risks Relating to Distributions The manager of the underlying 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.</p>	

FEES AND CHARGES

<p>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</p> <p><u>Payable directly by you</u> You will need to pay the following fees and charges as a percentage of your gross investment sum:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; padding: 5px;">Initial Sales Charge/Effective Bid-Offer Spread</td> <td style="padding: 5px;">Initial Sales Charge may apply. Please refer to the fees and charges in the Product Summary of the applicable ILP for details.</td> </tr> <tr> <td style="padding: 5px;">Policy Fee</td> <td style="padding: 5px;">Policy fee may apply. Please refer to the fees and charges in the Product Summary of the applicable ILP for details.</td> </tr> <tr> <td style="padding: 5px;">Switching Fee</td> <td style="padding: 5px;">There is no charge for sub-fund switching for all ILPs, other than FlexiLink. This single premium ILP is entitled to 2 free switches for each calendar year. A fee of either 1% of the transaction value or \$30, whichever is higher, is chargeable for all subsequent switches within the same calendar year. The fund switching fee is payable by cash only. Please refer to the Product Summary for details.</td> </tr> <tr> <td style="padding: 5px;">Surrender Charge</td> <td style="padding: 5px;">There is no surrender charge for all ILPs, other than VivoLink. This regular premium ILP has a surrender charge of up to 25% of the Annualised Premiums of a Premium Stream. Please refer to the Product Summary for details.</td> </tr> </table> <p><u>Payable by the ILP sub-fund from invested proceeds</u> The sub-fund will pay the following fees and charges to the Manager and other parties:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; padding: 5px;">Annual Management Fee</td> <td style="padding: 5px;">1.0% per annum, including the management fee charged by the investment manager of the BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class. 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.</td> </tr> </table>		Initial Sales Charge/Effective Bid-Offer Spread	Initial Sales Charge may apply. Please refer to the fees and charges in the Product Summary of the applicable ILP for details.	Policy Fee	Policy fee may apply. Please refer to the fees and charges in the Product Summary of the applicable ILP for details.	Switching Fee	There is no charge for sub-fund switching for all ILPs, other than FlexiLink. This single premium ILP is entitled to 2 free switches for each calendar year. A fee of either 1% of the transaction value or \$30, whichever is higher, is chargeable for all subsequent switches within the same calendar year. The fund switching fee is payable by cash only. Please refer to the Product Summary for details.	Surrender Charge	There is no surrender charge for all ILPs, other than VivoLink. This regular premium ILP has a surrender charge of up to 25% of the Annualised Premiums of a Premium Stream. Please refer to the Product Summary for details.	Annual Management Fee	1.0% per annum, including the management fee charged by the investment manager of the BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class. 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.	<p>For further information, please refer to “Fees and Charges” in section 4 of the Product Summary for ILP.</p>
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VALUATIONS AND EXITING FROM THIS INVESTMENT

<p>HOW OFTEN ARE VALUATIONS AVAILABLE? The sub-fund is valued daily on an offer/bid basis. All transactions for ILP are based on forward pricing. The prices are updated on the website of Income on each business day.</p> <p>HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO? You can exit the sub-fund at any time by informing the insurer, either directly or through the financial adviser from whom you purchased the sub-fund. If you do so within the cancellation period of 14 days from time of purchase, you may do so without incurring the sales charge and fees stated above. However, you will have to take the risk for any price changes in the NAV of the sub-fund since you purchased it. You will receive the sale proceeds within 7 business days from the time the insurer receives your request to exit from the sub-fund. Your exit price is determined as follows:</p> <ol style="list-style-type: none"> 1. If you submit the redemption order before 3 pm on a business day, you will be paid a bid price based on the net asset value of the sub-fund at the close of that business day. 2. If you submit the redemption order after 3 pm, you will be paid a price bid based on the net asset value at the close of the next business day. 	<p>For further information, please refer to “Subscription of Units” and “Redemption of Units” in section 5 and 6 of the Product Summary for ILP.</p>
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<p>The sale proceeds that you will receive will be the exit price multiplied by the number of units sold, less any charges as stated in the terms of the ILP, if applicable. An example, assuming that redemption charge is not applicable, is as follows:</p>				
Exit price	X	Number of units sold	=	Gross Sale Proceeds
\$S\$1.250	X	1,000	=	\$S\$1,250
Gross Sale Proceeds	-	Redemption Charge	=	Net Sale Proceeds
<p>Depending on the ILP that you are investing in, a redemption charge may be applicable. Please refer to the Product Summary of the ILP for more details.</p>				

CONTACT INFORMATION

<p>HOW DO YOU CONTACT US? More information on the sub-fund could be obtained from the following website: www.income.com.sg/fund/coopprices.asp</p> <p>Alternatively, you may contact our Customer Service Officers at 6788 1122 / 6788 1777 or email us at csquery@income.com.sg for more information.</p>	
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¹ For ILP sub-fund that feeds 100% into an underlying CIS fund, some of the information provided below could be similar to the underlying CIS fund.

APPENDIX: GLOSSARY OF TERMS	
ILP	Investment-Linked Policy
Non-Investment Grade	Also known as “high yield” define debt securities which are unrated or rated, at the time of purchase, BB+ (Standard and Poor’s or equivalent rating) or lower by at least one recognized rating agency.
Efficient portfolio management	An investment technique that seeks either to reduce the risk or cost or generate additional return consistent with risk profile of the sub-fund.
NAV	Net Asset Value
Offer/Bid Basis	The offer price is the price that is used to purchase units, the bid price is the price that is used when units are sold. The difference in the bid offer price is known as spread. The spread helps to cover distribution costs, marketing and other general administration expenses.
Business Day	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore.
CIS	CIS refers to Collective Investment Scheme, which has the meaning given to it under Section 2 of the Securities and Futures Act.