

The Product Highlights Sheet is an important document.

Prepared on 15 April 2025

- 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.

Income SGD Bond Fund

Product Type	<i>ILP Sub-Fund</i>	Launch Date	<i>15 April 2025</i>
Manager	<i>Income Insurance Limited (Income Insurance)</i>	Custodian	<i>JPMorgan Chase Bank, National Association, Hong Kong Branch</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 2024	<i>Not applicable</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 long-term capital appreciation and/or income; and • are comfortable with the risks of a fund which invest in diversified portfolio comprising primarily of investment grade fixed income or debt securities. <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>
--	--

KEY FEATURES OF THE SUB-FUND

<p>WHAT ARE YOU INVESTING IN?</p> <p>The sub-fund aims to generate long-term capital appreciation and/or income in SGD terms by investing primarily in fixed income or debt securities. The sub-fund aims to achieve the objective by investing all or substantially all of its assets into Fullerton SGD Income Fund – Class B (SGD) (“underlying fund”).</p> <p>The manager of the underlying fund currently intends to make quarterly distributions out of income and/or capital of the underlying fund. This is not guaranteed, and the manager of the underlying fund has the sole discretion to determine whether a distribution will be made as well as the rate and frequency of distributions to be made.</p> <p>If the investment income is insufficient to fund a distribution for the underlying fund, the manager of underlying fund may determine that such distributions should be paid from the capital of the underlying fund. Where distributions are paid out of capital, the net asset value of the underlying fund will be reduced.</p> <p>For a sub-fund that feeds 100% into an underlying CIS fund, some of the information provided below could be similar to the underlying CIS fund.</p> <p>The sub-fund is denominated in Singapore Dollars.</p>	<p>For further information, please refer to “Investment Objective, Investment Scope and Fund Details” of the Fund Summary for ILP.</p>
---	--

Investment Strategy	
<p>The investment approach of underlying fund:</p> <p>The underlying fund manager seeks to add value from interest rate accruals, selection of bonds and/or credits and duration management (optimisation of bond returns by selecting bonds with different terms to maturity).</p> <p>The investment process is a combination of top-down macro research and bottom-up analysis. Economic research and monetary policy analysis is the basis for arriving at the interest rate outlook and bottom-up analysis forms the basis for credit selection and yield curve positioning. The underlying fund manager will evaluate fixed income and debt securities to determine their fair value and formulate the duration and credit strategies for the underlying fund.</p> <p>The underlying fund will invest in a diversified portfolio of primarily investment grade fixed income or debt securities and cash, with no specific geographical or sectoral emphasis.</p> <p>The underlying fund may also invest in non-investment grade bonds of up to 30% of its NAV. Non-rated bonds will be subject to the underlying fund's internal rating process and will follow the internal equivalent rating of investment grade or non-investment grade accordingly.</p> <p>The underlying fund may invest in Singapore Dollar and foreign currency denominated bonds including but not limited to US Dollar, Euro, Japanese Yen and Australian Dollar. The foreign currency denominated bonds will be fully hedged back to the Singapore Dollar except for a 5% frictional currency limit (to account for possible deviations from a 100% hedge).</p> <p>The underlying fund may use financial derivative instruments for the purpose of hedging or for efficient portfolio management.</p> <p>The underlying fund manager may also invest in other Authorised Investments, as stated in the underlying fund's prospectus.</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 Income Insurance Limited. The manager of the underlying fund is Fullerton Fund Management Company Ltd.</p> <p>The custodian of the sub-fund is JPMorgan Chase Bank, National Association, Hong Kong Branch.</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.</p> <p>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. There is no assurance that the investment objectives of the ILP sub-fund will actually be achieved. 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.</p> <p>The risk factors may cause you to lose some or all 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>Interest Rate Fluctuations Risk Generally, the price of fixed income securities rises when interest rate falls and vice versa. The longer the term of a fixed income instrument, the more sensitive it will be to interest rate fluctuations.</p> <p>Credit Risk The issuer of securities, counterparties and custodians to transactions may default on their obligations.</p> <p>Currency Risk Changes in currencies and exchange control regulations may affect your investment. Changes in foreign exchange rates, which may not be fully hedged, may affect the underlying fund's income. Hedging will not eliminate all the risk of loss due to currency fluctuations. Investment which are not expressed in the underlying fund's base currency are also subject to exchange rate fluctuations.</p> <p>Political, Regulatory and Legal Risk The underlying fund may be affected by international political developments, changes in government and taxation policies, restrictions on foreign investment and currency repatriation, and other developments in the laws and regulations of countries in which it may invest.</p>	
Liquidity Risks	
<p>The sub-fund is not listed on Singapore Exchange, and you can redeem only on a Business Day through Income Insurance. There is no secondary market for the sub-fund.</p> <p>Liquidity Risk of the Underlying Fund's Investments Under exceptional market conditions the manager may be forced to sell assets of the underlying fund at a discount in order to meet continued redemption requests.</p> <p>The size of the underlying fund's portfolio may make it less easy for the underlying fund to buy or sell securities in the Singapore fixed income markets.</p>	
Product-Specific Risks	
<p>Derivatives Risk The underlying fund may use financial derivative instruments (FDIs). It may be negatively impacted if the FDIs do not work as anticipated. It may suffer greater losses than if FDIs are not used. FDIs are exposed to counterparty, regulatory and other risks.</p> <p>Non-investment Grade Bonds Risk Issuers face ongoing uncertainties and exposure to adverse business, financial or economic conditions, which could lead to inability to make timely interest and principal payments. Compared to investment-grade securities, non -investment grade securities tend to be more sensitive to economic conditions, and its market thinner and less active, which can adversely affect its prices.</p> <p>Distributions Out of Capital Risk The underlying fund may make distributions out of its capital (if income is insufficient). This may cause its NAV to fall, and amount to a partial return of your original investment and reduced future returns.</p>	

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Premium Charge	Premium 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	We currently don't charge for fund switches. Please refer to the fees and charges in the Product Summary of the applicable ILP for details.
Surrender Charge	Surrender charge may apply. Please refer to the fees and charges in the Product Summary of the applicable ILP for details.

There may be other fees and charges imposed at the investment-linked product level. Please refer to the Product Summary of applicable ILP which you have purchased or intend to purchase for details.

Payable by the ILP sub-fund from invested proceeds

The sub-fund will pay the following fees and charges to the Manager and other parties:

Annual Management Fee	1.00% per annum. This includes the management fee charged by the manager of the underlying fund. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the fund balance at any point of time.
-----------------------	---

For further information, please refer to "Fees and Charges" section of the Product Summary for ILP.

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The sub-fund is valued on every Business Day to determine the Unit price. All transactions for ILP are based on forward pricing. The prices of sub-funds are available on the Income Insurance's website at www.income.com.sg.

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:

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 on a Business Day, you will be paid a price bid based on the net asset value at the close of the next Business Day.

For further information, please refer to "Subscription of Units" and "Redemption of Units" sections of the Product Summary for ILP.

<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.</p> <p>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	
S\$1,250	-	S\$0.00	=	S\$1,250	
<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?</p> <p>More information on the sub-fund could be obtained from the following website: www.income.com.sg/funds/reports-and-downloads</p> <p>Alternatively, you may contact our Customer Service Officers at 6788 1777 or email us at csquery@income.com.sg for more information.</p>		
---	--	--

APPENDIX: GLOSSARY OF TERMS

Authorised Investments	The definition of Authorised Investments is set out in the trust deed relating to the underlying fund. Relating to this, you should also consider the definitions of Quoted Investment, Unquoted Investment, Investment and Cash as stated in the trust deed
Business Day	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore
CIS	Collective Investment Scheme
Derivatives	Financial derivative instruments, which include (without limitation) treasury, bond or equities futures, interest rate swaps and foreign exchange forwards
Frictional Currency Limit	Allowable deviation in the portfolio's net foreign currency exposure due to operational factors such as market fluctuations
ILP	Investment-Linked Policy
Investment Grade	In respect of fixed investment or debt securities, means a security with a minimum long-term credit rating of BBB- by Fitch, Baa3 by Moody's or BBB- by Standard & Poor's (or their respective equivalents)
NAV	Net Asset Value
Non-investment Grade	In respect of fixed investment or debt securities, means a security with a long-term credit rating of less than BBB- by Standard & Poor's, Baa3 by Moody's or BBB- by Fitch (or their respective equivalents)
Units	Units in the sub-fund