

**Important Notes:** Information mentioned in this document is intended to provide you with a general summary of the ILP Sub-Fund and are subject to change. Please read the Policy (including Policy Illustration, Product Summary and Fund Summary) for the full details of the standard terms and conditions and the exclusions of the insurance product and ILP Sub-Fund.

This Product Highlights Sheet ("PHS") is an important document.

- It highlights the key terms and risks of the ILP Sub-Fund and complements the Product Summary and Fund Summary.
- It is important to read the Product Summary and the Fund 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.
- Unless otherwise defined, capitalised terms in this PHS have been defined in the Fund Summary.

Investment risk rating is used as a guide to determine the ILP Sub-Fund that is suitable to the risk profile as indicated in the Bank's Risk Profile Questionnaire (RPQ). It is currently only applicable to customers of HSBC Bank (Singapore) Limited (the "Bank").

## Schroder International Selection Fund – Sustainable Multi-Asset Income (the "ILP Sub-Fund")

Product Type	ILP Sub-Fund <sup>1</sup>	Launch Date	21 January 2020
Manager	Schroder Investment Management (Europe) S.A.	Custodian	J.P.Morgan Bank Luxembourg S.A.
Capital Guaranteed	No	Dealing Frequency	Every Dealing Day
Name of Guarantor	N.A.	Expense Ratio as at 30 June 2023	Class A SGD Hedged: 1.64% Class A USD Hedged: 1.61%
ILP Sub-Fund Share Class	Schroder International Selection Fund – Sustainable Multi-Asset Income - A SGD Hedged Schroder International Selection Fund – Sustainable Multi-Asset Income - A USD Hedged		

### ILP SUB-FUND SUITABILITY

#### WHO IS THE ILP SUB-FUND SUITABLE FOR?

The ILP Sub-Fund is only suitable for potential investors who:

- Seek income and capital growth; and
- understand the risks of investing in equity and equity related securities and fixed and floating rate securities of companies worldwide and fixed and floating rate securities and currencies of governments and government agencies worldwide directly or indirectly through funds and derivatives.

#### Further Information

Refer to Section 5 and Section 7 of the Fund Summary for further information on the ILP Sub-Fund.

### KEY FEATURES OF THE ILP SUB-FUND

#### WHAT ARE YOU INVESTING IN?

The ILP Sub-Fund invests 100% into Schroder International Selection Fund – Sustainable Multi-Asset Income (the "Fund"), a sub-fund of Schroder International Selection Fund. Schroder International Selection Fund is an umbrella structured open-

Refer to Section 2, Section 5 and

<sup>1</sup>The ILP Sub-Fund is not classified as Excluded Investment Product.

<p>ended investment company with limited liability in Luxembourg, organised as a “société anonyme” and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) under Part I of the law on undertakings for collective investment dated 17 December 2010, as amended from time to time.</p> <p>The Fund aims to provide an income of 3-5%* per year by investing in a diversified range of assets and markets worldwide which meet the Investment Manager’s sustainability criteria.</p> <p>The Fund intends to declare and pay dividend monthly.</p> <p><i>*You should note that this is the investment objective of the Fund and the reference to income distribution (or an income rate) seeks to be achieved by the Fund is not and should not be interpreted to be a prediction, projection or forecast of the future performance of the Fund. It is not indicative of the future or likely performance of the Fund.</i></p>	<p>Section 16 of the Fund Summary for further information on features of the ILP Sub-Fund.</p>
<p><b>Investment Strategy</b></p>	
<p>The Fund is actively managed and invests at least two-thirds of its assets directly or indirectly through derivatives in equity and equity-related securities, fixed income securities and Alternative Asset Classes. The exposure to Alternative Asset Classes is taken through eligible assets<sup>2</sup> as described in Appendix III of the Luxembourg Prospectus.</p> <p>The Fund may invest:</p> <ul style="list-style-type: none"> <li>– up to 50% of its assets in below investment grade (fixed and floating rate) securities (being securities with a credit rating below investment grade as measured by Standard &amp; Poor’s or any equivalent grade of other credit rating agencies) and unrated securities;</li> <li>– in excess of 50% of its assets in emerging market debt (fixed and floating rate) securities; and</li> <li>– up to 20% of its assets in asset-backed securities and mortgage-backed securities.</li> </ul> <p>The Investment Manager believes that companies demonstrating positive sustainability characteristics, such as managing the business for the long-term, recognizing its responsibilities to its customers, employees and suppliers, and respecting the environment, are better placed to maintain their growth and returns over the long term.</p> <p>The Fund is managed with reference to material environmental, social and governance factors. This means issues such as climate change, environmental performance, labor standards or board composition that could impact a company’s value may be considered in the assessment of companies.</p> <p>The Fund aims to provide a risk profile comparable to a portfolio of 30% equities and 70% fixed income.</p> <p>The Fund may use derivatives (including total return swaps), long and short, with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently.</p> <p>The Fund may (exceptionally) hold up to 100% of its assets in cash and money market investments. This will be limited to a maximum of 6 months (otherwise the Fund will be liquidated). During this period, the Fund will not fall within the scope of MMFR. The Fund may also invest up to 10% of its assets in open-ended Investment Funds.</p>	<p>Refer to Section 5 of the Fund Summary for the further information on the investment focus and approach of the ILP Sub-Fund.</p>
<p><b>Parties Involved</b></p>	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <ul style="list-style-type: none"> <li>• The Management Company is Schroder Investment Management (Europe) S.A..</li> <li>• The Investment Manager is Schroder Investment Management Limited.</li> <li>• The Sub-Investment Managers are Schroder Investment Management North America Inc..</li> <li>• The Depositary is J.P. Morgan Bank Luxembourg S.A..</li> </ul>	<p>Refer to Section 3 of the Fund Summary for further information on the roles and responsibilities of these entities and what happens if they become insolvent.</p>
<p><b>Key Risks</b></p>	

<b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b>  <b>The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment and your principal may be at risk:</b>	Refer to Section 7.1 of the Fund Summary for further information on risks of the ILP Sub-Fund.
<b>Market and Credit Risks</b>	
<b>You are exposed to market risk.</b> The value of investments by the Fund may go up or down due to changing economic, political or market conditions, or due to an issuer's individual situation.  <b>You are exposed to credit risk.</b> A decline in the financial health of an issuer could cause the value of its bonds to fall or become worthless.	Refer to Section 7.2 of the Fund Summary for further information on market risk of the Underlying Sub-Fund.
<b>Liquidity Risks</b>	
<b>You are exposed to liquidity risk.</b> There is no secondary market for the Fund. All redemption requests should be made to HSBC Life through whom you had originally purchased the Shares. The liquidity of the Fund may be limited if a significant portion of the assets of the Fund is to be sold to meet redemption requests in a short time frame.	Refer to Section 7.1 of the Fund Summary for information on liquidity risks of the ILP Sub-Fund and Section 9 of the Fund Summary for further information on Suspension of Dealings of the ILP Sub-Fund.
<b>Product-Specific Risks</b>	
<b>You are exposed to derivatives risk.</b> The Fund may use derivatives as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk.  <b>You are exposed to emerging and frontier markets risk.</b> Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk.  <b>You are exposed to high yield bond risk.</b> High yield bonds (normally lower rated or unrated) generally carry greater market, credit and liquidity risk.  <b>You are exposed to asset-backed / mortgaged-backed securities risk.</b> Mortgage or asset-backed securities may not receive the full amounts owed to them by underlying borrowers.  <b>You are exposed to equity risk.</b> Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.  <b>You are exposed to leverage risk.</b> The Fund uses derivatives for leverage, which makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.  <b>You are exposed to distribution policy risk.</b> In respect of a Distribution Class with fixed dividends, fixed dividends may be paid out of capital if investment income is less than the fixed dividend amount. In respect of a Distribution Class with variable dividends, the dividends are paid out of capital rather than out of investment income. Capital growth will be reduced and in periods of low growth, capital erosion may occur. Where dividends are paid out of capital of a Distribution Class, this will reduce the net asset value of the Distribution Class.	Refer to Section 7.2 of the Fund Summary for further information on specific risks of the Underlying Sub-Fund.
<b>FEES AND CHARGES</b>	

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

Payable directly by you as a percentage of your investment amount:

<b>Premium Charge*</b>	Currently Nil
<b>Surrender Penalty*</b>	Surrender penalty may apply. You should also refer to the Product Summary for information on the surrender penalty, if applicable.
<b>Switching Fee*</b>	Currently Nil

Payable by the ILP Sub-Fund from asset value of the portfolio:

<b>Management Fee</b>	1.25% p.a.
<b>Custody Fee</b>	Up to a maximum of 0.3% per annum and US\$75 per transaction
<b>Administration Fee</b>	Up to 0.25% p.a.
<b>Accounting and Valuation Fee</b>	Up to 0.0083% p.a.
<b>Share Class Hedging Charge (to be borne by the Hedged Classes)</b>	Up to 0.03%

\* HSBC Life reserves the right to review and amend the fees and charges by giving you at least thirty (30) days' advance notice.

Refer to Section 8 of the Fund Summary and Section 5 of the Product Summary for further information on fees, charges and Surrender Penalty (if applicable).

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The net asset value of the Shares of the Fund is published at the Manager's website at <http://www.schroders.com.sg> normally within 2 Singapore Business Days after each Dealing Day.

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

You can exit or partially exit the ILP Sub-Fund at any time by informing HSBC Life (Singapore) Pte. Ltd. ("HSBC Life"), either directly or through your Financial Consultant from whom you purchased the ILP Sub-Fund. If your application reaches our correspondence address before 3.30pm on a business day, it will be processed on the same business day. If your application is received after 3:30pm, it will be processed on the next business day. The units withdrawn will be realised at the unit price of the ILP Sub-Fund on the valuation date immediately following the date we accept your written application. The withdrawal proceeds will usually be paid out within 6 business days from the day we process your valid application to exit or partially exit the ILP Sub-Fund.

The following is an illustration of the withdrawal amount\*\* that you will receive from the ILP Sub-Fund based on withdrawal of 1,000 units, and unit price of \$1.50 assuming the policy is surrendered in the first year with surrender penalty charge of 70% on the account value.

$$(1,000 \times \$1.50) - 70\% (1,000 \times \$1.50) = \$450$$

Gross withdrawal amount - surrender penalty charge = Net withdrawal amount

\*\* You should also refer to the Product Summary for information on any surrender penalty that may be applicable.

If you decide to terminate the Investment-Linked Policy within the free-look period of receiving your Investment-Linked Policy, HSBC Life will refund the initial premium you paid without interest, without incurring the fees and charges as stated above, less any medical and/or underwriting expenses incurred in accepting your application; and a sum to account for market fluctuation in respect of your units as determined by HSBC Life. Please note that no top-up, fund switching, partial withdrawal or surrender is allowed during the free-look period.

Refer to Section 13 of the Product Summary for more information on valuation, and Sections 7 and 8 of the Product Summary for more information on withdrawal and switching.

## CONTACT INFORMATION

### HOW DO YOU CONTACT US?

Please contact your Financial Consultant or call Customer Service Hotline at +65 6880 4888, Mondays to Fridays (excluding public holidays), 9am to 5pm.

## GLOSSARY

**“Alternative Asset Classes”** - Asset classes including real estate, infrastructure, private equity, commodities, precious metals and Alternative Investment Funds as described in Appendix III, section “Fund Details”, paragraph (I) of the Fund’s Luxembourg Prospectus.

**“Business Day”** - A day (other than Saturday, Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore.

**“Class”** - A class of Shares with a specific fee structure.

**“Currency carry”** - This refers to the premium or discount that may apply to the distribution. Distributions may include a premium when the interest rate of a currency hedged Class is higher than the Fund’s base currency interest rate. Consequently, when the interest rate of a currency hedged Class is lower than the Fund’s base currency interest rate, the dividend may be discounted. The level of premium or discount is determined by differences in interest rates and is not part of the Fund’s investment objective or investment policy.

**“Dealing Day”** - Unless otherwise provided in the Fund’s details in Appendix III of the Luxembourg Prospectus, a Dealing Day is a business day which does not fall within a period of suspension of calculation of the net asset value per Share of the Fund. The Management Company may also take into account whether relevant local stock exchanges and/or regulated markets are closed for trading and settlement, and may elect to treat such closures as non-Dealing Days for the Fund which invest a substantial amount of their portfolio on these closed stock exchanges and/or regulated markets. A list of non-Dealing Days for the Fund is available from the Manager on request and is also available on the internet site [www.schroders.lu](http://www.schroders.lu).

**“Investment Fund(s)”** - A UCITS or other UCI in which the Fund may invest, as determined in the investment rules described in Appendix I of the Luxembourg Prospectus.

**“Luxembourg Prospectus”** - The Luxembourg Prospectus of the Fund (together with any addendum to such Luxembourg Prospectus) attached to the Prospectus.

**“MMFR”** - The regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds, as it may be amended or supplemented from time to time.

**“Money Market Investments”** - money market instruments as defined under the UCITS Directive, specifically instruments normally dealt on the money market which are liquid and have a value which can be accurately determined at any time.

**“Shares”** - shares in the Fund.

**“UCI”** - an “undertaking for collective investment” within the meaning of Article 2(2) of the law on undertakings for collective investment dated 17 December 2010, as amended.

**“UCITS”**: an “undertaking for collective investment in transferable securities” within the meaning of points a) and b) of Article 1(2) of the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended, on the coordination of laws, regulations and administrative provisions relating to UCITS.