

The Product Highlights Sheet is an important document.

Prepared on 22 October 2024

- 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.

TAKAFUL FUND

Product Type	<i>ILP Sub-Fund</i>	Launch Date	<i>1 September 1995</i>
Manager	<i>Income Insurance Limited (Income Insurance)</i>	Custodian	<i>The Bank of New York Mellon, until 10 October 2024 JPMorgan Chase Bank, National Association, Hong Kong Branch, with effect from 11 October 2024</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 2023	<i>1.35%</i>

SUB-FUND SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The sub-fund is only suitable for investors who:

- seek long-term capital growth;
- seek to gain exposure to a diversified global portfolio of global equity securities issued by companies considered to be in compliance with Islamic guidelines; and
- understand the risks associated with investing in global equity securities.

It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in the sub-fund.

For further information, please refer to “Investment Objective, Investment Scope and Fund Details” of the Fund Summary for ILP.

KEY FEATURES OF THE SUB-FUND

WHAT ARE YOU INVESTING IN?

The sub-fund invests in a diversified global portfolio of equity securities issued by companies considered to be in compliance with Islamic guidelines.

The sub-fund is denominated in Singapore Dollars.

The sub-fund is an accumulating fund – the Investment Manager does not intend to make any distribution pay-outs.

For further information, please refer to “Investment Objective, Investment Scope and Fund Details” of the Fund Summary for ILP.

Investment Strategy

The sub-fund intends to achieve its objective by investing in the global equity markets via instruments that are Shariah compliant.

For further information, please refer to “Investment Scope and Investment Approach” of the Fund Summary for ILP.

Parties Involved	
<p>WHO ARE YOU INVESTING WITH? The sub-fund is managed by Income Insurance Limited and sub-managed by Wellington Management Singapore Pte Ltd.</p> <p>The custodian of the sub-fund is The Bank of New York Mellon. Effective 11 October 2024, the custodian will be 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? 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.</p> <p>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 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 sub-fund may go up and down due to changing economic, political or market conditions, or due to an issuer’s individual situation.</p> <p>Currency Risks Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a sub-fund’s investments to diminish or increase. Currency exchange rates may fluctuate significantly over short periods of time.</p> <p>Greater Exposure To Market Risks As This Is An Equity Fund. Historically, equities have greater volatility than bonds and other fixed income securities. The sub-fund’s valuation and the price at which you can exit may correspondingly fluctuate more strongly on a day-to-day basis compared to sub-funds investing in bonds and other fixed income securities.</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.</p>	
Product-Specific Risks	
<p>You are exposed to the following risks:</p> <p>Derivatives Risks The sub-fund may invest in derivatives instruments including futures, options, forwards, swaps or credit derivatives for purposes of hedging and/or efficient portfolio management. Derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. The usage of derivatives may negatively impact the value of the sub-fund. The global exposure of the sub-fund to financial derivatives or embedded financial derivatives will be calculated using the commitment approach and in accordance with provisions of the Code on Collective Investment Schemes. The Manager will ensure that the risk management and compliance procedures</p>	

are adequate and have been or will be implemented and that it has the necessary expertise to manage the risks relating to the use of financial derivatives.

Risks arising from Shariah Investment Guidelines

The sub-fund may perform less well than other funds with comparable investment objectives that do not seek to adhere to Islamic Investment criteria. This may include disadvantageous divestments at the instruction of the Shariah adviser. It is intended that the Shariah investment guidelines will be observed at all times, but no assurance can be given as there may be occasions when the sub-fund investments do not fully comply with such criteria for factors outside the control of the Manager.

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	1.0% per annum. 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.
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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.

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

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

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:

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

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.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

More information on the sub-fund could be obtained from the following website:

www.income.com.sg/funds/reports-and-downloads

Alternatively, you may contact our Customer Service Officers at 6788 1777 or email us at csquery@income.com.sg for more information.

APPENDIX: GLOSSARY OF TERMS	
Business Day	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore.
Commitment Approach	Commitment approach used in connection with the calculation of global exposure of the sub-fund to derivatives or embedded financial derivative refers to the sum of <ul style="list-style-type: none"> a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements; b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and c) the sum of the values of cash collateral received pursuant to: <ul style="list-style-type: none"> i) the reduction of exposure to counterparties of OTC financial derivatives; and ii) efficient portfolio management techniques relating to securities lending and repurchase transactions, and that are reinvested.
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.
Embedded Financial Derivative	Embedded derivative is part of a financial instrument that also includes a non-derivative host contract. The embedded derivative requires that some portion of the contract's cash flows be modified in relation to changes in a variable, such as an interest rate, commodity price, credit rating, or foreign exchange rate.
ILP	Investment-Linked Policy
NAV	Net Asset Value