

# Income Japan Dividend Equity Fund

Fund Summary  
as of 21 January 2025

## Investment Objective

The sub-fund seeks to provide a total return of capital growth and income over the medium to long-term by investing in equity investments listed and traded on the Tokyo Stock Exchange.

## Investment Scope

The sub-fund intends to achieve the objective by investing all or substantially all of its assets into Nikko AM Japan Dividend Equity Fund - SGD Hedged Class (“underlying fund”).

The underlying fund may use financial derivative instruments (“FDIs”) for the purpose of hedging the underlying fund’s existing portfolio.

The sub-fund is denominated in Singapore Dollars.

## Investment Approach

The underlying fund’s investment focus is to invest in a diversified portfolio of dividend producing equity investments listed and traded on the Tokyo Stock Exchange that offer attractive and sustainable dividends from companies with relatively strong sustainable cash flows, stable growth and stable dividend payout.

The underlying fund will be actively managed and may allocate up to 30% of its NAV to cash to manage any downside market fluctuations. There is no target industry or sector.

The manager of underlying fund’s current distribution policy is to make monthly distributions of approximately 5% to 7% per annum. If the investment income is insufficient to fund a distribution for the underlying fund, the manager of underlying fund may, after consulting the auditors of the underlying fund and with the approval of the underlying fund trustee, 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.

Please refer to the underlying fund Singapore prospectus for further information on the investment policy of the underlying fund which is available at [Fund Documents | Nikko AM Asia](#).

## Fund Details

<b>Launch Date</b>	21 January 2025
<b>Fund Manager</b>	Income Insurance Limited
<b>Manager of the Underlying Fund</b>	Nikko Asset Management Asia Limited
<b>Custodian</b>	JPMorgan Chase Bank, National Association, Hong Kong Branch
<b>Dealing Frequency</b>	Every business day
<b>Premium Charge</b>	Please refer to “Fees and Charges” Section of the Product Summary for ILP
<b>Annual Management Fee</b>	1.50% p.a. This includes 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% p.a. of the sub-fund balance at any point of time.
<b>Inclusion in CPFIS</b>	N.A.
<b>CPFIS Risk Classification</b>	N.A.

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<b>Structure</b>	Single Fund. The units in the sub-fund are not classified as Excluded Investment Products
<b>Benchmark</b>	The sub-fund is actively managed without reference to a benchmark
<b>Subscription Method</b>	Cash / SRS
<b>Financial Year End</b>	31 December
<b>Distribution</b>	Distributions (if any) may be declared at our absolute discretion and are not guaranteed.

The sub-fund offers a monthly distribution feature and intends to declare monthly distributions out of income and/ or capital of the sub-fund from March 2025. The Manager intends to pay the distribution within 45 days from the declaration date. The Manager has the absolute discretion to determine whether a distribution is to be declared on each calendar month and when it intends to start distributions.

Policyholders will be entitled to receive these distributions if their policy has not ended and have units in this fund on the declaration date of the distribution. Please refer to the ILP products' policy contracts for the criteria and options available.

Please note that the making of distributions is not guaranteed. If distributions are made, such distributions are not a forecast, indication or projection of the future performance of the sub-fund. The making of any distribution will not imply that further distributions will be made. The frequency and/or amount of distributions (if at all) may be varied at our absolute discretion. The distribution rate of the sub-fund may differ from the underlying fund's distribution rate and the Manager may consider to cease the distribution under extreme market condition.

Distributions may be made out of the capital of the sub-fund and expected to result in an immediate reduction of the net asset value per share/unit.

## Past Performance (as of 30 September 2024)

As the sub-fund has been constituted for less than 12 months, hence there is no track record of at least one year for the sub-fund. Past performance of the underlying fund has been used as a proxy.

	1-month	3-month	6-month	1-year	3-year <sup>^</sup>	5-year <sup>^</sup>	10-year <sup>^</sup>	Since Inception <sup>^</sup>
<b>Nikko AM Japan Dividend Equity Fund - SGD Hedged Class</b>	-2.28	-4.31	-2.26	13.80	16.63	14.15	10.93	11.10

The returns are calculated using bid-to-bid prices, in Singapore dollar terms, with dividends and distributions reinvested.

<sup>^</sup>Returns above one year and since inception date 1 July 2013 are annualised. Past performance is not indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

## Fund Manager

Income Insurance Limited is the Investment Manager of the sub-fund. Nikko Asset Management Asia Limited is the manager of the underlying fund. Nikko Asset Management Asia Limited has appointed Nikko Asset Management Co., Ltd to act as the Sub-Manager of the underlying fund and has delegated the investment management of the underlying fund to the Sub-Manager.

## Income Insurance Limited (Income Insurance)

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Income Insurance is one of the leading composite insurers in Singapore and regulated by Monetary Authority of Singapore. Established in 1970 as the only insurance co-operative in Singapore to plug a social need for insurance, Income Insurance is now a public non-listed company limited by shares, which continues to serve the protection, savings and investment needs of individuals, families and businesses today. As of 30 June 2024, Income Insurance had S\$41.79 billion in assets under management.

## Nikko Asset Management

In Singapore, Nikko Asset Management Asia Limited is a leading asset manager which combines the strengths of two award-winning asset managers formerly known as DBS Asset Management Ltd and Nikko Asset Management Singapore Limited. Nikko Asset Management Asia Limited is licensed and regulated by Monetary Authority of Singapore and has managed collective investment schemes or discretionary funds in Singapore since 1982.

Nikko Asset Management Co., Ltd (“Nikko AM”), a company domiciled in Japan has been managing collective investment schemes and/or discretionary funds since 1959. Nikko AM is regulated by the Financial Services Agency, the Securities and Exchange Surveillance Commission and the Kanto Local Finance Bureau.

Nikko AM is Asia's premier global asset manager, with approximately US\$229.1 billion<sup>^</sup> in assets under management as of 30 June 2024. The firm offers world-class asset management strategies and solutions for global investors, capitalising on opportunities in markets around the world. With 218\* investment professionals, the firm leverages its extensive global resources across 11 countries representing around 25 nationalities. Headquartered in Asia since 1959, Nikko AM's vantage point – extending east to west – makes its investment approach distinctive among asset managers.

Nikko AM announced on 5 September 2024 that it will be renamed as Amova Asset Management Co., Ltd on 1 September 2025.

<sup>^</sup> Consolidated assets under management and advice of Nikko AM, including subsidiaries but excluding minority affiliates and minority joint ventures, as of 30 September 2023.

\* As at 30 June 2024, including employees of Nikko AM and its subsidiaries, but excluding minority affiliates and minority joint ventures.

## Risks

### Key Risks

Income Insurance'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 Income Insurance'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 sub-fund is not listed on Singapore Exchange, and you can redeem only on Business day through Income Insurance. There is no secondary market for the sub-fund.

The sub-fund and the underlying fund are exposed to the risks set out in this section. Given that the sub-fund invests entirely into the underlying fund, the risks associated with the underlying fund will also impact the sub-fund.

# Income Japan Dividend Equity Fund

Fund Summary  
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The risks described in this paragraph are not exhaustive and you should be aware that the ILP sub-fund and the underlying fund may be exposed to other risks of an exceptional nature from time to time. The risk factors may cause you to lose some or all your investments. A description of the major risks is provided below.

## Market Risks

You are exposed to market risk. The prices of the securities comprised in the portfolio of the underlying fund and the units, and the income from them, may be influenced by political and economic conditions, changes in interest rates, the earnings of the corporations whose securities are comprised in the underlying fund's portfolio and the market's perception of such securities.

You are exposed to risk of investing in foreign securities. The investments of the underlying fund may be affected by political instability, exchange controls, changes in taxation, foreign investment policies and other restrictions and controls. The legal infrastructure and accounting, auditing and reporting standards in certain countries may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Foreign ownership restrictions in some markets may mean that corporate action entitlements may not always be secured or may be restricted.

## Liquidity Risks

The underlying fund is not listed. There is no secondary market for the underlying fund.

## Product-Specific Risks

You are exposed to country specific risk. The underlying fund invests predominantly in Japanese securities. It will be exposed to fluctuations in the Japanese economy, and the market, currency, political, social environment and other risks related specifically to Japan, which may affect the market price of the underlying fund's investments. Exposure to a single country also increases the potential volatility of the underlying fund as its investments would be less diversified as compared to having exposure to regional or global markets.

You are exposed to risk associated with the investment strategy of the underlying fund. The value of the units of the underlying fund depends not only on the exposure to and contribution from the equities portfolio held by the underlying fund but also the efficient use of FDIs. The gains from the equities exposure may be offset from any losses from the forwards positions. Allocation to cash during rising market environment may also lead to a drag in performance.

You are exposed to income distribution risk. Sources of income for distribution include dividend and/or interest income and/or capital gains derived from the investments of the underlying fund. Such dividend and/or interest income may be adversely affected by events such as (but are not limited to) companies suffering unexpected losses or, having lower than expected dividends and adverse exchange rate fluctuations.

You are exposed to financial derivative risk. The underlying fund manager may invest in FDIs for the purpose of hedging the underlying fund's existing portfolio. FDIs involve risks different from, and in some cases, greater than, the risks presented by more traditional investments. Some of the risks associated with FDIs are market risk, management risk, credit risk, liquidity risk, moratorium risk, capital control risk, tax risk and leverage risk. The underlying fund may invest into underlying sub-funds which use or invest in FDIs, and it is possible that the underlying fund's net asset value may be subject to volatility due to the underlying fund's usage or investment in FDIs.

For details on the specific risks of investments in the underlying fund, please refer to Risks section of the underlying fund's Singapore prospectus at [Fund Documents | Nikko AM Asia](#).

## Expense and Turnover Ratio

As the sub-fund has been constituted for less than 12 months, information on the expense ratio and turnover ratio are not available. The expense ratio and turnover ratio of the underlying fund are used as proxy.

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## Nikko AM Japan Dividend Equity Fund - SGD Hedged Class

	Expense Ratio	Turnover Ratio
As of 30 June 2024	1.73%	17.34%

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.

## Soft Dollar Commission or Arrangement

### Income Insurance

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

### Nikko Asset Management

In their management of the underlying fund, the manager and the sub-manager (“the Managers”) of the underlying fund currently do not receive or enter into any soft dollar commissions or arrangements.

## Conflicts of Interest

### Income Insurance

As the Manager of various Income Insurance ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we 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 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.

### Nikko Asset Management

The Managers of the underlying fund are part of a financial group, and the Managers and their affiliates provide the full suite of financial services to clients, and act simultaneously for a number and range of clients with various interests, requirements and positions. The Managers may from time to time have to deal with competing or conflicting interests arising from such other funds managed by the Managers. For example, the Managers may make a purchase or sale decision on behalf of some or all of the other funds managed by the Managers without making the same decision on behalf of the underlying fund, as a decision whether or not to make the same investment or sale for the underlying fund depends on factors such as the cash availability and portfolio balance of the underlying fund. However, the Managers will use their reasonable endeavours at all times to act fairly and in the interests of the underlying fund. In particular, after taking into account the availability of cash and the relevant investment guidelines of the other funds managed by the Managers and the underlying fund, the Managers will endeavour to ensure that securities bought and sold will be allocated proportionately as far as possible among the other funds managed by the Managers and the underlying fund. The Managers may also transact on the underlying fund’s behalf with its affiliates. The Managers intend to deal with any conflicts of interests in a manner consistent with any applicable guidelines which may be issued from time to time by the Investment Management Association of Singapore.

For further details, please refer to Conflict of Interest section of the underlying fund’s Singapore prospectus at [Fund Documents | Nikko AM Asia](#)

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## 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.

## Material Information

### Dilution Adjustment

The underlying fund is single priced and the NAV of the underlying fund may fall as a result of, amongst others, the transaction costs (such as broker commissions, custody transaction costs, stamp duties or sales taxes) incurred in the purchase and/or sale of its Authorised Investments caused by subscriptions, realisations, switches and/or exchanges of Units in the underlying fund and the spread between the buying and selling prices of such Authorised Investments. This effect is known as “dilution”.

With effect from 22 April 2021, to protect the interest of Holders, the Managers shall, in consultation with the Trustee, have the discretion to apply a technique known as “dilution adjustment” or “swing pricing” in certain circumstances which the Managers deem appropriate. Dilution adjustment involves making upwards or downwards adjustments in the calculation of the NAV per Unit of the underlying fund or class on a particular dealing day so that such transaction costs and dealing spreads in respect of the Authorised Investments are, as far as practicable, passed on to the investors who are subscribing, realising, switching and/or exchanging Units on that dealing day.

Typically, the NAV is adjusted if the net subscription or realisation (including switches and/or exchanges) on a particular dealing day reaches or exceeds a certain percentage (the “Swing Threshold”) of the size of the underlying fund as of such relevant dealing day. The NAV will swing upwards for a net subscription and downwards for a net realisation. In relation to the application of Swing Pricing to Classes of Units in the underlying fund, the NAV of each Class will be calculated separately but any adjustment will, in percentage terms, affect the NAV of each Class in an equal manner.

## 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 Income Insurance'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 Income Insurance's website at [www.income.com.sg/funds/reports-and-downloads](http://www.income.com.sg/funds/reports-and-downloads), and the annual audited financial statements are available at [www.income.com.sg/about-us/reports-publications](http://www.income.com.sg/about-us/reports-publications). Alternatively, you can also approach our insurance advisers, contact us at 6788 1777, or email [csquery@income.com.sg](mailto:csquery@income.com.sg) to request a copy of the reports.

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## IMPORTANT NOTES

The Income Japan Dividend Equity Fund is an Investment-Linked Policy (ILP) sub-fund issued by Income Insurance Limited (Unique Entity Number No. 202135698W), an insurance company registered in Singapore and having its registered address office at 75 Bras Basah Road, 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 Income. A potential investor should read the product summary and product highlights sheet in conjunction with the underlying fund prospectus 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. The sub-fund shall comply with the investment guidelines as set out in the Code of Collective Investment Schemes, internal investment restrictions, relevant laws and regulations. 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 21 January 2025