



This Product Highlights Sheet is an important document.

- 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.

## AIA ACORNS OF ASIA FUND (the “Sub-Fund”)

<b>Product Type</b> (Units in the ILP sub-fund are <u>not</u> Excluded Investment Products) <sup>1</sup>	<b>ILP Sub-Fund<sup>2</sup></b>	<b>Launch Date</b>	<b>31 August 2001</b>
<b>Manager</b>	<b>AIA Investment Management Private Limited</b>	<b>Custodian</b>	<b>Citibank N.A. Singapore Branch</b>
<b>Capital Guaranteed</b>	<b>No</b>	<b>Dealing Frequency</b>	<b>Every Business Day<sup>3</sup></b>
<b>Name of Guarantor</b>	<b>N.A</b>	<b>Expense Ratio for year ended 31 December 2022</b>	<b>1.53%</b>

### SUB-FUND SUITABILITY

<p><b>WHO IS THE SUB-FUND SUITABLE FOR?</b></p> <ul style="list-style-type: none"> <li>• The Sub-Fund is <u>only</u> suitable for investors who: <ul style="list-style-type: none"> <li>◦ Seek to achieve long-term capital appreciation through investments in Asian (excluding Japan) equities and stable income through investments in fixed income securities denominated primarily in Singapore dollars; and</li> <li>◦ Are willing to accept some short-term fluctuations in the value of their investments.</li> </ul> </li> </ul> <p>Investments in this Sub-Fund are subject to investment risks including the possible loss of the principal amount invested.</p> <p>Units in the ILP sub-fund are <u>not</u> Excluded Investment Products.</p>	<p><b><u>Further Information</u></b></p> <p>Please refer to the AIA Investment Fund Product Summary for further information on the suitability of the Sub-Fund.</p>
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### KEY FEATURES OF THE SUB-FUND

<p><b>WHAT ARE YOU INVESTING IN?</b></p> <ul style="list-style-type: none"> <li>• You are investing in a Sub-Fund that invests approximately 60% in quoted equities in Asian markets (including Australia and New Zealand but excluding Japan) and 40% primarily in Singapore dollar denominated fixed income instruments issued by Singapore and non-Singapore entities. However, the actual asset allocation between equities and fixed income may vary as the Manager deems fit.</li> </ul>	<p>Please refer to the AIA Investment Fund Product Summary for further information on features of the Sub-Fund.</p>
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Investment Strategy	
<ul style="list-style-type: none"> <li>• The Sub-Manager for equities believes that returns over the long term are determined by economic and corporate fundamentals. The approach is to capitalise on its strong in-house research capability and exploit market inefficiencies.</li> <li>• The fixed income investment seeks to provide stable income and preserve capital through the prudent management of interest rate risk, implemented by pro-active duration and yield curve strategies as well as credit risk through a disciplined and stringent process of credit underwriting.</li> <li>• The combined benchmark is reflective of the Sub-Fund's investment focus – 60% equities, 40% fixed income. However, the actual asset allocation may vary as the Manager of the Sub-Fund deems fit.</li> </ul>	<p>Please refer to the AIA Investment Fund Product Summary for further information.</p>
Parties Involved	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <ul style="list-style-type: none"> <li>• The Manager of the Sub-Fund is AIA Investment Management Private Limited.</li> <li>• The equities allocation of the Sub-Fund is sub-managed by Schroder Investment Management (Singapore) Limited.</li> <li>• The Custodian of the ILP Sub-Fund is Citibank N.A. Singapore Branch.</li> </ul>	<p>Please refer to the AIA Investment Fund Product Summary for further information, on the role and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b></p> <p>The value of the Sub-Fund and its distribution (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:</p>	<p>Please refer to the AIA Investment Fund Product Summary for further information on risks of the Sub-Fund.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> <li>• <b>You are exposed to market risks.</b> <ul style="list-style-type: none"> <li>◦ As the Sub-Fund invests in securities primarily in Asia ex-Japan markets, the Net Asset Value of the Sub-Fund will be influenced by the prices of these investments. The investments in these markets may be affected by changes in political conditions, regulatory, economic and interest rates environment.</li> </ul> </li> <li>• <b>You are exposed to equity risks.</b> <ul style="list-style-type: none"> <li>◦ The value of the securities in which the Sub-Fund will invest will fluctuate depending upon the general trends of stock markets and prevailing interest rates.</li> <li>◦ The economic environment of the countries in which the Sub-Fund invests will have an impact on the value of the securities acquired. The value of the Sub-Fund is affected by such changes in the market conditions and interest rates.</li> </ul> </li> <li>• <b>You are exposed to credit risks.</b> <ul style="list-style-type: none"> <li>◦ Bonds and other fixed income securities in which the Sub-Fund may invest in, are subject to credit risks, such as deterioration in the credit quality of the issuers, default by issuers and general widening of credit spreads.</li> <li>◦ A deterioration in the credit quality of the issuers, default by issuers or increase in credit risk premiums will generally reduce the value of fixed income securities.</li> </ul> </li> <li>• <b>You are exposed to interest rate risks.</b> <ul style="list-style-type: none"> <li>◦ Bonds and other fixed income securities in which the Sub-Fund may invest in, are subject to interest rate risks.</li> <li>◦ An increase in interest rates will generally reduce the value of fixed income securities.</li> </ul> </li> <li>• <b>You are exposed to risks of investing in specific markets.</b> <ul style="list-style-type: none"> <li>◦ While investments in a single country, specific industries, sectoral or regional funds may present greater opportunities and potential for capital appreciation, they may be subjected to higher risks as they may be less diversified than a global portfolio.</li> <li>◦ The regulatory, disclosure and financial reporting standards may differ significantly from, and offer less investor protection compared to, internationally recognised standards.</li> </ul> </li> </ul>	

## Liquidity Risks

- **The Sub-Fund is not listed and you can only redeem on Valuation Days<sup>4</sup>.**
  - There is no secondary market for the Sub-Fund. All redemption requests should be made to the AIA Customer Service Centre or through your AIA Financial Services Consultant or Insurance Representative.

## Product-Specific Risks

- **You are exposed to risks of using derivative instruments.**
  - The Sub-Fund may use derivative instruments from time to time. As the volatility of prices of derivative instruments may be higher than that of their underlying stocks, commodities or other benchmarks, these derivative instruments are riskier.
- **You are exposed to QFII Risk.**
  - The Sub-Fund may incur losses due to limited investment opportunities in China A shares, or may not be able to fully implement its investment objectives due to QFII investment restrictions, illiquidity of the China A shares market, and/or delay or disruption in execution of trades or in settlement of trades.
- **You are exposed to risks associated with Stock Connect**
  - The Sub-Fund may invest in certain China A shares through Stock Connect. The ability to trade through Stock Connect in a timely manner may be affected by quota limitations and PRC regulatory restrictions. A suspension in trading through Stock Connect will adversely affect the ability to access the PRC market. Differences in trading days in the PRC and Hong Kong markets also leads to the risks of price fluctuations in the shares when Stock Connect is not trading.
  - Trading through Stock Connect is subject to other risks, including clearing and settlement risks (e.g. if the PRC clearing house defaults on its obligation, the Sub-Fund may suffer delays and/or inability to recover losses), restrictions on selling imposed by front-end monitoring, nominee arrangements in holding China A shares and regulatory risk.

## 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:

<b>Sales charge / premium charge / bid-offer spread</b>	<ul style="list-style-type: none"> <li>◦ Up to 5% for cash and SRS investment</li> <li>◦ 0% for CPF investment</li> </ul>
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<b>Switching fee</b>	<ul style="list-style-type: none"> <li>◦ Currently NIL</li> </ul>
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There may be other fees and charges imposed at the investment-linked product level. Please refer to the Product Summary applicable to the investment-linked policy which you have purchased or intend to purchase for these applicable fees and charges.

#### Payable by the Sub-Fund from invested proceeds

- The Sub-Fund will pay the following fees and charges to the Manager and other parties:

<b>Management fee</b>	<ul style="list-style-type: none"> <li>◦ 1.5% (max 2.5%) per annum of its Net Asset Value</li> </ul>
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<b>Trailer Fee</b>	<ul style="list-style-type: none"> <li>◦ The trailer fee that the Company expects to receive for balanced ILP sub-fund range from 0% - 77% (Median: 31%) per annum of Management fee</li> </ul>
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Trailer fee is not an added fee charged to the ILP Sub-Fund but a component of Management fee.

These fees and charges are not guaranteed. We may change the fees and charges or introduce new fees and charges although they will not exceed the maximum limits stated in the applicable Product Summary or AIA Investment Fund Product Summary. We will give you prior written notification of at least 1 month before the change.

Please refer to “Fees and Charges” section of the Product Summary of your Insurance Plan.

Please refer to the AIA Investment Fund Product Summary for further information on the fees and charges.

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

- Valuations are available on every Business Day<sup>3</sup>. You may obtain the indicative Offer Prices and Bid Prices of the units of the Sub-Fund, and the dealing days to which the prices apply, from our corporate website at AIA.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 submitting a surrender/withdrawal request to us at our Customer Service Centre or through your AIA Financial Services Consultant or Insurance Representative. Any instruction for redemption of units submitted may not be withdrawn by you without our prior consent.
- The price at which units are redeemed is called the Bid Price. Please refer to the relevant Product Summary for details.
- Your Bid Price is determined as follows:
  - If you submit the redemption order on or before 2pm on a Valuation Day<sup>4</sup>, you will be paid a price based on the Net Asset Value of the Sub-Fund at the close of that Business Day<sup>3</sup>.
  - If you submit the redemption order after 2pm, you will be paid a price based on the Net Asset Value at the close of the next Valuation Day<sup>4</sup>.
- The sale proceeds that you will receive will be the Bid Price multiplied by the number of units sold, less any charges. An example is as follows:

$$\begin{aligned} \text{Bid Price X Number of units sold} &= \text{Gross Sale Proceeds} \\ \text{S\$1.250 X 1,000} &= \text{S\$1,250} \end{aligned}$$

$$\text{Gross Sale Proceeds} - \text{Exit Charge}^* = \text{Net Sale Proceeds}$$

\* Please refer to the respective product summaries for any fees and charges applicable to the partial withdrawal and/or full surrender.

- If you cancel your policy within the Free-Look period of 14 days from the time you receive your policy, you will get a refund of your premium paid without interest, after the following adjustments:
  - a) any change in the Bid Price of the Sub-Fund chosen by you since the relevant Valuation Day<sup>4</sup> on which units were credited to your policy, as at the Valuation Day<sup>4</sup> following the date of receipt of your request; and
  - b) any costs incurred by us in assessing the risk for your policy, including but not limited to medical fees incurred by us in processing your application,
 subject to the maximum amount of the premiums paid without interest.

If we have posted the policy to you, the 14-day Free-Look period will start seven days after we have posted the policy to you.

Please refer to “Obtaining Prices of Units” section of the Product Summary of your Insurance Plan.

Please refer to “Policy Options and Flexibilities”, “Redemption of Units” and “Pricing and Cut-off Times” under the Other Material Information section of the Product Summary of your Insurance Plan.

Please refer to the “Free-look Period” under the Other Material Information section of the Product Summary of your Insurance Plan.

## CONTACT INFORMATION

### HOW DO YOU CONTACT US?

You may contact your AIA Financial Services Consultant / Insurance Representative or call our Customer Care hotline at 1800-248-8000 or +65-6248-8000 (if you are calling from overseas) from Monday to Friday (excluding Public Holidays), between 8.45 a.m. to 5.30 p.m.

<sup>1</sup> In order for units in the ILP sub-fund to be classified as Excluded Investment Products, the investment objectives and investment focus of the ILP sub-fund, and investment approach of the manager have to be stated in the product summary:

- (a) To invest only in deposits or other Excluded Investment Products; and
- (b) Not to engage in securities lending or repurchase transactions for the ILP sub-fund.

The definition of “Excluded Investment Product” can be found in Annex 1 to the Notice on Recommendations on Investment Products [Notice No. FAA-N16] at <https://www.mas.gov.sg/regulation/notices/notice-faa-n16>

<sup>2</sup> For ILP Sub-Funds that feed 100% into an underlying Collective Investment Scheme (CIS) fund, some of the information provided below could be similar to the underlying CIS fund.

<sup>3</sup> “Business Day” means any day (other than a Saturday or Sunday) on which commercial banks are open for business in Singapore or any other day as we may determine from time to time.

<sup>4</sup> “Valuation Day” is described under the Pricing and Cut-off Times provisions of the respective Product Summary of your Insurance Plan and means, in connection with the issuance, cancellation and redemption of units, every Business Day.