



**AIA GLOBAL TECHNOLOGY FUND**  
(the "ILP Sub-Fund")

**FUND FACTS**

Manager of ILP Sub-Fund	Templeton Asset Management Ltd
Underlying Fund	Franklin Templeton Investment Funds – Franklin Technology Fund
Country of Domicile of Underlying Fund	Luxembourg
Manager of Underlying Fund	Franklin Advisers Inc.
Inception Date	11 December 2000
Annual Management Fee <sup>1</sup> (p.a.)	1.50% (max 3.00%) of its Net Asset Value
Source of Fund	Cash, SRS & CPFIS OA
CPFIS Risk Classification	Higher Risk – Narrowly Focused – Sector – Technology

<sup>1</sup> The Annual Management Fee is payable through deduction from asset value of the ILP Sub-Fund.

Note: The ILP Sub-Fund is a single fund. The units in the ILP Sub-Fund are not classified as Excluded Investments Products.

**PAST PERFORMANCE (as at 31 January 2022)**

<b>Annualized Returns</b>	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>	<b>Since Inception</b>
AIA Global Technology Fund	6.56%	28.63%	24.52%	19.64%	6.97%
Benchmark <sup>^</sup> : MSCI World Information Technology Index (with effect from 30 September 2017)	22.03%	33.44%	25.79%	20.97%	7.84%

<sup>^</sup>Previous Benchmark

Inception to 29 September 2017 - Merrill Lynch 100 Technology Index

**Notes:**

1. Performance of the ILP Sub-Funds are calculated in SGD on a bid to bid basis with any income or dividends reinvested, but excluding such fees and/or charges which may be payable through deduction of premium or cancellation of units.
2. Past performance of an ILP Sub-Fund is not necessarily indicative of its future performance.

**INVESTMENT OBJECTIVE OF ILP SUB-FUND**

This fund aims for above average long-term capital growth by investing in an international portfolio of shares in companies involved in high technology industries.

**INVESTMENT APPROACH OF ILP SUB-FUND**

The ILP Sub-Fund follows the investment approach of the underlying fund of Franklin Templeton Investment Funds – Franklin Technology Fund as the ILP Sub-Fund feeds 100% into the Underlying Fund.

**INVESTMENT APPROACH OF UNDERLYING FUND**

The Fund's investment objective is capital appreciation. The Fund invests at least two-thirds of its net invested assets in equity securities of US and non US companies expected to benefit from the development, advancement, and use of technology and communication services and equipment. These may include, for example, companies in the following industries:

- (i) communication and computing related outsourcing services;
- (ii) technology services, including computer software, data services and Internet services;
- (iii) electronic technology, including computers, computer products and electronic components;
- (iv) telecommunications, including networking, wireless and wire-line services and equipment;
- (v) media and information services, including the distribution of information and content providers;
- (vi) semiconductors and semiconductor equipment; and
- (vii) precision instruments.

The Fund invests in securities of US and non US large, well-established companies, as well as small to medium-sized companies that the Investment Manager believes provide good emerging growth opportunities. The Fund may also invest in equity or debt securities of any type of foreign or US issuer as well as in American, European or Global Depositary Receipts.

The Fund uses a growth approach that employs intensive, bottom-up, fundamental research of companies. The Investment Manager also takes into consideration broad-based trends when considering the selection of investments. In general, the Investment Manager looks for companies it believes display, or will display, some of the following characteristics, among others: quality management; robust growth prospects; strong market positioning; high, or rising profit margins; and good return on capital investment.

Exposure to securities lending transactions

The expected level of exposure that could be subject to securities lending transactions amounts to 5% of the Fund's net assets, subject to a maximum of 50%.

Please refer to Franklin Templeton Investment Funds Prospectus for further information on the investment policy / approach of the Underlying Fund.

#### INFORMATION ON THE MANAGER OF ILP SUB-FUND

Templeton Asset Management Ltd is an indirectly wholly owned subsidiary of Franklin Resources, Inc., which operates as Franklin Templeton ("FT"), a global investment organisation with over 60 years of investing experience. FT, through its subsidiaries, manages approximately US\$1,530.1 billion as at 30 September 2021, and has offices in over 30 countries and employs around 10,419 employees as at 30 June 2021.

Franklin Resources, Inc., listed on the New York Stock Exchange, is currently one of the largest publicly traded U.S. asset managers in terms of both assets under management and market capitalization.

Franklin Templeton Investments marked its presence in Singapore with the setup of a research office in 1990. Templeton Asset Management Ltd was officially incorporated in September 1992 and was registered as an Investment Advisor with the Authority under the now repealed Securities Industry Act. Templeton Asset Management Ltd currently holds a Capital Markets Services License for fund management issued by the Authority pursuant to the Securities and Futures Act.

Templeton Asset Management Ltd has managed collective investment schemes since 1992. The regulatory authority is The Monetary Authority of Singapore.

Templeton does not provide for eventualities as a consequence of the Manager's insolvency.

#### INFORMATION ON THE MANAGER OF UNDERLYING FUND

Franklin Advisers, Inc. was formed in 1985 under the laws of the State of California, U.S. and is best known as a fixed income and money market specialist. Franklin Advisers, Inc. is a leading fixed income manager in the U.S., and forms part of the Franklin Fixed Income Group which was one of the pioneers in the development of U.S. Government Securities funds in the 1970s. The Franklin Fixed Income Group also introduced America's first state-specific and double tax-free income fund in 1981. In addition to its fixed income capabilities, Franklin Advisers, Inc. is also renowned for its expertise in U.S. equities, particularly in utilising the growth style in equity investing. The Franklin Equity Group manages various sector-focused portfolios including financial services, biotechnology and utilities.

The Franklin Equity Group and the Franklin Fixed Income Group adopt a synergistic approach by leveraging on each other's research and analysis to provide a more comprehensive coverage of their respective areas.

Franklin Advisers Inc. has been managing collective investment schemes since 1985. The regulatory authority is the U.S. Securities and Exchange Commission.

Franklin Advisers does not provide for eventualities as a consequence of the Manager's insolvency.

#### RISKS

##### General Risk

The value of the ILP Sub-Fund and the Underlying Fund(s)' assets may be affected by uncertainties and risks associated with investments. The Net Asset Value of the ILP Sub-Fund and the Underlying Fund(s) will be influenced by the prices of these investments. This will in turn have an impact on the value of Units of the ILP Sub-Fund. Past performance is not necessarily a guide to future performance and investment in the ILP Sub-Fund should be regarded as a medium to long-term investment.

##### Equity Risk

The value of the equity securities which the ILP Sub-Fund invests directly in or through Underlying Fund(s), will fluctuate depending upon the general trends of stock markets, prevailing interest rates as well as the financial and operating performance of the issuers of those equity securities. The economic environment of the countries and the performance of the industries which the ILP Sub-Fund invests in directly or through Underlying Fund(s) will have an impact on the value of the equity securities acquired. The value of the ILP Sub-Fund and the Underlying Fund(s) are affected by such changes in the market conditions and interest rates.

##### Market Risk

The value of the ILP Sub-Fund and the Underlying Fund(s)' assets may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investments may be made. Furthermore, it should be noted that the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investments may be made do not provide the same degree of investor protection or information to you as would generally apply in major securities markets. As the ILP Sub-Fund and Underlying

Fund(s) invest in securities in various markets, e.g. global, Asia ex-Japan, etc, the Net Asset Value of the ILP Sub-Fund and Underlying Fund(s) will be influenced by the prices of these investments. This will in turn have an impact on the value of Units of the ILP Sub-Fund.

#### Counterparty Risk

There is a risk of counterparty defaulting in some markets as there may be no secure method of delivery against payment. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the sale may be, sale proceeds.

#### Regulatory Risk

You should be aware that some of the industries which the ILP Sub-Fund and the Underlying Fund(s) invest in may be subject to greater government regulations than many other industries in certain countries. Changes in government policies and the need for regulatory approval may have a material adverse effect on these industries. The companies which the ILP Sub-Fund invests in directly or through Underlying Fund(s) may also be subject to risks of developing technology and communications, competitive pressures and other factors and are dependent upon consumer and business acceptance as new technologies evolve. Trading in such securities may be subject to more abrupt price movements.

#### Political Risk

Investments in countries with less stable political and economic environments may be more volatile than those in the developed countries. The prices of investments in these markets may be influenced by economic and political conditions and interest rates.

#### Investment Risk

There can be no guarantee against loss, nor any assurance that the ILP Sub-Fund's investment objective will be attained. The value of investments and the income from them and therefore the value of, and income from, the Units of each ILP Sub-Fund can fall as well as rise and you may not realize the same amount that you invested. Investment in the ILP Sub-Fund may only be suitable for you if you can accept the associated volatility and risks and are prepared to take a medium to longer term view of your investment.

#### Specialized Investment Risk

You should be aware while specialized investments, i.e. investments in a single country, specific industries, sectoral or regional fund may present greater opportunities and potential for capital appreciation, they may also be subjected to higher risks as they may be less diversified than a global portfolio. The legal infrastructure and accounting, auditing and reporting standards in certain countries in which investments may be made do not provide the same degree of investor protection or information to you as would generally apply in major securities markets.

#### Derivative Risk

The ILP Sub-Fund and the Underlying Fund(s) are authorised to use derivative instruments from time to time. Derivative instruments are financial contracts whose values are "derived" from the value of the underlying assets. While the professional use of derivatives may be beneficial to the overall investment portfolio, derivatives in themselves involve different risks which may be greater than those of more traditional investments.

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.

#### Currency / Exchange Rate Risk

The Net Asset Value per unit of the ILP Sub-Fund are computed in Singapore Dollars, whereas certain Underlying Fund(s) and the securities which the ILP Sub-Fund invests in are denominated in foreign currencies. Changes in the exchange rate of the Singapore Dollar against the currencies of denomination of the Underlying Fund(s) and the securities which the ILP Sub-Fund invests in will have an impact on the value of the units.

The investments of the ILP Sub-Fund and the Underlying Fund(s) may each be denominated in a number of different currencies and hence be subjected to fluctuations in currency exchange rates and in certain cases, exchange control regulations. Further, the underlying investments of the Underlying Fund(s) may be acquired in a wide range of currencies, some of which may not be freely convertible currencies. It may not be possible or practicable to hedge against the consequent currency risk exposure and in certain instances the Manager may not consider it desirable to hedge against such risk. The Manager will enter into hedging transactions at its sole discretion.

If you are a non-Singaporean, there may be state regulations governing the outward remittance of your share of net profits and dividends and the repatriation of your investments in a foreign currency.

#### Liquidity Risk

There is no secondary market for the ILP Sub-Fund. All redemption requests should be made to AIA Customer Service Centre or through your AIA Financial Services Consultant or Insurance Representative. If you are a non-Singaporean, there may be state regulations governing the outward remittance of your share of net profits and dividends and the repatriation of your investments in a foreign currency.

You should note that there may be a limit on the number of units that can be redeemed on any Dealing Day and an investor may not be able to redeem on a Dealing Day if the redemption limit is imposed.

Some investments made in smaller markets may be less liquid and the limited liquidity of these markets may therefore affect the respective underlying funds' ability to acquire or dispose of securities at the price and time it desires.

## Taxation

You should note that the proceeds from the sale of securities in some markets or the receipt of any dividends or some other income may be or may become subject to tax, levies, duties or other fees or changes imposed by the authorities in that market, including taxation levied by withholding at source.

### EXPENSE RATIO

The expense ratio for the period 1 January 2021 to 31 December 2021 is 1.75%.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios and based on the figures in the ILP Sub-Fund's latest audited account.

The following expenses are excluded from the calculation of the expense ratio:

- (a) charges for insurance coverage;
- (b) brokerage and other transaction costs;
- (c) performance fees;
- (d) foreign exchange gains and losses;
- (e) front or back-end loads arising from the purchase or sale of other Underlying Funds; and
- (f) tax deducted at source or arising from income received.

### TURNOVER RATIO

The turnover ratio of the ILP Sub-Fund follows that of the Underlying Fund as the ILP Sub-Fund invests all or substantially all of its assets into its Underlying Fund.

The audited turnover ratio of the Underlying Fund for the one year period ending 30 June 2021 is -45.42%.

### SOFT DOLLAR ARRANGEMENT

Consistent with obtaining best execution, brokerage commissions on portfolio transactions for the Manager may be directed by the Management Company and/or the Investment Managers to brokers/dealers in recognition of research services furnished by them as well as for services rendered in the execution of orders by such brokers/dealers. The receipt of investment research and information and related services permits the Management Company and/or the Investment Managers to supplement their own research and analysis and makes available to them the views and information of individuals and research staffs of other firms. Such services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payment, which are paid by the Management Company and/or the Investment Managers.

The Management Company and/or the Investment Managers may enter, with brokers/dealers that are entities and not individuals, into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Management Company and/or the Investment Managers, including the Company, and where the Management Company and/or the Investment Managers are satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interest of the Company. Any such arrangement must be made by the Management Company and/or the Investment Managers on terms commensurate with best market practice. The use of soft commissions shall be disclosed in the periodic reports

### **Risk Disclosure Statement for Funds**

#### US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act ("FATCA")

Under the FATCA provisions of the U.S. Hiring Incentives to Restore Employment ("HIRE") Act, where a Fund invests directly or indirectly in U.S. assets, payments to the Fund of U.S.-sourced income after 30 June 2014, gross proceeds of sales of US property by the Fund after 31 December 2016 and certain other payments received by the Fund after 31 December 2016 will be subject to 30% U.S. withholding tax unless the Fund complies with FATCA.

FATCA compliance can be achieved by entering into an agreement with the U.S. Secretary of the Treasury under which the Fund agrees to certain U.S. tax reporting and withholding requirements as regards holdings of and payments to certain investors in the Fund. Certain governments may enter into agreements directly with the U.S. government concerning U.S.-sourced income and the regulations and rules which are issued following these agreements will determine how the Fund can achieve FATCA compliance.

If the Fund is unable to satisfy the obligations imposed to avoid the imposition of the withholding tax, certain U.S.-sourced payments to the Fund may be subject to 30% withholding tax, which could reduce the cash available for investors. Any amounts of U.S. tax withheld may not be refundable by the Inland Revenue Service.

You are advised to consult your professional advisors on the impact of FATCA on any Fund that you have selected for allocation of any part of your Policy premium(s) and AIA Singapore makes no representation or warranty that a Fund is FATCA-compliant.

In the context of the above, a "Fund" means a collective investment scheme within the meaning of the Securities and Futures Act (Cap. 289), Singapore and the Notice No. MAS 307 applicable to Investment-Linked Policies issued by the Monetary Authority of Singapore.

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The AIA Global Technology Fund is an investment-linked policy (ILP) fund offered by AIA Singapore Private Limited ("AIA Singapore") and is only available under AIA Investment-Linked Policies. AIA Singapore is the product provider. This fund summary (IFPS) is prepared by AIA Singapore and the information presented is for informational use only. Investments are subject to investment risks including the possible loss of the principal amount invested. Past performance, as well as the prediction, projection or forecast on the economy, securities markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of the ILP fund. The performance of the ILP fund is not guaranteed and the value of the units in the ILP fund and the income accruing to the units, if any, may fall or rise. A product summary and product highlights sheet relating to the ILP fund are available and may be obtained from your AIA Financial Services Consultant. A potential investor should read the product summary and product highlights sheet before deciding whether to subscribe for units in the ILP fund. AIA Singapore does not warrant or make any representations regarding the use or the results of the use of the figures generated in terms of their correctness, accuracy, reliability, or otherwise.