



## **Aberdeen Select Portfolio - Pacific Equity Fund (the “ILP Sub-Fund”)**

**This Fund Summary should be read in conjunction with the Product Summary**

### **Structure of ILP Sub-Fund**

The ILP Sub-Fund is an open-ended feeder fund and invests all or substantially all of its assets into the Underlying Fund, Aberdeen Select Portfolio - Pacific Equity Fund (the “Underlying Fund”), a sub-fund under a Singapore-authorized umbrella unit trust, Aberdeen Select Portfolio which offers a group of separate and distinct portfolios of securities or obligations, each of which being a sub-fund investing in different securities or portfolios of securities.

The units in the ILP Sub-Fund are not classified as Excluded Investment Products.

### **Information on the manager of the underlying fund (“Underlying Manager”)**

#### The Underlying Manager of Aberdeen Select Portfolio - Pacific Equity Fund (the “Underlying Fund”)

Aberdeen Asset Management Asia Limited, a wholly-owned subsidiary of the Aberdeen Asset Management Group (the “Aberdeen Group”), was established in Singapore in May 1992, as the regional headquarters of the Aberdeen Group to oversee all of its Asia-Pacific assets, including collective investment schemes. As at end September 2016, Aberdeen Asset Management Asia Limited had over US\$79.1 billion worth of assets under its management.

#### The Aberdeen Group

Aberdeen Asset Management (‘Aberdeen’) is the holding company for an asset management group managing equities, fixed income, property, alternatives, quantitative strategies and multi-asset, as well as tailored investment solutions spanning multiple asset classes and strategies. Our clients include banks, national and corporate pension funds, insurers, sovereign wealth funds and other investment institutions, plus intermediaries managing money for private investors. The company was formed in 1983 via the MBO of an investment management contract for a small investment trust. Over the years we have expanded through a combination of acquisition and organic growth. As at end September 2016, assets under management were US\$405.4 billion.

The Aberdeen Group's headquarters are in Aberdeen, Scotland, with principal investment centres (Edinburgh, London, Philadelphia and Singapore) in the three main time zones. Within Asia, the Aberdeen Group has offices in Singapore, Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, Taiwan and Thailand. Aberdeen Asset Management PLC was listed on the London Stock Exchange in 1991.

### **Other Parties**

There is no other party who advises the Manager in the management of the Underlying Fund.  
The auditor of the ILP Sub-Fund is PricewaterhouseCoopers LLP.

### **Investment Objective, Focus & Approach**

The investment objective is achieved through investing all or substantially all of its assets into the underlying Aberdeen Select Portfolio - Pacific Equity Fund.

The investment objective of the underlying Aberdeen Select Portfolio - Pacific Equity Fund is to provide medium to long-term capital growth from a diversified portfolio of Asian-Pacific equities excluding Japanese equities and as a feeder fund to invest in the equity-based Asia Pacific sub-funds of the Aberdeen Select Portfolio namely the Aberdeen China Opportunities Fund, Aberdeen Indonesia Equity Fund, Aberdeen Malaysian Equity Fund, Aberdeen Singapore Equity Fund and Aberdeen Thailand Equity Fund, and invests up to 10% of its deposited property in the Aberdeen Global - Indian Equity Fund<sup>^</sup>, a sub-fund of the Luxembourg-registered Aberdeen Global.

The Underlying Manager’s investment philosophy is that markets are not always efficient. Superior returns are therefore attainable by identifying good securities (defined in terms of the fundamentals which the Underlying Manager believes will drive security

prices over the long term) cheaply. This is achieved primarily through first-hand stock research and active management of portfolios.

In emphasising the primacy of corporate performance, the Underlying Manager tends to disregard the role of indices and the concept of relative return. Market capitalisation appears an unsound theoretical basis for a 'neutral' portfolio position, being an inherently historical construct, while consensus-driven demand is potentially distorting. Absolute return is held to be more important over the long term, with risks controlled primarily at the security level.

In respect of the Underlying Fund, the Underlying Manager may, in accordance with the provisions of the Deed of the Aberdeen Select Portfolio, invest in the securities of companies or institutions domiciled in, operating principally from, or deriving significant revenue from the relevant country or countries (as the case may be).

*^ Aberdeen Global – Indian Equity Fund is not authorised for public sale in Singapore.*

## **Risks**

In addition to the risks stated in the Product Summary, the following are risks specific to the Underlying Fund:

### **General Risks**

The value of the Underlying Fund may rise or fall. Investments in the Underlying Fund are subject to various risks such as market risks, fluctuations in interest rates and foreign exchange rates, political instability, exchange controls, changes in taxation and foreign investment policies and other restrictions and controls which may be imposed by the relevant authorities in other countries. The risk factors set out herein may cause you to lose some or all of your investment. These risks are elaborated upon below.

### **Market Risk**

The usual risks of investing in listed and unlisted securities apply. Prices of securities may rise or fall in response to changes in economic conditions, political conditions, interest rates, and market sentiment. These may cause the price of Units in the Underlying Fund to go up or down as the price of Units is based on the current market value of the investments of the Underlying Fund.

### **Political Risk**

The Underlying Fund invest in countries with less stable political and economic environments and in securities' markets with lower levels of regulation and different accounting, commercial and market practices than those of acceptable international standards are likely to increase the overall risk of the Underlying Fund.

### **Liquidity Risk**

The securities markets of some countries lack the liquidity, efficiency, regulatory and supervisory controls of more developed markets. The lack of liquidity may adversely affect the value or ease of disposal of assets, thereby increasing the risk of investing in such markets.

### **Settlement Risk/Transactions Risk**

The property of the Underlying Fund is held by the Trustee on behalf of the Holders, separate from the Trustee's assets. It is therefore protected in the event of the insolvency of the Trustee. There is, however, still a risk that there may be a temporary delay in subscriptions and redemptions of the Units.

### **Regulatory Risk**

The investment objectives and parameters of the Underlying Fund are restricted by applicable legislation and regulatory guidelines. There may be a risk that legislative or regulatory changes may make it less likely for the Underlying Fund to achieve its objectives.

### **Currency Risk/Exchange Rate Risk**

The assets and income of the Underlying Fund will be substantially denominated in currencies other than the Singapore dollar. Currency fluctuations between foreign currencies and the Singapore dollar may affect the income and valuation of the assets of the relevant Underlying Fund in ways unrelated to business performance. Investors should note that the Underlying Manager generally does not hedge the currency positions of the Underlying Fund unless circumstances require it and/or as mentioned in the Aberdeen Select Portfolio Prospectus.

### **Taxation**

Investors should note that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Underlying Fund invests or may invest in the future (in particular other emerging markets) is not clearly established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that the Underlying Fund could become subject to additional taxation in such countries that is not anticipated either at the date of the Aberdeen Select Portfolio Prospectus or when investments are made, valued or disposed of.

### **Repurchase or Securities Lending Agreements**

Whilst the value of the collateral of repurchase or securities lending agreements will be maintained to at least equal to the value of the securities transferred, in the event of a sudden market movement there is a risk that the value of such collateral may fall below the value of the securities transferred.

### **Potential Conflicts of Interest**

The Underlying Manager and other companies in the Aberdeen Group may effect transactions in which they have, directly or indirectly, an interest which may involve a potential conflict with their duty to the Underlying Fund. Neither the Underlying Manager nor other companies in the Aberdeen Group shall be liable to account to the Underlying Fund for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Underlying Manager's fees, unless otherwise provided, be abated. The Underlying Manager will ensure that such transactions are effected on terms which are not less favourable to the Underlying Fund than if the potential conflict had not existed. Such potential conflicting interests or duties may arise because the Underlying Manager or other members in the Aberdeen Group may have invested directly or indirectly in the Underlying Fund. More specifically, the Underlying Manager, under the rules of conduct applicable to it, must try to avoid conflicts of interests and, where they cannot be avoided, ensure that its clients (including the Underlying Fund) are fairly treated.

### **Derivative Usage**

The Underlying Fund may use financial derivative instruments for the purposes of hedging and/or efficient portfolio management to the extent permitted in the Deed. In no event are financial derivative instruments used to lever an Underlying Fund.

### **Counterparty Risk**

In some markets there may be no secure method of delivery against payment which would avoid credit risk exposure to a counterparty. Each Underlying Fund may enter into transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that a counterparty defaults on its obligation and the Underlying Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, a loss of income and possible additional costs associated with asserting its rights. Where financial instruments are dealt in over-the-counter markets ("OTC"), it may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds.

### **Capacity Restrictions**

There is a possibility that an Underlying Fund may be closed to new subscriptions or switches into such Underlying Fund without prior notice to its holders in certain circumstances, for instance, where the Underlying Fund has reached a size such that the capacity of the market and/or the capacity of the relevant Investment Adviser has been reached, and where to permit further inflows would be detrimental to the performance of the Underlying Fund.

### **Specific Risk**

Exposure to a single country market increases potential volatility because the concentration in a single country market makes it less diversified compared to an exposure to specific regional or global markets.

### **Fees and Charges**

In addition to the fees and charges shown in the Product Summary, the following fees are also payable through deduction from the asset value of the Underlying Fund:

<b>Fees Payable by the Underlying Fund</b>	
Annual management fee	1.50%
Annual trustee fee	Maximum 0.15% subject always to a minimum of S\$10,000 per annum

<b>Fees Payable by Aberdeen Global – Indian Equity Fund<sup>^</sup>, which the Underlying Fund invests into</b>	
Custodian (Payable to the custodian of Aberdeen Global – Indian Equity Fund <sup>^</sup> )	Custodian fee ranging up to 0.50% depending on the geographical zone
Fee Payable to the Management Company	Aberdeen Global – Indian Equity Fund shall pay the Management Company a fee which shall not at any time exceed 0.03% per annum of its net assets.

**Past Performance<sup>1</sup> and Benchmark of the Underlying Fund:** as at 30 November 2016

**NOTE: PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.**

**Cumulative Performance and Benchmark of the Underlying Fund**

<b>Underlying Fund / Benchmark</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception<sup>*</sup></b>
Aberdeen Select Portfolio - Pacific Equity Fund /	7.13%	2.56%	26.92%	45.78%	427.03%
MSCI AC Asia Pacific ex Japan Index	10.39%	14.38%	44.11%	43.91%	253.31%

**Annualised Performance and Benchmark of the Underlying Fund**

<b>Underlying Fund / Benchmark</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception<sup>*</sup></b>
Aberdeen Select Portfolio - Pacific Equity Fund /	7.13%	0.85%	4.88%	3.84%	9.14%
MSCI AC Asia Pacific ex Japan Index	10.39%	4.58%	7.57%	3.70%	6.87%

Source: Lipper, percentage growth, gross income reinvested, NAV-NAV basis in SGD terms.

\* Aberdeen Select Portfolio - Pacific Equity Fund SGD :Incepted on 5 December 1997.

<sup>1</sup> Performance shown in fund currency and calculated before sales charges are deducted. Fees and charges payable through deduction of premium or cancellation of units are excluded in deriving the performance. Performance is calculated on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment.

**Expense Ratio and Turnover Ratio of the Underlying Fund**

<b>Underlying Fund</b>	<b>Expense Ratio</b>	<b>Turnover Ratio</b>
Aberdeen Select Portfolio - Pacific Equity Fund	1.75%	9.73%

The expense and turnover ratios are for the period ended 30 September 2016.

The expense ratio is computed based on the guidelines laid down by the Investment Management Association of Singapore (“IMAS”). The calculation of the expense ratio at financial year end is based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The sub-funds do not pay any performance fee. The average net asset value is based on the daily balances.

The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio is based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value.

### **Soft Dollar Commissions or Arrangements**

The Underlying Manager does not receive soft-dollar commissions or arrangements for the Underlying Fund. In the management of the Underlying Fund, the investment managers may receive or enter into soft-dollar commissions/arrangements for the underlying funds. The investment managers will comply with applicable regulatory and industry standards on soft-dollars. Any goods or services supplied under any soft-dollar commissions/arrangements to the investment managers shall be directly relevant to, and are used to assist in, the provision to their customers of investment management services, which may include but are not limited to advice on dealing in, or on the value of any investments, custody services relating to the investments belonging to or managed for their customers, services relating to valuation or performance measurement, research, analysis and advisory services (including those on economic factors and trends), data and quotation services and computer hardware associated with specialised software or research services.

The investment managers shall not receive goods and services such as travel, accommodation or entertainment costs, office administrative computer software, purchase or rental of standard office equipment or ancillary facilities, employees' salaries or any other goods and services prohibited by the applicable regulator.

The investment managers shall ensure that the broker has agreed to provide best execution for the transactions and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

### **Conflicts of Interest**

The Underlying Manager may from time to time have to deal with competing or conflicting interests of the Underlying Fund with other funds managed by the Underlying Manager. For example, the Underlying Manager may make a purchase or sale decision on behalf of some or all of the other funds managed by them 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 Underlying Manager will use 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 relevant investment guidelines of the other funds managed by the Underlying Manager and Underlying Fund, the Underlying Manager will endeavour to ensure that securities bought and sold will be allocated proportionately as far as possible among the Underlying Fund and the other funds managed by the Underlying Manager.

The factors which the Underlying Manager will take into account, when determining if there is any conflict of interest as described in the paragraph above, include the aggregation of the purchase of the assets of the Underlying Fund. To the extent that another fund managed by the Underlying Manager intends to purchase substantially similar assets, the Underlying Manager will ensure that the assets are allocated fairly and proportionately and that the interests of all investors are treated equally between the Underlying Fund and the other funds.

The Underlying Manager and the Trustee shall conduct all transactions with or for the Underlying Fund on an arm's length basis.

Associates of the Trustee may be engaged to provide financial, banking and brokerage services to the Underlying Fund. Such services where provided, will be on an arm's length basis.

Associates of the Underlying Manager may be engaged to provide services such as financial, banking or brokerage services to the Underlying Fund. Such services where provided, will be on an arm's length basis.

### **Reports**

The financial year-end of the ILP Sub-Fund is 30 June. Aviva Ltd will make available semi-annual report and annual audited report of the ILP Sub-Fund within 2 months and 3 months respectively from the relevant reporting periods.

In addition, Aviva Ltd will make available financial reports of the Underlying Fund as they become available from the Investment Manager. Policyholders can access these reports via the Aviva website [www.aviva.com.sg](http://www.aviva.com.sg).

### **Specialised ILP Sub-Fund**

The ILP sub-fund is not a specialised sub-fund as set out in MAS Notice 307 on Investment-Linked Policies issued by the Monetary Authority of Singapore.