

## Amundi Funds

**This Fund Summary is for the following ILP sub-funds and should be read in conjunction with the Product Summary**

Amundi Funds Bond Global<sup>1</sup>

<sup>1</sup> *The ILP sub-funds feed into Restricted Foreign Schemes in Singapore*

### Structure of ILP Sub-Fund

The ILP Sub-Funds are feeder funds investing in the sub-funds (“the Underlying Funds”) of Amundi Funds (the “Company”). The Company is a limited company (“société anonyme”) incorporated in the form of an Investment Company with Variable Capital (“Société d’Investissement à Capital Variable”) with multiple sub-funds, under the laws of the Grand Duchy of Luxembourg.

The Company is authorized and regulated by the Commission de Surveillance du Secteur Financier (“CSSF”), the Luxembourg financial supervisory authority. Since July 1<sup>st</sup> 2011, the Company is subject to Part I of the law of December 17, 2010 on Undertakings for Collective Investment (the “2010 Law”).

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

### Information on the Manager

#### Management Company

The Board of Directors of the Company has appointed Amundi Luxembourg S.A., domiciled at 5, Allée Scheffer L-2520 Luxembourg, to act as its management company (the “Management Company”) under the meaning of the provisions of Chapter 15 of the 2010 Law. Amundi Luxembourg S.A. was incorporated in Luxembourg on March 11, 1988 in the form of a limited company (“Société Anonyme”) and is regulated by the Commission de Surveillance du Secteur Financier (CSSF).

The Management Company is entrusted with day to day management of the Company with the responsibility to perform directly or by way of delegation all operational functions relating to the Company’s investment management, administration, marketing and distribution.

#### Investment Manager

Amundi is incorporated under French Laws, is authorized by the Autorité des Marchés Financiers (“AMF”) and domiciled at 90, boulevard Pasteur, F-75015 Paris, France (main establishment). With around USD 1.1 trillion in assets under management, Amundi is one of the world market leaders in asset management. Amundi has management teams operating in the major financial centres in Europe (Paris, London, Milan), in Asia (Japan, Hong-Kong, Singapore) and the US.

### Other Parties

Please refer to the section on “Management and Administration” in the Amundi Funds Prospectus for details of other parties involved in the underlying Amundi Funds sub-funds.

### Investment Objectives, Focus & Approach

The investment objective, focus and approach of the Underlying Funds are described in the section on “Objective and Investment Policy” in the Amundi Funds Prospectus.

### Risks

Please refer to the sections on “Objective and Investment Policy – Equity sub-funds”, “Objective and Investment Policy – Bond Sub-funds” and “Objective and Investment Policy – Absolute Return Sub-Funds” in the Amundi Funds Prospectus for details on risk factors specific to the Underlying Funds. The risks may include:

#### **Concentration risk**

To the extent that the Underlying Funds invests a large portion of its assets in a limited number of industries, sectors, or issuers, or within a limited geographical area, it can be more risky than a fund that invests more broadly. When the Underlying Funds invest a large portion of its assets in a particular issuer, industry, type of bond, country or region, or in a series of closely interconnected economies, its performance will be more strongly affected by any business, economic, financial, market or political conditions affecting the area of concentration. This can mean both higher volatility and a greater risk of loss.

#### **Contingent Convertible Bonds risk**

These include risks related to the characteristics of these almost perpetual securities: Coupon cancellation, partial or total reduction in the value of the security, conversion of the bond into equity, reimbursement of principal and coupon payments "subordinate" to those of other creditors with senior bonds, the possibility to call during life at predetermined levels or to extend the call. These conditions can be triggered, in whole or part, either due to financial ratios at level of the issuer or by discretionary and arbitrary decision of the latter or with the approval of the competent supervisory authority. Such securities are also innovative, yet untested and may therefore be subject to reaction of the market that may not be anticipated and that may affect their valuation and liquidity. The attractive yield offered by such securities compared to similarly rated debts may be the result of investors' undervalued risk assessment and capacity to face adverse events. Occurrence of any such risks may cause a decrease in the net asset value.

#### **Credit risk**

A bond or money market security could lose value if the issuer's financial health deteriorates. If the financial health of the issuer of a bond or money market security weakens, or if the market believes it may weaken, the value of the bond or money market security may fall. The lower the credit quality of the debt, the greater the credit risk.

#### **Currency risk**

Changes in currency exchange rates could reduce investment gains or increase investment losses, in some cases significantly. Exchange rates can change rapidly and unpredictably, and it may be difficult for the Underlying Funds to unwind its exposure to a given currency in time to avoid losses.

#### **Derivatives risk**

Certain derivatives could behave unexpectedly or could expose the sub-fund to losses that are significantly greater than the cost of the derivative. Derivatives in general are highly volatile and do not carry any voting rights. The pricing and volatility of many derivatives (especially credit default swaps) may diverge from strictly reflecting the pricing or volatility of their underlying reference(s). In difficult market conditions, it may be impossible or unfeasible to place orders that would limit or offset the market exposure or losses created by certain derivatives.

#### **OTC derivatives**

Because OTC derivatives are in essence private agreements between the Underlying Funds and one or more counterparties, they are less highly regulated than market-traded securities. OTC derivatives carry greater counterparty risk and liquidity risk, and it may be more difficult to force a counterparty to honor its obligations to the Underlying Fund. The list of counterparties contracts will be available in the annual report. This counterparty default risk is limited by the regulatory OTC derivatives counterparty limits. Mitigation techniques aiming to limit this risk are used, such as collateral policy or resets in contracts for difference.

If a counterparty ceases to offer a derivative that the Underlying Funds had been planning on using, the Underlying Funds may not be able to find a comparable derivative elsewhere and may miss an opportunity for gain or find itself unexpectedly exposed to risks or losses, including losses from a derivative position for which it was unable to buy an offsetting derivative.

Because it is generally impractical for the SICAV to divide its OTC derivative transactions among a wide variety of counterparties, a decline in the financial health of any one counterparty could cause significant losses. Conversely, if the Underlying Funds experiences any financial weakness or fails to meet an obligation, counterparties could become unwilling to do business with the SICAV, which could leave the SICAV unable to operate efficiently and competitively.

#### **Exchange-traded derivatives**

While exchange-traded derivatives are generally considered lower-risk than OTC derivatives, there is still the risk that a suspension of trading in derivatives or in their underlying assets could make it impossible for the Underlying Funds to realise gains or avoid losses, which in turn could cause a delay in handling redemptions of shares. There is also a risk that settlement of exchange-traded derivatives through a transfer system may not happen when or as expected.

#### **Equity risk**

Equities can lose value rapidly, and typically involve higher risks than bonds or money market instruments. If a company goes through bankruptcy or a similar financial restructuring, its equities may lose most or all of their value.

#### **Guarantee limitations risk**

The Underlying Funds's guarantee may not cover all of your investment, may extend only for a limited amount of time and may be altered at defined reset points.

#### **Hedging risk**

Any attempts to hedge (reduce or eliminate certain risks) may not work as intended, and to the extent that they do work, they will generally eliminate potentials for gain along with risks of loss. Any measures that the Underlying Funds takes that are designed to offset specific risks may work imperfectly, may not be feasible at times, or may fail completely. To the extent that no hedge exists, the Underlying Funds or share class will be exposed to all risks that the hedge would have protected against. The Underlying Funds may use hedging within its portfolio. With respect to any designated share classes, the Underlying Funds may hedge either the currency exposure of the class (relative to the portfolio's reference currency) or the effective duration of the class (relative to the duration of the subfund's reference indicator). The purpose of a duration hedge is to reduce interest rate risk. Hedging involves costs, which reduce investment performance.

#### **High Yield risk**

The high yield debt securities involve special considerations and risks, including the risks associated with international investing generally, such as currency fluctuations, the risks of investing in countries with smaller capital markets, limited liquidity, price volatility and restrictions on foreign investment. Investment in high yield debt securities is subject to risks of interest rate, currency, market, credit and security. Compared to investment grade bonds, the high yield bonds are normally lower-rated securities and will usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default that these securities carry. Interest rate risk When interest rates rise, bond values generally fall. This risk is generally greater the longer the maturity of a bond investment.

#### **Defensive stance risk**

The more the current NAV gets close to the guaranteed NAV, the more the Underlying Funds seek to preserve capital by reducing or eliminating its exposure to dynamic investments and by investing in more conservative investments. This reduces or eliminates the Underlying Funds's ability to benefit from any future value increases.

#### **Emerging markets risk**

Emerging markets are less established than developed markets and therefore involve higher risks, particularly market, liquidity, currency risks and interest rate risks, and the risk of higher volatility.

#### **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. The All-in-Fee\* and Annual Management Charges (AMC) of the Underlying Fund is:

<b>Fund Name</b>	<b>AMC</b>
Amundi Funds Bond Global (AU-C)	0.80%

#### **Past Performance<sup>1</sup> : as at 31 October 2018**

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

### Cumulative Performance

Fund / Benchmark	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception*
Amundi Funds Bond Global	-5.10%	3.71%	1.63%	56.02%	294.38%
J. P. Morgan Government Bond Index Global	-2.15%	3.62%	0.42%	28.39%	240.74%

### Annualised Performance

Fund / Benchmark	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception*
Amundi Funds Bond Global	-5.10%	1.22%	0.32%	4.55%	5.45%
J. P. Morgan Government Bond Index Global	-2.15%	1.19%	0.08%	2.53%	4.86%

Source : Amundi

\*

*Amundi Funds Bond Global* : Incepted on 28 December 1990  
 (From historical data, 'Since inception' figure is for period 04/01/1993 – 29/07/2011)

<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.

<sup>2</sup> There is no benchmark for this fund.

### Expense Ratio and Turnover Ratio

Fund	Expense Ratio	Turnover Ratio
Amundi Funds Bond Global	1.78%	-10.02%

The expense and turnover ratios stated in the table above are for the period ended 30 June 2018.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore guidelines on the disclosure of expense ratios. It does not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, 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. It is calculated by dividing expenses by daily average NAV, and multiplied by the appropriate factor to annualise the figure and is disclosed as a percentage.

The turnover ratio is calculated based on the lower of purchases and sales expressed as a percentage of the daily average net asset value.

### Soft Dollar Commissions or Arrangements

The investment managers, and anyone connected to them, can carry out transactions through another intermediary body that has an agreement with the investment managers or those connected to them, on the basis of which it is established that on occasions the said body shall provide the investment managers or anyone connected to them with goods and services such as consultancy and research, information-technology material associated with specialist software, performance methods and instruments for setting prices. The investment managers, as the other party, may undertake to place all their orders or part of them through the brokerage service of this body, preserving however at all time the best interest of the shareholders.



The supply of goods and services may contribute to the improved performance of the fund or sub-funds in question, and to improving the services provided by the investment managers. For greater clarity, the following are specifically excluded from these goods and services: travel, accommodation costs, entertainment, current goods and services connected with the management, the offices, the office equipment, staff costs, clerical salaries and all financial charges.

The investment managers or anyone connected to them shall not personally benefit from any financial return on the commissions collected by brokers or dealers. Any rebate, profit or financial payment received by the investment managers or anyone connected to them, due on these brokerage commissions or transactions in relation to past orders for the sub-funds of Amundi Funds, shall be exclusively paid into the sub-funds of Amundi Funds.

### **Conflicts of Interest**

Please refer to the above section on Soft Dollar Commissions or Arrangements.

### **Reports**

The financial year-end of the ILP sub-funds will be 30 June. Aviva Ltd will make available semi-annual and annual audited reports of the ILP sub-funds within 2 months and 3 months respectively of the relevant reporting periods.

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

### **Specialised ILP Sub-Funds**

The ILP Sub-Funds are not specialised sub-funds as set out in MAS Notice 307 on Investment-Linked Policies issued by the Monetary Authority of Singapore.