

30 October 2023

NOTICE TO UNITHOLDERS OF:

- **United ASEAN Fund**
- **United Asia Fund**
- **United Asia Pacific Growth Fund**
- **United Asia Pacific Infrastructure Fund**
- **United Asian Growth Opportunities Fund**
- **United Sustainable Asia Top-50 Fund**
(each, a “Fund” and collectively, the “Funds”)
- **GrowthPath Today, GrowthPath 2030 and GrowthPath 2040**
(sub-funds of GrowthPath Portfolios)
(each, a “GrowthPath Portfolio” and collectively, the “GrowthPath Portfolios”)

Dear Unitholder

INCORPORATION OF AIML MODEL INTO INVESTMENT APPROACH

Thank you for investing in the above funds, which are managed by us, UOB Asset Management Ltd (“UOBAM”).

At UOBAM, we constantly strive towards enhancing our funds’ investment strategies. Following a review, we have decided to incorporate our proprietary Artificial Intelligence Machine Learning (“AIML”) model (as described below) into the investment approach of each Fund with effect from **30 November 2023** or such later date as we may announce on our website (the “**Effective Date**”):

“The Fund is supported by combining the output from our proprietary Artificial Intelligence Machine Learning (AIML) model with a rigorous due diligence process by our regional analysts.

Our core products are supported by a proprietary Artificial Intelligence-Machine Learning (“AIML”) model to help analysts and managers shortlist the best opportunities within the investment universe. This is followed by a rigorous bottom-up due diligence process involving detailed company research. In addition, we also employ a top-down process to review asset allocation at both the regional/country and sector levels. We believe long-term investment performance can be achieved by employing a rigorous data-driven research process that enables us to identify companies that generate superior returns.

AIML Model

Our proprietary AIML Model seeks to evaluate all the stocks within the investment universe in an objective, systematic and rigorous manner in order to help analysts and managers rank and shortlist the best opportunities. The model analyses all fundamental, macro-economic and



technical data available for stocks within our investment universe. This process helps us to extend our effective stock coverage and at the same time overcome our human biases and investment blind spots when it comes to stock selection."

The risks associated with the use of the AIML model are set out in Annex 1 to this letter.

For the avoidance of doubt, there is no change to the investment objective and focus or the investment style of each Fund.

Changes affecting underlying fund of GrowthPath Portfolios

Currently, each GrowthPath Portfolio may invest a substantial portion (i.e. 30% or more) of its assets in United Asia Fund. Accordingly, investors in GrowthPath Portfolios should note the changes to United Asia Fund as described above.

The following options are available to your holding of units in the relevant Fund or GrowthPath Portfolio:

Option 1

You may continue holding your units in the fund ("**Units**"). If you choose to do so, no action is required of you.

Option 2

You may switch your Units (at the prevailing net asset value per Unit) to units in any other authorised collective investment scheme managed by us (each a "**UOBAM Fund**" and collectively, the "**UOBAM Funds**") through the authorised agent or distributor from whom you originally purchased your Units, subject to the provisions of the trust deeds and the prospectuses of the fund and the relevant UOBAM Fund.

Units purchased using Central Provident Fund ("**CPF**") or Supplementary Retirement Scheme ("**SRS**") monies may only be switched to UOBAM Funds included under the CPF Investment Scheme ("**CPFIS**") or which are available for subscription using SRS monies respectively. *A list of CPFIS-included funds managed by us which are available for switching is set out in Annex 2 to this letter.*

This notice is not to be construed as an offer of units in any UOBAM Fund and does not constitute investment advice or a recommendation on any investment. Before deciding whether to switch your Units to units in any of the UOBAM Funds, you should read the prospectus of the relevant UOBAM Fund carefully and consult your financial adviser(s) to help you assess the suitability of the relevant UOBAM Fund for you. Electronic copies of the prospectuses of the UOBAM Funds are available at <http://www.uobam.com.sg>, and hard copies may be obtained from us or any of our authorised agents or distributors.

Option 3



You may realise your Units by submitting a completed realisation form to any of our authorised agents or distributors. Please note that the realisation of your Units is subject to the provisions of the trust deed and prospectus of the fund. Currently, there is no realisation charge imposed for realisations of Units.

If you maintain an account directly with UOBAM (and not through one of our authorised agents or distributors), please contact us at our number set out at the end of this letter by **17 November 2023** for assistance on switching your Units and we will refer you to one of our authorised agents or distributors to effect the switch.

If you choose either Option 2 or Option 3 between **30 October 2023 and 24 November 2023** (both days inclusive) (the "**Switching Period**"), there will be no switching fee or any other fees and charges imposed in respect of cash, CPF or SRS units. In addition, you will not be required to bear any CPF agent bank or SRS operator charges for CPF or SRS units respectively. For the avoidance of doubt, normal fees and charges (including the prevailing switching fee of 1% for cash or SRS units) will apply for switches of units before or after the Switching Period.

The above changes will be reflected in a supplementary or replacement prospectus to the registered prospectus of the relevant Fund and GrowthPath Portfolios to be lodged with the Monetary Authority of Singapore on or around the date of this notice. Thereafter, you may obtain a copy of it from us or any of our authorised agents or distributors, or from our website at uobam.com.sg.

This notice is for your information only. You do not need to take any action. These changes have no effect on your current holding of Units.

We look forward to your continued support. Should you have any queries, please call our hotline number at 1800 222 2228 from 8 a.m. to 8 p.m. daily (Singapore time) or email us at uobam@uobgroup.com.

Yours sincerely



Rachel Ong
Chief Marketing Officer



ANNEX 1

Risks associated with the use of the AIML Model

(a) Model assumptions and limitations:

Quantitative investment models are built upon various assumptions and incorporate historical data. These assumptions may not hold true in the future, and changes in market conditions can render the model ineffective. Models may have limitations in accurately predicting complex market dynamics, unexpected events, or outlier scenarios, leading to potential inaccuracies in investment decisions.

(b) Data quality and reliability:

Quantitative models rely heavily on historical data to identify patterns, correlations, and trends. However, the accuracy and reliability of the data used can impact the model's performance.

Incomplete or inaccurate data, data manipulation or biases, and data gaps can affect the model's predictive capabilities, potentially leading to flawed investment decisions.

(c) Model calibration and parameter sensitivity:

Quantitative models require regular calibration to ensure they remain aligned with changing market conditions. Failure to update model parameters in a timely and accurate manner can lead to suboptimal investment decisions.

Models can be sensitive to changes in input parameters, and slight variations in assumptions or calibration can significantly impact the model's outputs and investment recommendations.

(d) Market volatility and unforeseen events:

Quantitative models may struggle to anticipate and respond to unexpected market events or periods of high volatility, such as financial crises, geopolitical unrest, or natural disasters.

Extreme market conditions can disrupt historical patterns, rendering models less effective, and potentially leading to substantial losses if the models fail to adapt to new market realities.

(e) Execution and operational risks:

Implementing a quantitative investment model involves technical complexities and operational considerations. Errors in model implementation, programming bugs, or system failures can have adverse consequences on investment outcomes.



The reliance on automated trading or execution systems may introduce additional risks, including connectivity issues, latency, or algorithmic errors, which can lead to unintended consequences.



ANNEX 2

List of CPFIS-included funds managed by UOBAM which are available for switching as at the date of this notice:

1. **United Global Quality Growth Fund (a sub-fund of United Global Diversified Portfolios) – Class C SGD Acc (Hedged)**

Investment objective: To provide long-term total return by investing in equity and equity-related securities of companies listed and traded on stock exchanges globally.

2. **United SGD Fund (a sub-fund of United Choice Portfolios II) – Class A (Acc) SGD**

Investment objective: To achieve a yield enhancement over Singapore dollar deposits.

3. **United Singapore Bond Fund (a sub-fund of United Global Portfolios) – Class A SGD Acc**

Investment objective: To maximise returns over the longer term by investing mainly in bonds denominated in Singapore Dollars (issued by entities incorporated or domiciled globally) and bonds denominated in foreign currencies (issued by entities incorporated or domiciled in Singapore). Apart from investments in bonds, the United Singapore Bond Fund may also invest in money market instruments (denominated in SGD or foreign currencies), bond funds (including funds managed by us) and time deposits in any currency. Investments shall be made in accordance with the CPF Investment Guidelines. There is no target industry or sector.

"bonds" include, without limitation, fixed income/debt securities of all maturities, zero coupon bonds, callable bonds, equity-linked bonds and convertible bonds, whether issued by governments, statutory bodies or public or private entities.

