Manulife 宏利

May 12, 2023

This document is important and requires your immediate attention. This notice refers to the offering documents of the Manulife Global Select (MPF) Scheme (the “**Scheme**”) and is intended to provide a summary of the changes made to the offering documents of the Scheme for reference. You should refer to the offering documents of the Scheme for full details of the Scheme. Capitalised terms used in this notice, and which are not defined in this notice, have the same meanings as those defined in the MPF Scheme Brochure. If you are in doubt about the contents of this document, you should seek independent professional advice. Manulife Provident Funds Trust Company Limited (the "**Trustee**") accepts responsibility for the accuracy of the information contained in this document as at the date of publication.

Notice to participating employers and scheme members of the Manulife Global Select (MPF) Scheme

With a view to enhancing the Scheme's features, we will implement the following key changes (the “**Changes**”). This part summarises the Changes to the Scheme and the implications which are elaborated in the main body of this notice.

Changes

The following change will take effect immediately:

(a) **Tracker Fund of Hong Kong ("TraHK"):** (i) Changes of the manager of TraHK, the underlying ITCIS of the Manulife MPF Hang Seng Index Tracking Fund ("**Manulife HSI Fund**"), from State Street Global Advisors Asia Limited ("**SSGA**") to Hang Seng Investment Management Limited ("**HSVM**") ("**TraHK IM Change**"); and (ii) the corresponding reduction of the investment management fee and trustee fee at the underlying fund level of the Manulife HSI Fund, both (i) and (ii) having taken effect from 19 September 2022. See section 1 for details.

(b) **Clarification of the existing arrangement for withdrawal of benefits due to voluntary contribution:** A Member who has attained normal retirement age of 65 and continues to be employed will be entitled to receive the entirety of his accrued benefits attributable to voluntary contribution on his actual retirement. The Trust Deed and offering documents of the Scheme will be updated to clarify that, subject to the terms of the applicable participation agreement, a Member may also claim such benefits at any time after attaining the normal retirement age of 65 per the existing arrangement regardless of whether such Member remains in employment. See section 2 for details.

(c) **Addition of risk factor of Manulife MPF Fidelity Growth Fund ("Manulife Growth Fund") and Manulife MPF Fidelity Stable Growth Fund ("Manulife Stable Growth Fund"):** As a result of the change of investment policies of the underlying approved pooled investment funds ("**APIF(s)**") of Manulife Growth Fund and Manulife Stable Growth Fund ("**Underlying Fidelity APIFs**") effective 1 March 2023, an additional risk factor "risks related to ITCIS" will be added with respect to Manulife Growth Fund and Manulife Stable Growth Fund. The investment objectives and policies of Manulife Growth Fund and Manulife Stable Growth Fund remain unchanged. See section 3 for details.

The following Changes will be made to the Scheme effective from October 3, 2023 (the "**Effective Date**"), unless otherwise specified below:

(d) **Transformation of fund structure of Manulife MPF European Equity Fund (the "Transforming CF"):** The investment structure of the Transforming CF will be changed so that the Transforming CF will be transformed from a feeder fund investing solely in an underlying APIF, i.e. Manulife European Equity Fund under the Manulife Provident Funds Unit Trust Series (the "**Existing APIF**") to a portfolio management fund ("**PMF**") investing in two or more APIFs and/or ITCISs (the "**Replacement APIF(s)/ITCIS(s)**") ("**EEF Fund Structure Change**"). See section 4 below for details.

(e) **Change of target asset allocation in Manulife MPF Smart Retirement Fund (the "Smart Retirement Fund") ("SRF SIPO Change"):** The investment focus of the Smart Retirement Fund on equities and equity-related investments will be lowered from "40% to 60%" to "30% to 50%" while the remainder (i.e. 50% to 70%) will be invested in bonds, deposits and other investment as permitted under the Mandatory Provident Fund Schemes (General) Regulations (the "**General Regulation**"). See section 5 below for details.

(f) **Change of Glide Path for the Retirement Funds* (the "Change of Glide Path"):** The Glide Path applicable to each Retirement Fund will be changed such that with respect to each Retirement Fund: (i) for the period up to around 5 years before maturity, a larger allocation will be made to equities and equity-related investments; and (ii) for the period thereafter, a larger allocation will be made to bonds, deposits and other investments. See section 6 below for details.

"Retirement Funds" for the purposes of this notice mean: the Manulife MPF 2025 Retirement Fund; the Manulife MPF 2030 Retirement Fund; the Manulife MPF 2035 Retirement Fund; the Manulife MPF 2040 Retirement Fund; and the Manulife MPF 2045 Retirement Fund.

(g) **Change of underlying ITCIS of Manulife HSI Fund:** As a result of our recent review of the fund offering on the Scheme's platform, with a view to enhancing the Scheme's competitiveness and help raise Members' awareness of sustainability investments, we have decided that the Manulife HSI Fund will cease to invest in TraHK ("**Existing HSI ITCIS**") and instead will invest in the ChinaAMC HSI ESG ETF ("**New HSI ITCIS**") (the "**Manulife HSI Fund Change**"). Correspondingly, (i) the name of the Manulife HSI Fund will be changed to Manulife MPF Hang Seng Index ESG Fund, (ii) the investment objective and balance of investments of the Manulife HSI Fund will be changed to reflect the investment policy of the New HSI ITCIS, (iii) the investment manager, as well as the investment manager and trustee fees at the underlying fund level of the Manulife HSI Fund will be changed, although such change will not result in changes to the aggregate management fee (including both constituent fund and underlying fund levels) of the Manulife HSI Fund, and (iv) the risks associated with investments in the Manulife HSI Fund will be updated. As a result of the change, an amount of approximately 0.09% of the unit price per unit in the Manulife HSI Fund, being the transaction costs, will be incurred which will be charged to the Manulife HSI Fund on the Effective Date. See section 7 below for details.

(h) **Change of investment objectives and policies of the Manulife Pacific Asia Bond Fund ("PAC APIF"), the sole underlying fund of the Manulife MPF Pacific Asia Bond Fund ("PAC CF") (the "Manulife Pacific Asia Change"):** Following a recent product review of the PAC APIF by its investment manager, the investment policies of the PAC APIF will be re-positioned to focus on investments that have been identified as demonstrating strong sustainability attributes. Sustainability attributes may include but are not limited to the issuers' performance on and management of certain environmental, social and governance factors. As a result of Manulife Pacific Asia Change, the name of the PAC APIF and its corresponding constituent fund, PAC CF, will be changed to "Manulife Sustainable Pacific Asia Bond Fund" and "Manulife MPF Sustainable Pacific Asia Bond Fund", respectively, and the investment objective and balance of investments of the PAC CF will be changed correspondingly. See section 8 for details.

Impacts

(i) The Trustee reckons that the Changes will not have any adverse impact on the Scheme or interests of the Members.

(j) The Trustee also confirms that interests of the Members will be adequately protected and will not be prejudiced by the Changes. Manulife Group will bear all legal, translation, printing, postage and administrative costs associated with the Changes, with no such costs being borne by participating employers and Members.

Actions required of Members

(k) No action is required of the Members to effect the Changes.

(l) Although the Trustee believes that the Changes will pose no adverse impact to Members, Members of the affected constituent funds mentioned above who do not wish to be involved with these Changes may change their contribution investment instructions in respect of new contributions and transfer-in monies and/or switch their holdings into other constituent fund(s) and/or the Default Investment Strategy.

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If you have any queries in relation to the Changes, Members can call our Customer Service Hotline on 2108 1388 and participating employers can call 2108 1234.

CHANGES THAT TAKE EFFECT FROM IMMEDIATELY

1. TraHK IM Change

1.1 From 19 September 2022, the manager of TraHK, the underlying ITCIS of the Manulife HSI Fund, has been changed from SSGA to HSVM. The appointment of HSVM as the manager of the TraHK was a result of a review by a professional consultant appointed by the supervisory committee ("**Supervisory Committee**") of State Street Bank and Trust Company Limited, the trustee of TraHK. Following completion of the manager review, the Supervisory Committee identified HSVM, a wholly-owned subsidiary of Hang Seng Bank Limited and an SFC licensed investment manager, to be the most suitable firm to manage TraHK in the interests of unitholders of TraHK, having regard to: (i) HSVM's relevant experience, expertise and sizable presence in Hong Kong, as demonstrated in part by HSVM's management of several existing SFC-authorized funds and exchange traded funds; (ii) latest market developments and TraHK's future development; and (iii) HSVM's fee proposal. For the same reasons, the trustee of TraHK is supportive of this decision and also regards the change to be in the best interests of unitholders of TraHK.

1.2 There will be no change to the investment objective of TraHK or the Manulife HSI Fund as a result of the change.

1.3 In addition, corresponding with the TraHK IM Change, each of the investment management fee and the trustee fee of the TraHK has been reduced from "0.025% to 0.05% per annum" to "0.015% to 0.045% per annum". Accordingly, the current level of aggregate management fee has been reduced from "0.9% per annum" to "0.88% per annum".

2. Clarification of the existing arrangement for withdrawal of benefits due to voluntary contribution

A Member who has attained normal retirement age of 65 and continues to be employed will be entitled to receive the entirety of his accrued benefits attributable to voluntary contribution on his actual retirement. The Trust Deed and offering documents of the Scheme will be updated to clarify that a Member may also claim such benefits at any time after attaining the normal retirement age of 65 per existing arrangement regardless of whether such Member remains in employment, subject to the terms of the applicable participation agreement.

3. Addition of risk factor of Manulife Growth Fund and Manulife Stable Growth Fund

The investment policies of the Underlying Fidelity APIFs have been amended effective 1 March 2023 such that they may invest in ITCIS(s) in addition to investing in other APIF(s). As a result of this change, the risk factor "risks related to ITCIS" will be added with respect to Manulife Growth Fund and Manulife Stable Growth Fund. However, the additions of such risk factor are purely to reflect the features of the Manulife Growth Fund and Manulife Stable Growth Fund. They will not in our view impact on the risk levels of the Manulife Growth Fund and Manulife Stable Growth Fund, which will remain unchanged. Also, the investment objectives and policies of Manulife Growth Fund and Manulife Stable Growth Fund remain unchanged.

CHANGES THAT TAKE EFFECT FROM THE EFFECTIVE DATE

4. EEF Fund Structure Change

4.1 General

On the Effective Date, the Transforming CF, currently being a feeder fund investing solely in the Existing APIF, will be transformed into PMF investing in the Replacement APIF(s)/ITCIS(s). While the Existing APIF will be one of the Replacement APIF(s)/ITCIS(s), some of the Replacement APIF(s)/ITCIS(s) may be managed by Manulife Investment Management (Hong Kong) Limited ("**MIMHK**") or its affiliates or any other investment manager. As a result of the EEF Fund Structure Change, the risk factor "risks related to ITCIS" will be added to the Transforming CF. The addition of such risk factor is purely to reflect that the Transforming CF may invest in ITCIS(s) post EEF Fund Structure Change. Other than the EEF Fund Structure Change, the risk profile and the investment objective and policy of the Transforming CF will remain unaffected by the EEF Fund Structure Change.

The EEF Fund Structure Change will take place on the Effective Date. It will involve redemption of certain of the existing investments in the Existing APIF and application of the redemption proceeds from certain of the existing investments in the Existing APIF into the Replacement APIFs/ITCISs. Such redemption and subscription will take place on October 3, 2023 based on the closing prices as of that day (i.e. October 3, 2023). On the Effective Date, it is expected that the Transforming CF will be investing in the Replacement APIF(s)/ITCIS(s). No suspension of dealing will be required to effect the EEF Fund Structure Change.

4.2 Impact on the Members

The Trustee believes that transforming the Transforming CF into PMF will bring a positive effect to the Transforming CF. In particular, as a result of the EEF Fund Structure Change, the investments of the Transforming CF can be diversified and the Replacement APIFs and/or ITCISs can be managed by different investment managers, and this in turn could help diversify the concentration risk at the underlying fund level and therefore potentially enhance the performance of the Transforming CF. The EEF Fund Structure Change could also make it easier to modify allocation among different APIFs and/or ITCISs or change any one or more of the underlying funds should MIMHK consider them to be underperforming or uncompetitive. In addition, note that the EEF Fund Structure Change will not in itself result in the change of value/unit in the members' account balance of the Transforming CF. However, if Members do not wish to be involved in the EEF Fund Structure Change, please refer to section 9 below for the alternative available.

5. SRF SIPO Change

Currently, approximately 40% to 60% of the NAV of the Smart Retirement Fund is indirectly invested in equities and equity-related investments. On the Effective Date, the investment focus of the Smart Retirement Fund on equities and equity-related investments will be lowered to 30% to 50% while the remainder (i.e. 50% to 70%) will be invested in bonds, deposits and other investments as permitted under the General Regulation.

One of the purposes of the Smart Retirement Fund is to house contributions and benefits of members that are invested in other Retirement Funds on their applicable maturity date. Accordingly, we anticipate that the demographic trend of the members in the Smart Retirement Fund will be towards an older population. In our view, it is appropriate to reallocate a larger proportion of the Smart Retirement Fund's NAV to fixed income securities.

6. Change of Glide Path

The asset allocation of all Retirement Funds changes according to a pre-determined "Glide Path", which represents the shifting of asset classes over time. According to the current Glide Path, approximately 90% of the investment of each Retirement Fund invests in equities and equity-related investments at the early stage of the Retirement Funds and decrease gradually thereafter to approximately 50% when the Retirement Funds mature, while the remainder invests in bonds, deposits and other investments.

With effect from the Effective Date, certain changes will be made to the Glide Path as illustrated below:

	Before the Effective Date		**On and after the Effective Date**	
	Allocation to equities and equity-related investments	Allocation to bonds, deposits and other investments	Allocation to equities and equity-related investments	Allocation to bonds, deposits and other investments
For the period up to 25 years before maturity	Approximately 80% to 100%	Approximately 0% to 20%	Approximately 85% to 100%	Approximately 0% to 15%
For the period from 25 to 15 years before maturity	Approximately 75% to 100%	Approximately 0% to 25%	Approximately 85% to 100%	Approximately 0% to 15%
For the period from 15 to 10 years before maturity	Approximately 65% to 95%	Approximately 5% to 35%	Approximately 70% to 100%	Approximately 0% to 30%
For the period from 10 to 5 years before maturity	Approximately 45% to 85%	Approximately 15% to 55%	Approximately 55% to 90%	Approximately 10% to 45%
For the period from 5 years to right before maturity	Approximately 40% to 70%	Approximately 30% to 60%	Approximately 30% to 75%	Approximately 25% to 70%
For the period thereafter	Approximately 40% to 60%	Approximately 40% to 60%	Approximately 30% to 50%	Approximately 50% to 70%

The Change of Glide Path is intended to allow the Retirement Funds to be more aggressive in the beginning of investment by taking advantage of the upside of the volatile equities market, and potentially increasing the return therefrom. From the period of around 5 years before maturity, the Change of Glide Path will allow the Retirement Funds to take the more conservative approach with a view to preserving their investment performances which have been gained in the beginning of investment from the equities market.

7. Manulife HSI Fund Change

7.1 General

The term ESG refers to the examination of a company's Environmental, Social, and Governance practices, their impacts, and the company's progress against ESG benchmarks. ESG investing is a form of risk management. We believe that it is important to build risk management practices on portfolios based on the ESG standard because negative ESG incidents are increasingly damaging and costly. From an investor's perspective, ESG-related investment helps to reduce any damage mentioned above being translated into a long-term tangible loss for the Members. With a view to mitigating the ESG risk for the Members, from the Effective Date, the Manulife HSI Fund will cease to invest in the Existing HSI ITCIS and instead will invest in the New HSI ITCIS. Correspondingly, the name of the Manulife HSI Fund will be changed to Manulife MPF Hang Seng Index ESG Fund.

As a result of such change, the investment objective and balance of investments of the Manulife HSI Fund will be changed, as illustrated below:

Before Effective Date	**On and after the Effective Date**
Investment objective	
The Manulife HSI Fund is a unitised equity fund which is designed to provide medium- to long-term capital growth for members who hold a longer term investment view and who are prepared to accept significant fluctuations in the value of their investments in order to achieve long-term returns. The Manulife HSI Fund seeks to track the performance of the Hang Seng Index of Hong Kong. However, members should note that there is no guarantee or assurance of exact or identical replication at any time of the performance of the Hang Seng Index.	The Manulife MPF Hang Seng Index ESG Fund is a unitised equity fund which is designed to provide medium- to long-term capital growth for Members who hold a longer term investment view and who are prepared to accept significant fluctuations in the value of their investments in order to achieve long-term returns. The Manulife MPF Hang Seng Index ESG Fund seeks to track the performance of the HSI ESG Enhanced Index ("**Index**"). However, Members should note that there is no guarantee or assurance of exact or identical replication at any time of the performance of the Index.
Balance of investments	
It is intended that the Manulife HSI Fund will invest in shares of constituent companies of the Hang Seng Index in substantially similar composition and weighting as they appear in the index through an ITCIS (currently, the Tracker Fund of Hong Kong managed by HSVM). The Hang Seng Index is a widely quoted indicator of the performance of some of the largest companies in terms of capitalization listed on the Main Board of the Hong Kong Stock Exchange. The Manulife HSI Fund invests solely in an ITCIS.	It is intended that the underlying investments of the Manulife MPF Hang Seng Index ESG Fund will invest in securities included in the Index in substantially the same weightings in which they are included in the Index through an ITCIS (currently, the ChinaAMC HSI ESG ETF managed by China Asset Management (Hong Kong) Limited). The Index is a free float adjusted market capitalization weighted index. It aims to measure the overall performance of the Hong Kong stock market combined with ESG (environmental, social and governance) initiatives from international lens based on internationally recognized ESG principles, data, research and ratings. It is expected that the overall ESG Risk Ratings from Sustainalytics (the "**ESG Risk Ratings**") of the underlying fund of the Hang Seng ESG Index Tracking Fund will be at least 20% better than the Hang Seng Index (the "**Base Index**"). Information about the Index can be found in **Appendix A** to this notice.

With the change of underlying fund of the Manulife HSI Fund, the investment manager at the underlying fund level will change from HSVM to China Asset Management (Hong Kong) Limited. Moreover, the following risk factors, namely (i) new index risk and (ii) risk associated with ESG investing, will be added to the Manulife HSI Fund. With respect to the new index risk, the Index is relatively new and has minimal operating history by which investors can evaluate its previous performance. There can be no assurance as to the performance of the Index. The New HSI ITCIS may be riskier than other exchange traded funds tracking more established indices with longer operating history. With respect to the risk associated with ESG investing, the use of ESG criteria in the construction of the Index may affect the New HSI ITCIS' investment performance and, as such, the New HSI ITCIS may perform differently compared to similar funds that do not use such criteria. ESG-based exclusionary criteria used in selection methodology of the Index may result in the Index excluding certain securities when it might otherwise be advantageous for the New HSI ITCIS to invest in those securities. However, the addition of such risk factors is purely to reflect the features of the New HSI ITCIS and the Index, they will not in our view impact on the risk level of the Manulife HSI Fund, which will remain unchanged.

Moreover, corresponding to the Manulife HSI Fund Change, the management fee at the underlying fund level will change from "up to 0.09% per annum" to "0.15% per annum". As a result, the management fee at the constituent fund level will decrease correspondingly to ensure that the Manulife HSI Fund Change will not result in changes to the aggregate management fees (including both constituent fund and underlying fund levels) of the Manulife HSI Fund.

7.2 How will the Manulife HSI Fund Change be effected?

The process will involve an exchange in full the units held in the Existing HSI ITCIS by the Manulife HSI Fund for units in the New HSI ITCIS. No suspension of dealing at the constituent fund level will be required to effect the Manulife HSI Fund Change. By the Effective Date, it is expected that the Manulife HSI Fund will be investing in the New HSI ITCIS. Certain transaction costs will be incurred to effect the above transaction in order to ensure that the Manulife HSI Fund will be investing solely in the New HSI ITCIS on the Effective Date. Such costs, which will amount to approximately 0.09% of the unit price per unit in the Manulife HSI Fund, will be charged to the Manulife HSI Fund on the Effective Date. We confirm that such charging arrangement is consistent with clause 19 of the Trust Deed of the Scheme.

The exchange process as described above will not involve any redemption of units held by the Manulife HSI Fund in the Existing HSI ITCIS nor subscription of units in the New HSI ITCIS. No investment gains or losses will be realized during such process, and such process will help minimising the impact of market risks which are associated with redemptions and subscriptions.

The Trustee confirms that proper arrangements with the related parties, including HSVM, the outgoing investment manager of the Existing HSI ITCIS and China Asset Management (Hong Kong) Limited, the investment manager of the New HSI ITCIS, will be in place to ensure that there will be smooth transition for the Manulife HSI Fund, and the Trustee has sufficient resources and capability to effect the Manulife HSI Fund Change such that the Members' interests will be adequately protected. However, if Members do not wish to be involved in the Manulife HSI Fund Change, please refer to section 9 below for the alternative available.

8. Manulife Pacific Asia Change

Following a recent product review of the PAC APIF by its investment manager, the investment policies of such APIF will be re-positioned to focus on investments that have been identified as demonstrating strong sustainability attributes. Sustainability attributes may include but are not limited to the issuers' performance on and management of certain environmental, social and governance factors.

As a result of Manulife Pacific Asia Change, the name of the PAC APIF and PAC CF will be changed to "Manulife Sustainable Pacific Asia Bond Fund" and "Manulife MPF Sustainable Pacific Asia Bond Fund", respectively. In addition, the investment objective and balance of investments of the PAC CF will be changed correspondingly, as illustrated below:

Before Effective Date	On and after the Effective Date
Investment objective	
The Manulife MPF Pacific Asia Bond Fund is a unitised bond fund which is designed to provide competitive overall rate of returns for Members who hold a longer term investment view and want to seek returns through income and capital appreciation.	The Manulife MPF Sustainable Pacific Asia Bond Fund is a unitised bond fund which is designed to provide competitive overall rate of returns for Members who hold a longer-term investment view and want to seek returns through income and capital appreciation. The underlying investments of the Manulife MPF Sustainable Pacific Asia Bond Fund will be made on a diversified basis.
Balance of investments	
It is intended that the underlying investments of the Manulife MPF Pacific Asia Bond Fund will be made on a diversified basis mainly in debt securities issued by any government, central bank, supra-nationals, multilateral international agency or corporate issuers in the Asia Pacific region. It may also purchase debt securities which satisfy the minimum credit rating stipulated by the MPFA or those which are listed on any approved stock exchange being a security issued by, or guaranteed by, a company whose shares are so listed. At least 30% of the NAV of the Pacific Asia Bond Fund will be exposed to HKD currency investments, as measured by the effective currency exposure in accordance with section 16 of Schedule 1 to the General Regulation. The underlying portfolio may also include other investments as permitted under the General Regulation, up to 30% of the NAV of the Manulife MPF Pacific Asia Bond Fund. The intended asset allocation above is for reference only and may be changed as and when market, political, structural, economic and other conditions change that the investment manager deems appropriate. The Manulife MPF Pacific Asia Bond Fund invests solely in an APIF.	It is intended that the underlying investments of the Manulife MPF Sustainable Pacific Asia Bond Fund will invest at least 85% of its net assets in USD-denominated fixed income and fixed income-related securities of companies domiciled in, traded in and/or with substantial business interests in the Asia Pacific region and/or (if eligible) governments and government-related issuers located in the Asia Pacific region, who demonstrate strong sustainability attributes. The Manulife MPF Sustainable Pacific Asia Bond Fund invests solely in an APIF. At least 30% of the NAV of the Manulife MPF Sustainable Pacific Asia Bond Fund will be exposed to HKD currency investments as measured by the effective currency exposure in accordance with section 16 of Schedule 1 to the General Regulation. Sustainability attributes may include but are not limited to an issuer's performance on and management of certain environmental factors, such as climate change and natural resource use, social factors, such as labor standards and diversity considerations, and governance factors, such as board composition and business ethics, ("**ESG**"). Issuers with strong sustainability attributes are those that are avoiding harm to these factors while positively contributing to the sustainability of these factors. In order to select securities of issuers with strong sustainability attributes, the investment manager of the underlying fund will, with respect to the investment universe: (i) apply positive screening; (ii) adhere to an exclusion framework; and (iii) remove securities with the lowest internal ESG rankings. Further information about the balance of investments of the Manulife MPF Sustainable Pacific Asia Bond Fund can be found in **Appendix B** to this notice.

With the above changes to the investment objective and balance of investments of the PAC CF, new risk factors, namely, sustainable investing risk and sustainability policy risk, will be added to the PAC CF. Rest assured that such additions will not result in changing the risk profile of the PAC CF.

9. Actions required of Members

9.1 No action is required of the Members to effect the Changes.

9.2 However, Members of the Transforming CF, the Smart Retirement Fund, the Retirement Funds, the Manulife HSI Fund and/or the PAC CF who do not wish to be involved in the change of their investment policies may: (i) switch their existing investment in these constituent fund(s) to other constituent fund(s) under the Scheme, and/or (ii) change their contribution investment instructions in respect of any new contributions and transfer-in monies by submitting to the Trustee the validly completed instructions. The validly completed instructions must be received by the Trustee through our website at www.manulife.com.hk or interactive voice response system or by facsimile or by mail at or before the dealing cut-off time (currently at 4:00 p.m.) on any dealing day before the Effective Date. Members who choose to submit instructions to the Trustee's designated address by mail should allow sufficient time for mailing.

^ Remarks: In the event of the cut-off date becoming a gale warning day or black rainstorm warning day (i.e. Tropical Cyclone Warning Signals No.8 or above; or black rainstorm signal is hoisted and remains hoisted after 12:00p.m.) resulted in such day being a non-Business Day, all instructions from Members submitted to the Trustee on such day will be suspended and not be processed. Any such instruction shall be processed as soon as practicable after the Effective Date.

9.3 For details of how the processes in section 9.2 above will be effected, please refer to sections 6.5.2 "Change of contribution investment instruction" and 6.6 "Switching" of the MPF Scheme Brochure.

9.4 There will be no fees or penalty, bid and offer spread, transfer fee or other transaction costs imposed on any transfer out as detailed in this section 9.

10. Miscellaneous matter

In addition to the Changes, the bankruptcy forfeiture provision of the Trust Deed of the Scheme will be updated to enhance its enforceability.

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The offering documents and Trust Deed of the Scheme will be amended to reflect the Changes and certain other changes. Participating employers and Members can download the full set of the offering documents of the Scheme from our website at www.manulife.com.hk or request a copy in writing or verbally. You can write to the Hong Kong Retirement, Manulife (International) Limited, 21/F, Tower A, Manulife Financial Centre, 223-231 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong. Please quote your name, address and member account number (for Members) or sub-scheme number (for participating employers) in the request letter. Alternatively, Members can call our Customer Service Hotline on 2108 1388 and participating employers can call 2108 1234.

Issued by Manulife Provident Funds Trust Company Limited

Appendix A

Information HSI ESG Enhanced Index

Details about the Index

The universe of the Index comprises the constituents of the Base Index, with exclusion policy applied. The constituents of the Base Index must be securities of Greater China companies that are listed on the Main Board of the Hong Kong Stock Exchange. Greater China companies refer to (i) companies incorporated in Hong Kong; (ii) mainland China companies (i.e. H-shares, Red-chips and P-chips companies); or (iii) companies with history, headquarters, management and/or a principal place of business in Hong Kong, Macau or mainland China. Foreign companies, stapled securities and biotech companies with stock names that end with marker "B" are excluded.

The exclusion policy of the Index will be based on three ESG screenings, namely, (i) the ESG Risk Rating screening based on the ESG Risk Ratings (the "**ESG Risk Rating Screening**"), (ii) the United Nation Global Compact ("**UNGC**") principle screening based on the UNGC compliance ratings from Sustainalytics, Arabesque S-Ray® and ISS ESG (the "**UNGC Principle Screening**"), as well as (iii) the controversial product involvement screening based on the controversial product involvement data from Sustainalytics (the "**Controversial Product Involvement Screening**").

Under the ESG Risk Rating Screening, the constituents in the Base Index are ranked based on their ESG Risk Ratings from Sustainalytics in descending order (i.e. Rank 1 corresponds to the highest ESG risk). The 10 constituents in the Base Index with the highest ESG Risk Ratings will be excluded from the Index, subject to the following buffer zone rule.

Securities excluded due to ESG Risk Rating Screening in the last index review and newly added constituent(s) to the Base Index need to rank below 15th to be included to the Index, while securities not excluded due to ESG Risk Rating Screening in the last index review need to rank on or above 5th to be excluded from the Index.

If the number of excluded securities is greater than 10, the excluded security(ies) with the lowest ESG Risk Ratings will be added to the Index in order to maintain the number of excluded securities at 10. If the number of excluded securities is smaller than 10, the remaining constituent(s) of the Index with the highest ESG Risk Ratings will be removed from the Index in order to maintain the number of excluded securities at 10.

The ESG Risk Ratings measure the degree to which a company's economic value is at risk from financially material ESG risk factors. The ESG Risk Ratings are composed of three building blocks that contribute to a company's overall rating, namely, corporate governance, material ESG issues and idiosyncratic issues (being the occurrence of controversial/unexpected event). The ESG Risk Ratings are built on a two-dimensional approach, starting with the "exposure" dimension reflecting the extent to which a company is exposed to material ESG risks, followed by the "management" dimension assessing how well the company manages its exposure to those risks. These two dimensions are applied across the three building blocks upon which the overall ESG Risk Ratings for a company is determined. Ultimately, the ESG risk scores across each of the three building blocks are aggregated to arrive at an overall risk assessment for the ESG Risk Ratings. Please refer to the prospectus of the ChinaAMC HSI ESG ETF for further details on the ESG Risk Ratings.

Under the UNGC Principle Screening, UNGC compliance ratings from Sustainalytics, Arabesque S-Ray® and ISS ESG (the "**UNGC Rating Agencies**") are used. A constituent of the Base Index will be excluded from the Index if it meets the UNGC non-compliance criteria for a majority (i.e. more than 50%) of the UNGC Rating Agencies that cover the constituent. Please refer to the prospectus of the ChinaAMC HSI ESG ETF for details on the UNGC non-compliance criteria.

Under the Controversial Product Involvement Screening, a constituent of the Base Index will be excluded from the Index if it reaches any of the following thresholds of controversial product involvement:

Product Involvement Screening Areas	**Threshold**
Thermal Coal Extraction	Greater than or equal to 5% of revenue
Thermal Coal Power Generation	Greater than or equal to 5% of revenue
Tobacco Products Production	Greater than or equal to 5% of revenue
Tobacco Products Retail	Greater than or equal to 5% of revenue
Controversial Weapon Tailor-made and Essential	Any involvement
Controversial Weapons Non-tailor-made and Non-essential	Any involvement

The remaining securities of the Base Index after the three screenings above are applied will be tilted based on the ESG Risk Ratings. Securities with relatively higher (lower) ESG Risk Ratings will be tilted down (up) in weights, subject to a cap of 8% on individual constituent weight for each Index constituent.

Information about the Index including the information on the respective weightings of stocks and the respective weightings of the top 10 largest constituent stocks of the Index can be obtained from www.hsi.com.hk.

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Further information about the balance of investments of the Manulife MPF Sustainable Pacific Asia Bond Fund

With regard to the positive screening, the underlying fund of the Manulife MPF Sustainable Pacific Asia Bond Fund seeks to invest primarily in companies making a positive sustainability impact. This is principally achieved by applying a positive screening process which filters issuers that demonstrate strong sustainable practices. Factors considered can be both products or services related (e.g. revenue contribution from business activities with positive impact), or business practice related (e.g. adoption of carbon emission reduction targets or product safety management programs). With regard to limited data availability, missing data or a lack of coverage will be supplemented with company reported information and/or findings from proprietary credit analysis and ESG research.

The underlying fund of the Manulife MPF Sustainable Pacific Asia Bond Fund shall also adhere to an exclusion framework where certain issuers are removed from the investment universe. This includes screening out issuers, where possible, who are considered by third party data providers to be in violation of the Ten Principles of the United Nations Global Compact. This also includes issuers with products or within industries that are considered by the investment manager of the underlying fund of the Manulife MPF Sustainable Pacific Asia Bond Fund (the "**Underlying Fund IM**") to be unsustainable or associated with significant environmental or social risks. These may be updated from time to time depending on the assessment of each product or industry against the abovementioned principles, but currently issuers deriving more than 5% of revenue from alcohol, tobacco, gambling operations, adult entertainment, fossil fuel production, conventional weapons and any revenue from controversial weapons are automatically eliminated from investment consideration (exclusion framework). For the avoidance of doubt, issuers which have not been assessed by third party data providers regarding their compliance with the Ten Principles of the United Nations Global Compact will not be excluded from the investment universe of the underlying fund of the Manulife MPF Sustainable Pacific Asia Bond Fund provided that they are also not issuers with the abovementioned categories of products or within the abovementioned categories of industries.

Furthermore, the positive and negative (i.e. exclusion framework) screening are complemented by the investment process of the underlying fund of the Manulife MPF Sustainable Pacific Asia Bond Fund which integrates ESG considerations by combining bottom-up fundamental credit analysis with a proprietary ESG-based methodology which considers ESG factors alongside other business and financial factors of each issuer with the aim of identifying ESG exposures as well as related risks and opportunities and their potential implications. Each potential issuer will be assigned with one of four rankings in respect of each category of environmental, social and governance, based on the Underlying Fund IM's assessment of that issuer's performance on and management of ESG issues, in consideration of and/or in reference to a number of industry principles and standards including the principles of financial materiality as outlined by the Sustainability Accounting Standards Board. The ESG rankings will be determined and assigned by the Underlying Fund IM using a proprietary method which aims to incorporate relevant ESG factors, considering and processing third party ratings and scores together with the analysis of raw industry data (such as publicly available ESG reports, assessment reports or case studies). Issuers with lowest internal ESG rankings will be removed.

After applying the positive screening, exclusion framework and removal of issuers with lowest internal ESG rankings, the Underlying Fund IM will in effect remove at least 20% of the investment universe. The remaining issuers will as a result be above the minimum standard determined by the Underlying Fund IM to demonstrate strong sustainability attributes as the eligible investment universe.

Additionally, within the primary investment strategy, the underlying fund of the Manulife MPF Sustainable Pacific Asia Bond Fund will also invest a minimum of 15% of net assets in ESG themed bonds issued by companies domiciled in, traded in and/or with substantial business interests in the

Asia Pacific region and/or (if eligible) governments and government-related issuers located in the Asia Pacific region. "ESG themed bonds" are bonds which align with a combination of one or more of the International Capital Market Association (“**ICMA**”) Green Bond Principles, ICMA Social Bond Principles and/or the ICMA Sustainability Bond Guidelines, amongst others.

The underlying fund of the Manulife MPF Sustainable Pacific Asia Bond Fund may also purchase debt securities which satisfy the minimum credit rating stipulated by the MPFA or those which are listed on any approved stock exchange being a security issued by, or guaranteed by, a company whose shares are so listed. The underlying fund of the Manulife MPF Sustainable Pacific Asia Bond Fund may also include other investments as permitted under the General Regulation, up to 30% of the net asset value of the Manulife MPF Sustainable Pacific Asia Bond Fund for cash management purposes. The intended asset allocation as aforesaid is for reference only and may be changed as and when market, political, structural, economic and other conditions change that the Underlying Fund IM deems appropriate.