

**The notice contains important information that requires your immediate attention.
Should you have any query about this notice, please seek independent professional advice.**

January 16, 2021

To Policyowners of Manulife Investment Plus (“MI Plus”) / Manulife Investment Solutions (“MISo”) / Alpha / Alpha Regular Investor (“ARI”) / Matrix (each a “Plan” and collectively, the “Plans”)

Various Changes of the Underlying Funds

We would like to notify you of the following changes with regard to the following underlying funds (each an “**Underlying Fund**” and collectively, the “**Underlying Funds**”) under the Plans, following our receipt of the unitholder notice of UBS (Lux) Equity Fund (the Underlying Funds being sub-funds of which) dated December 30, 2020 (the “**Unitholder Notice**”). The following changes will become effective as of February 1, 2021 (the “**Effective Date**”).

Name of Plan	Name of Investment Choice	Name of Underlying Fund	Share Class of Underlying Fund
MI Plus and MISo	Manulife Inv UBS Asian Consumption Fund	UBS (Lux) Equity Fund – Asian Consumption (USD)	Class P-acc
Alpha, ARI and Matrix	MIL UBS Asian Consumption Fund		
MI Plus and MISo	Manulife Inv UBS China Opportunity Fund	UBS (Lux) Equity Fund – China Opportunity (USD)	Class P-acc
Alpha, ARI and Matrix	MIL UBS China Opportunity Fund		

1. Amendments to UBS (Lux) Equity Fund – Asian Consumption (USD)

*a) Repositioning of the Underlying Fund's portfolio and designation as a sustainable investing focused fund (“**SI Focused Fund**”)*

The investment policy of the Underlying Fund will be changed as part of a repositioning exercise of the Underlying Fund. In order to adapt to the current global economic circumstances, it is the portfolio manager of the Underlying Fund’s (the “**Portfolio Manager**”) belief that a primary focus of the Underlying Fund’s investments on a wider range of investments beyond the consumer sector and outside of Asia markets will allow the Underlying Fund to better capture equity investment opportunities. Also as it is the Portfolio Manager’s belief that a focus on sustainable investment positively contributes to the long term orientation of the Underlying Fund’s investment strategy and its risk management, the Underlying Fund shall be designated as a SI Focused Fund as of the Effective Date. Therefore, the following changes will be made:

Change to Investment Strategy

Currently, the primary investment strategy of the Underlying Fund is to invest at least 70% of its assets in securities within the following Asian sectors (excluding Japan): consumer discretionary, consumer staples and health care. This involves investments in securities of companies that are engaged in the business activities of providing goods and services to the Asian Markets, and includes companies that benefit considerably from the increase in consumption in Asia, such as mobile telephone and consumer finance companies, as well as Asian consumer goods and services companies that operate globally via franchising.

As of the Effective Date, the primary investment strategy of the Underlying Fund will be amended such that:

- i) the Underlying Fund will invest at least two-thirds of its assets in shares or other equity interests of companies that are domiciled or chiefly active in emerging markets, and that are leading companies in sectors benefiting from trends and themes which are expected to affect the economy and society in the long term. Examples of such trends and themes include digital transformation, the evolution of consumers in emerging markets, changing pattern in healthcare driven by an aging population and urbanization, financial inclusion (which refers to an effort to make financial products and services available and accessible to a wider part of the population), climate change and its effect on environmental policy, new technologies, etc.. "Leading companies" are companies which the Portfolio Manager believes to have or potentially have a competitive edge over most of their peers in one or multiple aspects of their business, such as quality of management, product offering, distribution, brand & reputation, research & development and technology. This will be determined by reviewing

the revenue, earnings, investments and market share of each company. As such, the Underlying Fund's assets will not be limited to a particular range of market capitalisations or to any geographical or sectoral allocation; and

- ii) the Underlying Fund will invest at least two-thirds of its assets in shares or other equity interests of companies which the Portfolio Manager believes to have an appropriate social and environmental profile, and maintain a good standard corporate governance approach and for which the Portfolio Manager will seek to have an average sustainability profile that exceeds the weighted average of its performance benchmark.

Sustainability/environmental, social and corporate governance ("**ESG**") factors are key considerations in the Portfolio Manager's stock selection process. For further details on how the Portfolio Manager's stock selection process will incorporate ESG factors in pursuit of this primary investment strategy, please refer to Appendix I of the Unitholder Notice.

Change to ancillary investment strategies

Currently, the Underlying Fund's aggregate exposure (whether direct or indirect) to China A-Share and China B-Share markets via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect ("**Stock Connect**") is maintained at 20% or below of its total net asset value. As of the Effective Date, the Underlying Fund's exposure (whether direct or indirect) to such China A-Share and China B-Share markets via Stock Connect shall be increased to 45% or below of its total net asset value. Within this limit, the Underlying Fund may invest in stocks listed on the Small and Medium Enterprise ("**SME**") Board, the ChiNext market and/or the Science and Technology Innovation Board (the "**STAR Board**").

Change to performance benchmark

Currently, the Hong Kong offering documents and Key Facts Statement of the Underlying Fund disclose that the Underlying Fund uses MSCI AC Asia ex Japan Consumer & Healthcare Sectors 10/40 as the benchmark for performance measurement, risk management and portfolio construction purposes. As a consequence of the change to the primary investment strategy of the Underlying Fund, the benchmark shall be amended to MSCI Emerging Markets (net div. reinvested).

b) Consequential change in name of the Underlying Fund

As a consequence of the repositioning of the Underlying Fund's investment strategy and the designation as a SI Focused Fund, as of the Effective Date, the Underlying Fund shall be renamed as "UBS (Lux) Equity Fund – Emerging Markets Sustainable Leaders (USD)". As such, the names of the investment choices corresponding to the Underlying Fund (each an "**Investment Choice**" and collectively, the "**Investment Choices**") will also be changed. Details are as follows:

Name of Underlying Fund		Name of Investment Choice	
Current	New	Current	New
UBS (Lux) Equity Fund – Asian Consumption (USD)	UBS (Lux) Equity Fund – Emerging Markets Sustainable Leaders (USD)	Manulife Inv UBS Asian Consumption Fund	Manulife Inv UBS Emerging Markets Sustainable Leaders Fund
		MIL UBS Asian Consumption Fund	MIL UBS Emerging Markets Sustainable Leaders Fund

c) Reduction in fees

As of the Effective Date, the maximum flat fee payable to the management company, depositary and administrative agent of the Underlying Fund will be reduced as follows.

Current maximum flat fee (maximum management fee) p.a.	Reduced maximum flat fee (maximum management fee) p.a.
2.04% (1.63%)	1.92% (1.54%)

Please note that the management fee / investment management fee per annum of the net asset value of the corresponding Investment Choices at investment choice level remains unchanged. As a result of the changes in (a)

and (b) above, (i) the Underlying Fund will be subject to a greater extent of emerging markets risks and risks related to investments in A-Shares via the Stock Connect, risks relating to Mainland China A-Shares, RMB currency and conversion risks, PRC tax risk and risks associated with the Small and Medium Enterprise Board and/or ChiNext market and the STAR Board; and (ii) investors of the Underlying Fund will be subject to new risks associated with investing in a SI Focused Fund (please refer to Appendix I of the Unitholder Notice for a description).

Accordingly, the “Profile of the typical investor” section with respect to the Underlying Fund in the prospectus of the Underlying Fund shall be reworded as follows:

“The actively managed sub-fund is suitable for investors who wish to invest in a diversified portfolio of shares in companies either domiciled or chiefly active in emerging markets and targeting a leading position in sustainability. Investors should be prepared to accept the risks inherent in shares.”

Your Action

If you are currently holding any of the corresponding Investment Choices and you do not wish to hold such Investment Choice(s) after the repositioning becomes effective, you should switch such holding between the date of this notice and **3:00pm on January 28, 2021**, both dates inclusive (the “**Period**”), to any other investment choice(s) that is/are open for subscription under the respective Plans.

If you have arranged regular subscription to any of the Investment Choices and you wish to change the allocation for future subscriptions as you do not wish to subscribe to such Investment Choice(s) after the repositioning becomes effective, you should change the allocation for future subscriptions by sending us a relevant instruction within the Period. We will process your instruction accordingly.

Please be reminded that the minimum subscription/switching amount requirements under the Plans are still applicable.

We appreciate if you would let us have your switching instruction and/or change of allocation instruction by sending the completed and signed prescribed form(s) to our Administration Office within the Period. If we do not receive any instruction from you by the end of the Period, your existing holding and/or future allocation will remain in the Investment Choices after the Effective Date. You may still switch your holdings and/or change your allocation anytime after the repositioning of the Underlying Fund.

Please refer to the Principal Brochure – Investment Choice Brochure of the Plans and the offering documents of the underlying fund linked to other investment choices for further details about such other investment choices and the corresponding underlying fund, including but not limited to the investment objective and policies, risk factors and related fees and charges. The offering documents of the underlying fund corresponding to the investment choices under the Plans are made available by Manulife upon request.

2. UBS (Lux) Equity Fund – China Opportunity (USD) - Designation as ESG Integrated fund

The prospectus of the Underlying Fund will be updated to designate the Underlying Fund as ESG Integrated fund.

This means that the investment process for the Underlying Fund integrates key aspects related to sustainability and/or environmental, social and governance (“**ESG**”) criteria with the process of financial analysis. ESG Integrated funds are characterised by the inclusion in the investment process of key ESG risks that may have an influence on the investment result, rather than the application of specific ethical principles or standards. The analysis of key sustainability/ESG characteristics may include various aspects of a company, such as its carbon footprint, employee health and well-being, management of the value chain, equitable treatment of clients and governance procedures. The portfolio manager of the Underlying Fund may continue to invest in securities with an elevated ESG risk profile if they believe that the potential profit outweighs the ESG risks identified. For this reason, the Underlying Fund is not categorised as SI Focused/ESG funds, but is an investment fund that focus primarily on maximising financial returns whilst including ESG issues as an additional factor in the investment process.

For avoidance of doubt, the Underlying Fund is not designated as Green or ESG funds by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and ESG is not a key investment focus and consideration of the Underlying Fund.

3. General and administrative updates

The Hong Kong offering documents and Key Facts Statement of the Underlying Funds will also be updated to reflect, amongst others, the following:

- updates to risk disclosures relating to the Underlying Funds’ investments in the PRC;
- clarificatory changes in respect of the disclosures on the maximum entry costs and conversions commission.



Save and except the above changes or otherwise disclosed above, there will be no other changes that (i) will affect the investment objective, strategy, risk profiles and features of the Underlying Funds, (ii) result in any change in the operations and/or manner in which the Underlying Funds are being managed, (iii) will lead to an increase in the fees to be borne by any of the Underlying Funds or the investors of the Underlying Funds, and (iv) will materially prejudice any of the rights or interests of the existing investors of the Underlying Funds.

The aggregate costs and expenses relating to the above changes will be borne by the Underlying Funds. Such costs and expenses will be allocated to the Underlying Funds by reference to each of their net asset values.

Please refer to the Unitholder Notice and latest offering documents of the Underlying Funds for further information relating to the above changes.

If you have any enquiry, please do not hesitate to contact your Manulife Insurance Advisor or call our Customer Service Hotline at (852) 2108 1110 (in relation to MI Plus and MISo) and (852) 2510 3941 (in relation to ARI, Alpha and Matrix) in Hong Kong or (853) 8398 0383 in Macau during office hours: 9:00am - 6:00pm, Monday to Friday.

Customer Services

Individual Financial Products

Manulife (International) Limited

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