

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

October 20, 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**”) corresponding to the following investment choices under the Plans (each an “**Investment Choice**” and collectively, the “**Investment Choices**”), following our receipt of the respective shareholder notices of the Underlying Funds dated September 27, 2021 (collectively, the “**Shareholder Notices**”). The following changes will become effective from October 29, 2021 (the “**Effective Date**”), unless otherwise specified.

Name of Plan	Name of Investment Choice	Name of Underlying Fund	Share Class of Underlying Fund
MI Plus and MISo	Manulife Inv Schroder Emerging Multi-Asset Income Fund (dist)	Schroder International Selection Fund - Emerging Multi-Asset Income	Class A1 USD Dis MF
Alpha, ARI and Matrix	MIL Schroder Emerging Multi-Asset Income Fund		Class A1 USD Acc
MI Plus and MISo	Manulife Inv Schroder Global Multi-Asset Income Fund	Schroder International Selection Fund - Global Multi-Asset Income	Class A1 Acc
Alpha, ARI and Matrix	MIL Schroder Global Multi-Asset Income Fund		

1. Changes to Schroder International Selection Fund – Emerging Multi-Asset Income

Rationale

From the Effective Date, the Underlying Fund’s name will change to better describe its focus on generating a total return (a combination of capital growth and income) rather than only income and will continue to highlight the Underlying Fund’s multi-asset strategy.

Consequently the income target will be removed from the investment objective of the Underlying Fund and the Underlying Fund will no longer have a target benchmark. However, income will remain an important part of the Underlying Fund’s total return.

To better align with the name of the Underlying Fund, the investment objective of the Underlying Fund will also be enhanced to clarify that the Underlying Fund will aim to invest in a diversified range of assets in emerging markets worldwide.

Removing the volatility range and instead using a market-based comparator for risk analysis provides greater clarity around the expected risk profile. The board of directors of Schroder International Selection Fund (the “Directors”) believes that a market-based comparator provides more context compared to a percentage range.

The new comparator benchmark has been selected because the investment manager of the Underlying Fund believes that the benchmark is a suitable comparison for performance and volatility purposes given the Underlying Fund’s investment objective and policy and the investment policy will be revised accordingly to include the new comparator benchmark.

The Directors believe that incorporating sustainability factors into the Underlying Fund’s strategy aligns with the increasing desire among investors of the Underlying Fund to put their money into investments that can clearly demonstrate their sustainability credentials.

a) Name change

From the Effective Date, the name of the Underlying Fund will change to Schroder International Selection Fund – Emerging Markets Multi-Asset. As such, the names of the Investment Choices corresponding to the Underlying Fund will be changed with effect from November 12, 2021. Details are as follows:

Name of Underlying Fund		Name of Investment Choice	
Current	New	Current	New
Schroder International Selection Fund -	Schroder International Selection Fund –	Manulife Inv Schroder Emerging Multi-Asset Income Fund (dist)	Manulife Inv Schroder Emerging Markets Multi-Asset Fund (dist)

Emerging Multi-Asset Income	Emerging Markets Multi-Asset	MIL Schroder Emerging Multi-Asset Income Fund	MIL Schroder Emerging Markets Multi-Asset Fund
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b) *Investment objective change*

The investment objective of the Underlying Fund will change from:

"The Fund aims to provide an income distribution of 4% to 6% per annum and capital growth over a three to five year period^{Note} after fees have been deducted by investing in a diversified range of assets and markets worldwide. The Fund aims to provide a volatility (a measure of how much the Fund's returns may vary over a year) of between 8-16% per annum."

To:

"The Fund aims to deliver capital growth and income over a three to five year period^{Note} after fees have been deducted by investing in a diversified range of assets in emerging markets worldwide."

Note For clarification purpose, the three to five year period is considered as a medium to long term period, and is the period over which an investor should assess the Fund's performance.

c) *Investment policy change*

From the Effective Date, the following will be added to the Underlying Fund's investment policy:

"The Fund maintains a higher overall sustainability score than 50% MSCI Emerging Market Index (USD), 16.7% JPM EMBI Index EM Hard Currency (USD), 16.7% JPM GBI Emerging Market Index - EM Local (USD), 16.7% JPM CEMB Index (USD), based on the Investment Manager's rating criteria. More details on the investment process used to achieve this can be found in the Fund Characteristics section.

The Fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under "Sustainability Information" on the Fund's webpage, accessed via www.schroders.com/en/lu/private-investor/gfc¹."

d) *Investment policy clarification*

The Underlying Fund may invest less than 25% of its assets (on a net basis) in China A-Shares via Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. This is measured on a net basis as exposure may be gained both directly and indirectly. While the Underlying Fund can use derivatives with the aim of achieving investment gains and so may gain indirect exposure to China A-Shares this way, other methods may also be used such as by the use of participatory notes. To reflect this, a reference from the Underlying Fund's investment policy has been removed that indirect exposure may be "through derivatives" and replaced with a reference that exposure may be via instruments such as participatory notes.

e) *Benchmark change*

The Benchmark section of the Underling Fund will change from the Effective Date from:

"The Fund's performance should be assessed against its target benchmark, being to provide income of 4%-6% per year and capital growth and the volatility target of 8%-16% per year.

The income and volatility targets have been selected because the Investment Manager deploys strategies that aim to deliver the level of income stated in the investment objective.

The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy."

To:

"The Fund does not have a target benchmark. The Fund's performance and volatility should be compared against 50% MSCI Emerging Market Index (USD), 16.7% JPM EMBI Index EM Hard Currency (USD), 16.7% JPM GBI Emerging Market Index - EM Local (USD), 16.7% JPM CEMB Index (USD). The comparator benchmark is only included for performance and risk comparison purposes and does not have any bearing on how the Investment Manager invests the Fund's assets. The Fund's investment universe is expected to have limited overlap with the components of the comparator benchmark. The Investment Manager invests on a discretionary basis and there are no restrictions on the extent to which the Fund's portfolio and performance may deviate from the comparator benchmark. The Investment Manager will invest in companies or sectors not included in the comparator benchmark.

The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy. The benchmark(s)

¹ For Hong Kong investors, please refer to the following website: <https://www.schroders.com/en/hk/retail-investors/funds/fund-centre> (this website has not been reviewed by the Securities and Futures Commission).

does/do not take into account the environmental and social characteristics or sustainable objective (as relevant) of the Fund."

f) *Sustainable Finance Disclosure Regulation ("SFDR") Sustainability Criteria*

The Underlying Fund will incorporate binding environmental and/or social characteristic(s), within the meaning of Article 8 of the SFDR. Details of the Underlying Fund's environmental and/or social characteristics and how it seeks to achieve them will be disclosed in the Underlying Fund's investment policy and under a new section called "Sustainability Criteria" in the Fund Characteristics section of the prospectus of the Underlying Fund.

As a result of the SFDR changes, the Underlying Fund may be subject to additional risk considerations relating to investments with environmental and/or social characteristics (within the meaning of Article 8 of SFDR), and specific risk considerations will be added to the prospectus of the Underlying Fund. However, such risks will not be considered as key risks applicable to the Underlying Fund.

Save as disclosed above, all other key features of the Underlying Fund (including the fees chargeable in respect of the Underlying Fund as stated in its Hong Kong offering documents) will remain the same and there will be no change to the risks applicable to the Underlying Fund as a result of the changes set out above. In particular, there will be no change in the exposure of the Underlying Fund to emerging markets as a result of these changes. The Underlying Fund is already primarily invested in emerging markets. There will also be no material change in the operation and/or manner in which the Underlying Fund is being managed. The changes are not expected to materially prejudice the rights or interests of existing investors of the Underlying Fund.

Any costs and expenses incurred directly as a result of making the changes will be borne by Schroder Investment Management (Europe) S.A., the management company of the Underlying Fund.

2. Changes to Schroder International Selection Fund – Global Multi-Asset Income

Rationale

The income target in the Underlying Fund's investment objective will change from 5% per annum to a range of 3% - 5% per annum. By changing the income target, the investment manager of the Underlying Fund (the "**Investment Manager**") will be able to focus on providing a sustainable income stream and generating income in less favourable market conditions.

Removing the volatility range of 5% - 7% per annum and instead using a market-based comparator for risk analysis provides greater clarity around the expected risk profile. The Directors believe that market-based comparators provide more context compared to an absolute percentage range.

The new comparator benchmark is selected because the Investment Manager believes that the benchmark is a suitable comparison for volatility purposes given the Underlying Fund's investment objective and policy and the investment policy will be revised accordingly to include the new comparator benchmark.

The Directors believe that incorporating sustainability factors into the Underlying Fund's strategy aligns with the increasing desire among investors of the Underlying Fund to put their money into investments that can clearly demonstrate their sustainability credentials.

a) *Investment objective change*

The investment objective of the Underlying Fund will change from:

"The Fund aims to provide an income distribution of 5% per annum and capital growth over a three to five year period ^{Note} after fees have been deducted by investing in a diversified range of assets and markets worldwide. The Fund aims to provide a volatility (a measure of how much the Fund's returns may vary over a year) of between 5-7% per annum."

To:

"The Fund aims to deliver an income of 3-5% per annum and capital growth over a three to five year period ^{Note} after fees have been deducted by investing in a diversified range of assets and markets worldwide."

Note For clarification purpose, the three to five year period is considered as a medium to long term period, and is the period over which an investor should assess the Fund's performance.

b) *Investment policy change*

From the Effective Date, the following paragraph will be added to the Underlying Fund's investment policy:

"The Fund maintains a higher overall sustainability score than 30% MSCI AC World Index (USD), 40% Barclays Global Aggregate Corporate Bond Index (USD) and 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD) based on the Investment Manager's rating system. More details on the investment process used to achieve this can be found in the Fund Characteristics section.

The Fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under

“Sustainability Information” on the Fund’s webpage, accessed via www.schroders.com/en/lu/private-investor/gfc2.”

c) *Benchmark change*

The Benchmark section of the Underlying Fund will change from the Effective Date from:

“The Fund’s performance should be assessed against its target benchmark, being to provide income of 5% per year and capital growth and the volatility target of 5%-7% per year.

The income and volatility targets have been selected because the Investment Manager deploys strategies that aim to deliver the level of income stated in the investment objective.”

To:

“The Fund’s performance should be assessed against the income target of 3-5% per year. The Fund’s volatility should be compared against 30% MSCI AC World Index (USD), 40% Barclays Global Aggregate Corporate Bond Index (USD) and 30% Barclays Global High Yield excl CMBS & EMG 2% index (USD). The comparator benchmark is only included for volatility comparison purposes and does not have any bearing on how the Investment Manager invests the Fund’s assets. The Fund’s investment universe is expected to have limited overlap with the components of the comparator benchmark. The Investment Manager invests on a discretionary basis and there are no restrictions on the extent to which the Fund’s portfolio and performance may deviate from the comparator benchmark. The Investment Manager will invest in companies or sectors not included in the comparator benchmark.

The comparator benchmark has been selected because the Investment Manager believes that the benchmark is a suitable comparison for volatility purposes given the Fund’s investment objective and policy. The benchmark(s) does/do not take into account the environmental and social characteristics or sustainable objective (as relevant) of the Fund.”

d) *SFDR Sustainability Criteria*

The Underlying Fund will incorporate binding environmental and/or social characteristic(s), within the meaning of Article 8 of the SFDR. Details of the Underlying Fund’s environmental and/or social characteristics and how it seeks to achieve them will be disclosed in the Underlying Fund’s investment policy and under a new section called “Sustainability Criteria” in the Fund Characteristics section of the prospectus of the Underlying Fund.

As a result of the SFDR changes, the Underlying Fund may be subject to additional risk considerations relating to investments with environmental and/or social characteristics (within the meaning of Article 8 of SFDR), and specific risk considerations will be added to the prospectus of the Underlying Fund. However, such risks will not be considered as key risks applicable to the Underlying Fund.

Save as disclosed above, all other key features of the Underlying Fund (including the fees chargeable in respect of the Underlying Fund as stated in its Hong Kong offering documents) will remain the same and there will be no change to the risks applicable to the Underlying Fund as a result of the changes set out above. The Investment Manager believes that the changes to the Underlying Fund do not result in a change to the risk profiles of the Underlying Fund. There will also be no material change in the operation and/or manner in which the Underlying Fund is being managed. The changes are not expected to materially prejudice the rights or interests of existing investors of the Underlying Fund.

Any costs and expenses incurred directly as a result of making the changes will be borne by Schroder Investment Management (Europe) S.A., the management company of the Underlying Fund.

Your Action

(i) For existing holding of notional units of the Investment Choice(s)

If you are holding any notional units of the Investment Choice(s) and no longer wish to hold such Investment Choice(s) after the Effective Date, you may switch out such holding free of charge starting from the date of this notice **until 3:00pm on October 28, 2021**, both dates inclusive (the “Period”), to any other investment choice(s) that is/are open for subscription under the respective Plans.

(ii) For existing regular subscription to the Investment Choice(s)

If you have arranged regular subscription to the Investment Choice(s), you may change such subscription allocation instruction to any other investment choice(s) that is/are open for subscription under the respective Plans free of charge, 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

² For Hong Kong investors, please refer to the following website: <https://www.schroders.com/en/hk/retail-investors/funds/fund-centre> (this website has not been reviewed by the Securities and Futures Commission).

Choice(s) after the Effective Date. You may still switch your holdings and/or change your allocation anytime after the changes of the Underlying Funds have become effective.

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.

Please refer to the Shareholder Notices 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

Incorporated in Bermuda with limited liability