

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

February 24, 2023

To Policyowners of Manulife Investment Plus (“MI Plus”) / Manulife Investment Solutions (“MISo”) / Manulife Wealth Creator (“MWC”) / Alpha / Alpha Regular Investor (“ARI”) / Matrix / ManuSelect Investment Protector (“MIP”) / Flexible Investment Protector (“FIP”) (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, following our receipt of the respective notices of the Underlying Funds.

Name of Plan	Name of Investment Choice	Name of Underlying Fund	Share Class of Underlying Fund
MI Plus and MISo	Manulife Inv Franklin Biotechnology Discovery Fund	Franklin Templeton Investment Funds - Franklin Biotechnology Discovery Fund	Class A Acc (USD)
Alpha, ARI and Matrix	MIL Franklin Biotechnology Discovery Fund		
MI Plus and MISo	Manulife Inv Franklin Income Fund (dist)	Franklin Templeton Investment Funds - Franklin Income Fund	Class A (Mdis) USD
Alpha, ARI and Matrix	MIL Franklin Income Fund		
MI Plus and MISo	Manulife Inv Franklin U.S. Opportunities Fund	Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund	Class A Acc USD
Alpha, ARI and Matrix	MIL Franklin U.S. Opportunities Fund		
MI Plus and MISo	Manulife Inv Templeton Frontier Markets Fund	Franklin Templeton Investment Funds - Templeton Frontier Markets Fund	Class A
Alpha, ARI and Matrix	MIL Templeton Frontier Markets Fund		
MI Plus, MISo & MWC	Manulife Inv International Bond Fund	Franklin Templeton Investment Funds - Templeton Global Bond Fund	Class A
Alpha, ARI and Matrix	MIL International Bond Fund		
MIP	ManuSelect International Bond Fund		
FIP	International Bond Fund (Series II)		
MI Plus and MISo	Manulife Inv Templeton Global Total Return Fund	Franklin Templeton Investment Funds - Templeton Global Total Return Fund	Class A Acc USD
	Manulife Inv Templeton Global Total Return Fund (dist)		
Alpha, ARI and Matrix	MIL Templeton Global Total Return Fund		Class A Acc USD
MI Plus and MISo	Manulife Inv UBS Euro High Yield Bond Fund	UBS (Lux) Bond Fund – Euro High Yield (EUR)	Class (USD hedged) P-acc
Alpha, ARI and Matrix	MIL UBS Euro High Yield Bond Fund		

1. Changes to the Templeton Underlying Funds

According to the notice from Franklin Templeton Investment Funds (the Templeton Underlying Funds being sub-funds of which) dated February 7, 2023, the following changes have been made to the respective Templeton Underlying Funds.

a) Updates related to liquid assets of the Templeton Underlying Funds

To comply with the latest regulatory requirements of the Commission de Surveillance du Secteur Financier, the investment policy of the Templeton Underlying Funds has been amended to clarify the interpretation applicable to the holding of ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time):

- Each Templeton Underlying Fund may hold ancillary liquid assets up to 20% of its net assets in response to adverse market, economic, political, or other conditions, or to meet liquidity, redemption, and short-term investing needs.
- On a temporary basis and if justified by exceptionally unfavourable market conditions, each Templeton Underlying Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of its shareholders, hold ancillary liquid assets up to 100% of its net assets.

In addition, unless otherwise provided in the investment policy of the Templeton Underlying Funds, the Templeton Underlying Funds may also, in order to achieve its investment goals and for treasury purposes, invest in bank deposits, money market instruments or money market funds pursuant to the applicable investment restrictions. For defensive purposes, the Templeton Underlying Funds may invest up to 100% of its net assets in these instruments on a temporary basis.

As a result, the following changes shall be made to the Explanatory Memorandum of Franklin Templeton Investment Funds:

- (i) The eighth paragraph under the section headed “FUND INFORMATION, OBJECTIVES AND INVESTMENT POLICIES” shall be amended as follows:

“Each Fund may, on an ~~hold ancillary basis, hold liquid assets when the Investment Manager believes they offer more attractive opportunities or as (i.e. bank deposits at sight, such as cash held in current accounts with a temporary defensive measure bank accessible at any time) up to 20% of its net assets in response to adverse market, economic, political, or other conditions, or to meet liquidity, redemption, and short-term investing needs. In exceptional market circumstances and on a temporary basis only, 100% of any Fund’s net assets may be invested in liquid assets, with due regard to the principle of risk spreading. Such assets may be kept in the form of cash deposits or in Money Market Instruments. On a temporary basis and if justified by exceptionally unfavourable market conditions, each Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of its shareholders, hold ancillary liquid assets up to 100% of its net assets. For more details about investment risks, please refer to “RISK CONSIDERATIONS”.~~

“Unless otherwise provided in the investment policy of a specific Fund, any Fund may also, in order to achieve its investment goals and for treasury purposes, invest in bank deposits, money market instruments or money market funds pursuant to the applicable investment restrictions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.”

- (ii) The following paragraph under the section headed “Investment Policy” in the fund profile of Franklin Templeton Investment Funds - Franklin Biotechnology Discovery Fund shall be deleted in its entirety:

“The Investment Manager may take temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing excessive volatility or prolonged general decline or other adverse conditions.”

- (iii) The following paragraph shall be added to the section headed “Investment Policy” in the fund profile of Franklin Templeton Investment Funds - Templeton Global Bond Fund and Franklin Templeton Investment Funds - Templeton Global Total Return Fund:

“In order to achieve its investment goals and for treasury purposes, the Fund may hold significant amounts of bank deposits, money market instruments or money market funds pursuant to the applicable investment restrictions (up to 100% of its net assets).”

- (iv) The second paragraph under the “Foreign Currency risk” under the section headed “RISK CONSIDERATIONS” shall be amended as follows:

“~~Since the securities, including cash ancillary liquid assets, bank deposits, money market instruments and cash equivalents~~ money market funds, held by a Fund may be denominated in currencies different from its base currency, the Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between such reference currency and other currencies. Changes in currency exchange rates may influence the value of a Fund’s Shares, and also may affect the value of dividends and interests earned by the Fund and gains and losses realised by said Fund. If the currency in which a security is denominated appreciates against the base currency, the price of the security could increase. Conversely, a decline in the exchange rate of the currency would adversely affect the price of the security. If a Fund has a negative currency exposure to a particular currency as a result of the use of instruments such as forwards and cross forwards, any increase in the value of the currency

will adversely affect the value of the Fund, and any decrease in the value of the currency will positively affect the value of the Fund.”

- b) *Enhancement of disclosures in respect of the Franklin Templeton Investment Funds - Franklin Biotechnology Discovery Fund, Franklin Templeton Investment Funds - Franklin U.S. Opportunities Fund and Franklin Templeton Investment Funds - Templeton Global Bond Fund to comply with the Level 2 requirements under the Regulatory Technical Standards (“RTS”) for the SFDR¹ and the Taxonomy Regulation² (“SFDR RTS Update”)*

Detailed pre-contractual disclosures for the Templeton Underlying Funds falling under Article 8 of the SFDR must be made using the prescribed templates that are set out in the annexes to the RTS. Disclosures relating to the environmental, social, and governance (“ESG”) processes and/or strategies of the Templeton Underlying Funds have been enhanced, and certain disclosures have been moved from the investment policy of the Templeton Underlying Funds to the annexes (to be attached in the updated Explanatory Memorandum of Franklin Templeton Investment Funds) to avoid duplication of information. Disclosures reflecting the Taxonomy Regulation, such as those pertaining to the “do no significant harm” principle, have likewise been moved.

As a result of the SFDR RTS Update, the following key changes were made to the Templeton Underlying Funds:

- (i) Removal of comparison to the universe ESG score in respect of the Franklin Templeton Investment Funds - Franklin Biotechnology Discovery Fund

- The comparison to the universe ESG score of the Templeton Underlying Fund was a requirement under “non-significantly engaging” regime in France. The Templeton Underlying Fund changed its categorization in France so this commitment is no longer required. As such, the comparison to the universe ESG score of the Templeton Underlying Fund was removed. As a result, the following paragraph under the section headed “Investment Policy” in the fund policy of the Templeton Underlying Fund of the Explanatory Memorandum of Franklin Templeton Investment Funds shall be deleted in its entirety and shall not be included in the relevant annexes:

“As a result of the aforementioned ESG methodology and exclusions, the weighted average base ESG score of the Fund’s portfolio is higher than the average base ESG score of the Fund’s investment universe. ESG scores for each portfolio company will be reviewed and updated at least annually.”

- c) *Exposure to securities lending transactions of the Franklin Templeton Investment Funds - Franklin Biotechnology Discovery Fund*

The Templeton Underlying Fund’s expected level of exposure that could be subject to securities lending transactions have been reduced from 22% to 5% of its net assets, but the maximum level of the Templeton Underlying Fund’s exposure to securities lending transactions remains the same (i.e. 50% of its net assets). As a result, the following changes shall be made to the Explanatory Memorandum of Franklin Templeton Investment Funds:

- (i) The following paragraph under the section headed “Exposure to securities lending transactions” in the Templeton Underlying Fund’s profile shall be amended as follows:

“The expected level of exposure that could be subject to securities lending transactions amounts to ~~22~~5% of the Fund’s net assets.”

- (ii) The seventh paragraph under the sub-section headed “(ii) Limits and conditions – Securities lending transactions” under the heading “4. USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS” in the section headed “INVESTMENT RESTRICTIONS” shall be amended as follows:

“Unless otherwise provided, any Fund utilising securities lending transactions will use these transactions for the purpose of generating additional capital or income through the fee that is paid to the Fund by the borrower for the use of the Fund’s securities throughout the duration of the loan. While the expected exposure to securities lending ~~could vary between 5% amounts to 22~~5% amongst the Funds concerned, the maximum percentage of exposure corresponds to 50% as set out in the relevant securities lending agreements. For the avoidance of doubt, even if the expected exposure to securities lending transactions may vary between Funds, the objectives of the use of such transactions remain the same for all relevant Funds.”

¹ SFDR is defined as Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector

² Taxonomy Regulation is defined as Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, as may be amended from time to time

Other than the changes as outlined above, there will be no change to the operation and/or the manner in which the Templeton Underlying Funds are being managed, there is no other effect on the Investors, and there will be no material change or increase in the overall risk profile of the Templeton Underlying Funds. The above changes will not materially prejudice the rights or interests of the investors of the Templeton Underlying Funds.

The changes set out above do not give rise to any change in the fee level or fee structure of any of the Templeton Underlying Funds. Any costs and expenses arising from the changes will be borne by the management company of the Templeton Underlying Funds, other than the cost of publishing the aforesaid notice from Franklin Templeton Investment Funds dated February 7, 2023, which is estimated to be approximately HKD300,000 and which will be charged and allocated to the sub-funds of Franklin Templeton Investment Funds based on the pro rata share of the net asset value of the sub-funds of Franklin Templeton Investment Funds.

2. Changes to the UBS Underlying Fund

According to the notice from UBS (Lux) Bond Fund (the UBS Underlying Fund being a sub-fund of which) dated February 6, 2023, the following updates and administrative changes have been reflected in the Hong Kong offering documents of the UBS Underlying Fund:

- the structure of the Information for Hong Kong Investors of the UBS (Lux) Bond Fund has been re-organised, and the document has been renamed as the Hong Kong Covering Document to align with the Hong Kong offering documents of other UBS funds and for better readability for Hong Kong investors;
- changes to the board of directors of the management company of UBS (Lux) Bond Fund;
- elaboration of pre-contractual disclosures in the form of annexes to the prospectus of the UBS (Lux) Bond Fund to comply with Regulation (EU) of 2022/1288 which supplements Regulation (EU) 2019/2088 on Sustainability Related Disclosures in the Financial Services Sector (“**SFDR**”);
- categorization of the UBS Underlying Fund as a sub-fund that complies with Article 6 of the SFDR;
- clarification the maximum threshold of 25% of the UBS Underlying Fund’s net assets that the management company of UBS (Lux) Bond Fund may invest in securities or money market instruments from a single institution applies to bonds which fall under the definition of covered bonds in point (1) of Article 3 of Directive (EU) 2019/2162 of the European Parliament and of the Council and for bonds that were issued before 8 July 2022 by credit institutions domiciled in an EU Member State; and
- other editorial updates and clarificatory changes.

For the avoidance of doubt, the changes set out above do not amount to material changes to the UBS Underlying Fund. There will be no material change or increase in the overall risk profile of the UBS Underlying Fund following the changes. The changes do not have a material adverse impact on the rights or interests of shareholders of the UBS Underlying Fund.

Please refer to the respective 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, MISo and MWC), (852) 2510 3941 (in relation to ARI, Alpha, Matrix, MIP and FIP) in Hong Kong or (853) 8398 0383 in Macau during office hours: 9:00am -6:00pm, Monday to Friday.

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