

**MANULIFE PROVIDENT PLAN  
(the "Plan")**

**NOTICE TO EMPLOYERS AND MEMBERS**

**This notice is important. It requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional advice.**

**I. Changes to investment policy of the designated fund of Baring International Bond Fund (MPP)**

Baring International Bond Fund (MPP) (the "**Baring Defined Contribution Fund**") solely invests in a sub-fund (the "**Baring Designated Fund**") of Barings International Umbrella Fund as follows:

<b>Baring Defined Contribution Fund</b>	<b>Baring Designated Fund</b>
Baring International Bond Fund (MPP)	Barings Global Bond Fund

The Barings International Umbrella Fund and the Baring Designated Fund are managed by Baring International Fund Managers (Ireland) Limited ("**Manager**").

The investment policy of the Baring Designated Fund has been enhanced to clarify that the Baring Designated Fund seeks to promote environmental, social and governance ("**ESG**") characteristics by investing or seeking to positively influence business practices to improve ESG characteristics. According to the Manager, this clarification is for additional clarification and transparency purposes only and does not result in a change in the manner in which the Baring Designated Fund is managed. Accordingly, the investment policy of the Baring Designated Fund has been enhanced with effect from 9 December 2021 ("**Effective Date**") to provide that:

- the Baring Designated Fund will invest at least 50% of its total assets in fixed income instruments of countries that exhibit positive or improving environmental, social and governance (ESG) characteristics. The Baring Designated Fund will also invest at least 75% of its total assets in countries that exhibit strong or improving human development conditions, as measured by the United Nations Human Development Index (HDI) and calculated as the average of the five year period as of two years prior to the investment period.

According to the Manager's notice in respect of the Barings International Umbrella Fund dated 25 November 2021, the changes to the investment policy of the Baring Designated Fund (i) do not amount to any material change to the Baring Designated Fund, (ii) do not amount to any change or increase in the overall risk profile of the Baring Designated Fund, (iii) do not have any material adverse impact on investors' rights or interests (including changes that may limit investors' ability in exercising their rights), and (iv) will not result in any change in the current level of fees and charges payable by the Baring Designated Fund or the investors.

With effect from the Effective Date, the investment policy of the Baring Designated Fund as set out in the Explanatory Memorandum is updated accordingly. For further details, please refer to Part 1 of the Annexure to this Notice.

The changes will not affect the investment of the Baring Defined Contribution Fund in the Baring Designated Fund.

## II. Update to the disclosure of management fees of the designated fund of Templeton Global Balanced Fund (MPP)

Templeton Global Balanced Fund (MPP) (the "**Templeton Defined Contribution Fund**") solely invests in a sub-fund (the "**Templeton Designated Fund**") of Franklin Templeton Investment Funds as follows:

<b>Templeton Defined Contribution Fund</b>	<b>Templeton Designated Fund</b>
Templeton Global Balanced Fund (MPP)	Templeton Global Balanced Fund

The Templeton Designated Fund is subject to investment management fees of 0.80% p.a. (as currently disclosed in Appendix 2 – "Summary of Fees and Charges" of the Explanatory Memorandum). In addition, the Templeton Designated Fund is subject to maintenance charges of up to 0.50% p.a. (as currently disclosed in "Note 6" in Appendix 2 – "Summary of Fees and Charges" of the Explanatory Memorandum). With effect from 3 September 2021, the said investment management fees and maintenance charges are bundled and relabelled as "annual management charges". The bundled fees are therefore 1.30% p.a. (being the sum of 0.80% p.a. and 0.50% p.a.). For the avoidance of doubt, there is no change in the level of fees payable in respect of the Templeton Designated Fund.

The Explanatory Memorandum is updated accordingly. For further details, please refer to Part 2 of the Annexure to this Notice.

The update will not affect the investment of the Templeton Defined Contribution Fund in the Templeton Designated Fund.

## III. For further information

The Explanatory Memorandum is amended by the fifth addendum ("**Fifth Addendum**") to reflect the above changes. The Fifth Addendum is enclosed with this Notice for your reference.

To obtain a copy of the latest Explanatory Memorandum, please visit [www.manulife.com.hk](http://www.manulife.com.hk) or contact the Manulife Pension Services Hotline.

For further details about the designated funds of the Plan, including their investment objectives and policies, investment principles and investment restrictions (if applicable), risk factors, as well as other investment related information, please refer to the latest offering document of each designated fund. Copies of the offering documents are available by contacting the Manulife Pension Services Hotline.

Should you have any questions about the above matters, please contact the Manulife Pension Services Hotline on 3183 1717.

Manulife (International) Limited (Incorporated in Bermuda with limited liability)  
21 January 2022

## Annexure

Unless otherwise defined below, capitalised terms used hereunder shall have the same meaning as those defined in the Explanatory Memorandum.

### Part 1

Changes to the Overview of the Designated Funds as set out in Appendix 1 to the Explanatory Memorandum are shown below (new insertions are underlined and deletions are shown with strikethrough text).

#### **Baring International Bond Fund (MPP)**

This Defined Contribution Fund invests solely in the Barings Global Bond Fund (the "**Designated Fund**"). The investment objective of the Designated Fund is to seek a maximum total return, through current income generation and capital appreciation. The Designated Fund will seek to achieve its investment objective by investing primarily in an actively managed globally diversified portfolio which at least 80% of its net asset value is invested in fixed income instruments. The Designated Fund will invest less than 30% of its net asset value in debt instruments with loss-absorption features, out of which no more than 10% of the Designated Fund's net asset value may be invested in contingent convertible bonds. The Designated Fund may invest up to 20% of its net asset value in sub-investment grade fixed income instruments, up to 25% of its net asset value in collateralised and/or securitised products (such as covered bonds, asset-backed securities, commercial and residential-mortgage backed securities), and up to 10% of its net asset value in securities issued and/or guaranteed by a single sovereign (including its government, a public or local government of that country) which is rated sub-investment grade. The Designated Fund's weighted-average portfolio duration is expected to be greater than one year at all times.

The Designated Fund will invest at least 50% of its total assets in fixed income instruments of countries that exhibit positive or improving environmental, social and governance (ESG) characteristics. The Designated Fund will also invest at least 75% of its total assets in countries that exhibit strong or improving human development conditions, as measured by the United Nations Human Development Index (HDI) and calculated as the average of the five year period as of two years prior to the investment period.

The Designated Fund is a sub-fund of Barings International Umbrella Fund. Baring International Fund Managers (Ireland) Limited is the manager of Barings International Umbrella Fund and the Designated Fund. Baring Asset Management Limited is the investment manager of the Designated Fund. Barings LLC and Barings Japan Limited are the sub-investment managers of the Designated Fund.

This Defined Contribution Fund and the Designated Fund are denominated in US dollars.

### Part 2

Changes to the Summary of Fees and Charges in Appendix 2 to the Explanatory Memorandum are shown below (new insertions are underlined and deletions are shown with strikethrough text).

In the table titled "Charges of the Designated Funds", the row relating to "Templeton Global Balanced Fund" shall be amended with respect to the current management fee, as shown below:

Designated Fund	Management Fee <sup>#</sup>		Trustee/Custodian Fee <sup>#</sup>	
	Current	Maximum	Current	Maximum
Templeton Global Balanced Fund (sub-fund of Franklin Templeton Investment Funds)	1.300.89% p.a.	No prescribed limit <sup>#</sup>	0.01% to 0.14% p.a.	No prescribed limit <sup>#</sup>

In addition, "Note 6" under "Notes" immediately following the table titled "Charges of the Designated Fund" shall be deleted and replaced in its entirety with the following:-

"6      The "Management Fee" corresponds to the "annual management charges" of the Templeton Global Balanced Fund, which is the sum of also subject to the investment management fees and a maintenance charges. of up to 0.50% p.a. The registrar and transfer, corporate, domiciliary and administrative agent, receive as remuneration a maximum annual fee of 0.2% of the net asset value of the Fund plus an additional fixed amount per shareholder account at the relevant class level over a one year period."