

**Manulife Global Fund**  
Société d'investissement à capital variable  
Registered office: 31, Z.A. Bourmicht, L-8070 Bertrange  
Grand Duchy of Luxembourg

***This document is important and requires your immediate attention. If in doubt, you should seek independent professional advice.***

**Notice to Shareholders**  
**("Notice")**

3 March, 2021

Dear Shareholder

We are writing to inform you of certain changes to the Manulife Global Fund (the "**Company**").

These changes will be reflected in the revised prospectus of the Company (the "**Revised Prospectus**") to be dated March 2021 (the "**Effective Date**"). This Notice, which summarizes the changes for your ease of reference, should be read in conjunction with the current Prospectus of the Company (the "**Prospectus**") and, when available, the full text of the Revised Prospectus (which contains full and complete information about these changes).

Words and phrases used in this Notice shall, unless otherwise provided, have the same meanings as are ascribed to them in the Prospectus.

The board of directors of the Company (the "**Directors**" or the "**Board**") has decided that it is appropriate to implement the following changes with respect to the Company:

**1. Amendments to the Sustainable Asia Bond Fund and Asian High Yield Fund<sup>1</sup> (the "Sub-Funds")**

In anticipation of the Sub-Funds' authorisation by the Securities and Futures Commission of Hong Kong (the "**SFC**"), as of the Effective Date:

- a) the investment policy and the "Sustainable investing risk" risk factor of the Sustainable Asia Bond Fund shall be amended to comply with the disclosure requirements as set out in the SFC Circular dated 11 April 2019 on Green or ESG Funds and other related guidelines;
- b) the investment policy of both Sub-Funds shall be amended to comply with the SFC Frequently Asked Questions on the Implementation and Transition Arrangements of the Code on Unit Trusts and Mutual Funds (in relation to investment in loss-absorption products).

Please refer to **Appendix 1** for particulars of the changes.

The Prospectus shall also be amended to reflect that the Sub-Funds are subject to risks associated with investments in debt instruments with loss-absorption features (including contingent convertible debt securities).

Further, as of the Effective Date, the Prospectus shall be amended to reflect a decrease in the Management Fees of certain Classes of the Sustainable Asia Bond Fund.

**2. Change of Director**

The Prospectus shall be amended to reflect the resignation of Leo Zerilli as a Director with effect as of 1 January 2021 and the appointment of Bernard Letendre as a Director with effect as of 1 February 2021.

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<sup>1</sup> Sustainable Asia Bond Fund and Asian High Yield Fund are not authorised by the Securities and Futures Commission of Hong Kong ("SFC"), and no offer is made to the public of Hong Kong in respect of these Sub-Funds.

**General**

*For Hong Kong Shareholders Only:* The Company's Prospectus, the Hong Kong Covering Document and the Product Key Facts Statement of each Sub-Fund are available from the office of the Hong Kong Representative and are also available at [www.manulifefunds.com.hk](http://www.manulifefunds.com.hk)<sup>2</sup>.

Shareholders requiring further information about any of the matters set out in this Notice may contact the Administrator of the Company, Citibank Europe plc, Luxembourg Branch, at telephone number (352) 45 14 14 316 or fax number (352) 45 14 14 850 or the Hong Kong Distributor, Manulife Investment Management (Hong Kong) Limited, at telephone number (852) 2108 1110 or fax number (852) 2810 9510 at any time during normal business hours.

To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Notice is in accordance with the facts and does not omit anything likely to affect the import of such information as at the date of this Notice. The Directors accept responsibility for the accuracy of the contents of this Notice accordingly.

**For and on behalf of the Board**

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<sup>2</sup> This website has not been reviewed by the SFC.

**Appendix 1**  
Amendments to the Investment Policy and “Sustainable investing risk” Risk Factor  
of Sustainable Asia Bond Fund

Investment Policy:

To meet its objective, the Sub-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 Asia and/or governments and government-related issuers located in Asia, who demonstrate strong ~~sustainability attributes relative to peers or have demonstrated~~ or improving sustainability attributes. Such investments may include USD-denominated debt securities that are issued or guaranteed by governments, agencies, supra-nationals and corporate issuers incorporated in Mainland China but which are issued and distributed outside Mainland China.

~~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 improving sustainability attributes are those that demonstrate awareness and commitment to ESG issues, while issuers with strong sustainability attributes are those that demonstrate stronger performance on and management of ESG issues compared to their peers. In order to select securities of issuers with strong or improving sustainability attributes, the Investment Manager will (i) adhere to an exclusion framework; (ii) screen out securities with the lowest ESG rankings; and (iii) select securities that have higher ESG rankings (see below).~~

~~The Sub-Fund shall adhere to an exclusion framework where certain issuers are removed from the permissible investment universe. This includes screening out issuers who are considered 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 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, controversial weapons and/or thermal coal manufacturing or sales or gambling operations are automatically eliminated from investment consideration.~~

~~The Sub-Fund’s investment process combines bottom-up fundamental credit analysis with a proprietary ESG-based methodology (outlined in the paragraphs below) ~~to~~ which assigns ESG rankings on each potential issuer with the aim of identifying and assess potential issuers demonstrating such strong and improving sustainability attributes, pursuant to which e~~

~~Each potential issuer ~~is~~ will be assigned with one of four ratings—rankings in respect of each category of environmental, social and governance, based on the Investment Manager’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 (SASB). The ESG rankings will be determined and assigned by the Investment Manager using a proprietary method which aims to incorporate all relevant ESG factors, considering and processing third party ratings and scores (such as MSCI, Sustainalytics, Bloomberg, S&P Trucost, MSCI Carbon Delta, CDP, and SPOTT) together with the investment Manager’s own analysis of raw industry data (such as publicly available ESG reports, assessment reports or case studies), certain environmental, social and governance factors. The lowest rated issuers are automatically removed from investment consideration. In addition, issuers with material revenue contribution from alcohol, tobacco, controversial weapons and/or thermal coal manufacturing or sales or gambling operations are automatically eliminated from investment consideration.~~

~~Using the ESG rankings, the Investment Manager will (i) remove the lowest ranked issuers (which typically comprise approximately 10% of all potential issuers); and (ii) select issuers which are ranked above a minimum threshold determined by the Investment Manager to indicate strong or improving sustainable attributes. Selected issuers shall be included in the Sub-Fund’s investment universe.~~

~~Within the primary investment strategy, the Sub-Fund will also invest a minimum of 10% of net assets in ESG themed bonds issued by companies domiciled in, traded in and/or with substantial business interests in Asia and/or governments and government-related issuers located in Asia. “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 Sub-Fund may invest up to 15% of its net assets in the fixed income securities of issuers outside of Asia, who demonstrate strong or improving sustainability attributes consistent with the approach stated above, and/or cash and cash equivalents.

The Sub-Fund may also invest up to 10% of its net assets in collateralised and/or securitized products such as asset backed securities and mortgage backed securities.

The Sub-Fund may invest up to 35% of its net assets in debt securities rated below investment grade (i.e. below Baa3 by Moody's or BBB- by Standard & Poor's or Fitch) or if unrated, their equivalent determined to be of comparable quality.

While the Sub-Fund will invest in accordance with its investment objective and strategy, subject to applicable laws and regulations, the Sub-Fund is not otherwise subject to any limitation on the portion of its net assets that may be invested in any one country or sector. Hence, the Sub-Fund may invest more than 30% of its net assets in issuers located in the PRC.

The Sub-Fund may invest up to 20% of its net assets in debt instruments with loss-absorption features, including, but not limited to, total loss-absorbing capacity eligible instruments, contingent convertible bonds, certain types of senior non-preferred debt and other similar instruments with write-down or bail-in features related to the issuers' regulatory capital ratio. These instruments may be subject to contingent write-down or contingent conversion to equity on the occurrence of trigger event(s).

It is not the intention of the Sub-Fund to invest more than 10% of its net assets in securities issued, or guaranteed, by any single sovereign (including the relevant government, public or local authority) which has a credit rating that is below investment grade ~~(i.e. below Baa3 by Moody's or BBB- by Standard & Poor's or Fitch).~~

The Sub-Fund pursues an actively managed investment strategy and uses the JPMorgan ESG Asia Credit Index TR USD index as a benchmark for performance comparison purposes only. The Investment Manager will invest in an unconstrained manner, relative to the benchmark, under normal market conditions and has the discretion to invest in securities not included in the benchmark. From time to time, depending on market conditions and the Investment Manager's forward-looking expectations, the Sub-Fund's investment strategy may invest in a universe of securities that are similar to that of the constituents of and, as a result, have characteristics similar to the benchmark.

#### *Risk Factor:*

- a) **Sustainable investing risk:** Investing primarily in investments of issuers demonstrating sustainability characteristics ("**sustainable investment**") carries the risk that, under certain market conditions, the Sub-Fund may underperform funds that do not utilize a sustainable investment strategy. The application of sustainable investment principles may affect the Sub-Fund's exposure to certain sectors or types of investments and may impact the Sub-Fund's relative investment performance depending on whether such sectors or investments are in or out of favor in the market. The securities held by the Sub-Fund may be subject to the risk that they no longer meet the Sub-Fund's sustainability and ESG criteria after investment. The Investment Manager and/or the Sub-Investment Manager may need to dispose of such securities when it may be disadvantageous to do so. This may lead to a fall in the net asset value of the Sub-Fund. An issuer's sustainability characteristics or the Investment Manager's or the Sub-Investment Manager's assessment of an issuer's sustainability characteristics may change over time, which could cause the Sub-Fund to temporarily hold securities that do not comply with the Sub-Fund's sustainable investment principles or criteria. In evaluating an issuer, the Investment Manager and/or Sub-Investment Manager is dependent upon information and data that may be incomplete, inaccurate or unavailable, which could cause the Investment Manager and/or the Sub-Investment Manager to incorrectly assess an issuer's sustainability characteristics.

Successful application of the Sub-Fund's sustainable investment strategy will depend on the Investment Manager's and/or Sub-Investment Manager's skill in properly identifying and analyzing material

sustainability issues. Sustainability factors may be evaluated differently by different managers, and may mean different things to different people.

## Amendments to the Investment Policy of Asian High Yield Fund

The Sub-Fund invests at least 70% of its net assets in higher-yielding debt securities listed or traded in Asia and/or issued by corporations, governments, agencies and supra-nationals domiciled in or with substantial business interests in Asia and rated below investment grade (i.e. below Baa3 by Moody's or BBB- by Standard & Poor's or Fitch) or if unrated\*, determined to be of comparable quality. As such, an investment in this Sub-Fund is accompanied by a higher degree of credit risk. Debt securities include but are not limited to bonds, commercial paper, short-term bills, certificate of deposits and negotiated term deposits, and may be issued by governments, agencies, supra-nationals and corporate issuers.

Other than such higher-yielding debt securities, theThe Sub-Fund may invest up to 30% of its net assets in debt securities, of any credit quality, issued by corporations, governments, agencies and supra-nationals globally, and/or cash, cash equivalents and short-term money market instruments. The Sub-Fund may also invest up to 10% of its net assets in UCITS (undertaking for collective investment in transferable securities) and UCIs (undertaking for collective investment).

While the Sub-Fund will invest in accordance with its investment objective and strategy, subject to applicable laws and regulations, the Sub-Fund is not otherwise subject to any limitation on the portion of its net assets that may be invested in any one country or sector. Given the flexibility available to the Sub-Fund, the Sub-Fund may invest more than 30% of its net assets in issuers located in any of Mainland China ~~and or~~ Indonesia. The Sub-Fund's investments may be denominated in any currency.

The Sub-Fund may invest up to 20% of its net assets in debt instruments with loss-absorption features, including, but not limited to, total loss-absorbing capacity eligible instruments, contingent convertible bonds, certain types of senior non-preferred debt and other similar instruments with write-down or bail-in features related to the issuers' regulatory capital ratio. These instruments may be subject to contingent write-down or contingent conversion to equity on the occurrence of trigger event(s).

It is not the intention of the Sub-Fund to invest more than 10% of its net assets in securities issued, or guaranteed, by any single sovereign (including the relevant government, public or local authority) which has a credit rating that is below investment grade (i.e. below Baa3 by Moody's or BBB- by Standard & Poor's or Fitch).

In times of extreme market volatility or during severe adverse market conditions, the Sub-Fund may temporarily hold a substantial portion (up to 50%) of the Sub-Fund's net assets in cash or cash equivalents, or invest in short-term money market instruments, to preserve the value of the assets in the investment portfolio of the Sub-Fund.

The Sub-Fund pursues an actively managed investment strategy and uses the JPMorgan Asia Credit non-Investment Grade index as a benchmark for performance comparison purposes only. The Co-Investment Managers will invest in an unconstrained manner, relative to the benchmark, under normal market conditions and has the discretion to invest in securities not included in the benchmark. From time to time, depending on market conditions and the Co-Investment Managers' forward-looking expectations, the Sub-Fund's investment strategy may invest in a universe of securities that are similar to that of the constituents of and, as a result, have characteristics similar to the benchmark.

\* For the purpose of this Sub-Fund, "unrated" debt securities refer to debt securities which neither the securities nor their issuer has a credit rating.