

**宏利環球基金**  
Société d'investissement à capital variable  
註冊辦事處：31, Z.A. Bourmicht, L-8070 Bertrange  
Grand Duchy of Luxembourg

此乃重要文件，務請閣下立即垂注。閣下如有任何疑問，應徵詢獨立的專業意見。

**致股東通告**  
(「本通告」)

2021年3月3日

股東敬啟：

本函謹致知會閣下關於宏利環球基金（「本公司」）的若干變更。

該等變更將反映於本公司經修訂售股章程（「經修訂售股章程」），於2021年3月（「生效日期」）生效。本通告概述該等變更以方便閣下參考，應與本公司現行售股章程（「售股章程」）版本及（若已刊發）經修訂售股章程（包含該等變更的完整資料）全文一併閱讀。

除非另有指明，否則本通告中所用之詞語及字句的涵義與售股章程所賦予的相同。

本公司董事會（「董事」或「董事會」）已決定，本公司宜實施下列變更：

**1. 有關可持續亞洲債券基金及亞洲高收益基金之修訂（「子基金」）**

鑒於預期子基金可獲香港證券及期貨事務監察委員會（「證監會」）授權認可，自生效日期起：

- a) 可持續亞洲債券基金的投資策略及「可持續投資風險」風險因素將作修訂，以符合證監會日期為2019年4月11日就綠色基金或環境、社會及管治基金發出之通函所載列的披露要求及其他相關指引；
- b) 子基金的投資策略將作修訂，以符合證監會的單位信託及互惠基金守則的實施及過渡安排之常見問題，有關彌補虧損產品投資的要求。

有關修訂詳情請參閱附錄一。

售股章程亦將作修訂，以反映子基金與投資於具彌補虧損特點的債務工具所承受的相關風險（包括應急可換股債務證券）。

此外，自生效日期起，售股章程將作修訂，以反映可持續亞洲債券基金部分類別的管理費有所下調。

**2. 董事變更**

售股章程將作修訂，以反映 Leo Zerilli 辭任董事一職，自2021年1月1日起生效，以及委任 Bernard Letendre 出任董事一職，自2021年2月1日起生效。

**一般資料**

只適用於香港股東：本公司的售股章程、香港說明文件及有關各子基金的產品資料概要可於香港代表的辦事處查詢，亦可於 [www.manulifefunds.com.hk](http://www.manulifefunds.com.hk)<sup>2</sup> 查詢。

<sup>1</sup> 可持續亞洲債券基金及亞洲高收益基金未獲香港證券及期貨事務監察委員會（「證監會」）授權認可，並未向香港公眾人士提呈發售。

<sup>2</sup> 此網站未經受證監會審閱。

股東若需要有關本通告所載任何事項的進一步資料，可於一般辦公時間內隨時與本公司執行人Citibank Europe plc, Luxembourg Branch 聯絡（電話號碼：(352) 45 14 14 316 或傳真號碼：(352) 45 14 14 850），或與香港分銷商宏利投資管理（香港）有限公司聯絡（電話號碼：(852) 2108 1110或傳真號碼：(852) 2810 9510）。

就董事所知所信（彼等已採取一切合理審慎措施以確保事實如此），本通告所載資料均與事實相符，且並無任何有可能影響該等資料於本通告日期的重要性的遺漏。董事願就本通告內容的準確性承擔全部責任。

代表  
董事會  
謹啟

## 附錄一

### 可持續亞洲債券基金投資策略及「可持續投資風險」風險因素之修訂

#### 投資政策：

子基金會將其最少85%的淨資產投資於位於亞洲、在亞洲交易及／或在亞洲具有重大商業利益的公司及／或位於亞洲的政府及政府相關發行機構（與同行相比一表現出較強的可持續屬性，或者已表現出或不斷改善的可持續屬性）的以美元計值的固定收入及固定收入相關證券，以達致其投資目標。該等投資可能包括在中國內地註冊成立（但在中國內地之外發行及分銷）的政府、機構、超國家及公司發行機構發行或擔保的以美元計值的債務證券。

可持續屬性可包括但不限於發行機構對於若干環境因素（例如氣候變化及天然資源使用）、社會因素（例如勞動標準及多元化考慮）以及管治因素（例如董事會組成及商業道德）（「ESG」）的表現及管理。具不斷改善的可持續屬性的發行機構為展現出對ESG議題的關注及承諾的發行機構，而具有較強可持續屬性的發行機構則為與其同業相比，對ESG議題展現出較強表現及管理的發行機構。為了挑選具有較強或不斷改善的可持續屬性的發行機構的證券，投資管理人將(i)遵循剔除框架；(ii)剔出ESG等級最低的證券；及(iii)挑選ESG等級較高的證券（見下文）。

子基金遵循剔除框架，把若干發行機構從准許的投資範圍中移除。這包括剔出被認為違反聯合國全球契約的十項原則的發行機構。這亦包括投資管理人認為其產品或所處行業不可持續或與重大環境或社會風險相關的發行機構。此框架的標準可視乎就上述原則對各產品或行業的評估不時更新，但目前而言，超過5%收入來自酒精飲料、煙草、具爭議性的武器及／或燃料煤生產或銷售或賭博活動的發行機構，將自動排除於投資考慮以外。

子基金的投資流程將自下而上的基本信貸分析與基於ESG的專有方法相結合（如下文各段概述），該方法向各潛在發行機構給予ESG等級，目的是識別及評估出表現出較強或不斷改善的可持續屬性的潛在發行機構。

根據投資管理人對該發行機構對ESG議題的表現及管理，並考慮及／或參考多個行業原則及標準，包括永續會計準則委員會（SASB）概述的財務重要性原則，各潛在發行機構將就環境、社會及管治各個範疇獲授四種等級之一。ESG等級將由投資管理人以專有方法釐定及給予，旨在納入所有相關ESG因素，同時考慮及審查第三方評級及分數（例如明晟公司（MSCI）、Sustainalytics、彭博、S&P Trucost、MSCI Carbon Delta、CDP及SPOTT），以及投資管理人對原始行業數據（例如公開的ESG報告、評估報告或個案研究）的分析。據此，各潛在發行機構基於若干環境、社會及管治因素獲授四種評級之一。最低評級的發行機構將自動從投資考慮中剔除。此外，自酒精、煙草、具爭議武器及／或熱能煤生產或銷售或博彩業務產生重大收入貢獻的發行機構將自動從投資考慮中剔除。

透過使用ESG等級，投資管理人將(i)剔除ESG等級最低的發行機構（一般佔所有潛在發行機構的約10%）；及(ii)挑選等級高於投資管理人所釐定之最低下限、顯示出較強或不斷改善的可持續屬性的發行機構。獲挑選的發行機構將會包括在子基金的投資範圍之內。

在主要投資策略下，子基金亦會將其最少10%的淨資產投資於位於亞洲、在亞洲交易及／或在亞洲具有重大商業利益的公司及／或位於亞洲的政府及政府相關發行機構發行的ESG主題債券。「ESG主題債券」是指符合國際資本市場協會（ICMA）綠色債券原則、ICMA社會責任債券原則及／或ICMA可持續發展債券指引等準則中合共一個或多個準則的債券。

子基金可將其最多15%的淨資產投資於亞洲之外、並展現較強或不斷改善的可持續屬性的發行機構的固定收入證券（與上述方法一致），及／或現金及等同現金。

子基金亦可將其最多10%的淨資產投資於有抵押及／或證券化產品（例如資產抵押證券及抵押擔保證券）。

子基金可投資將其最多35%的淨資產投資於被評為低於投資級別（即低於穆迪的Baa3或標準普爾或惠譽的BBB-）的債務證券（或如未有評級，則為等同評級釐定為具備相若質素）。

儘管子基金將會在適用法律法規限下遵照其投資目標及策略進行投資，惟子基金對於其淨資產投資於任何一個國家或行業的比例卻並無任何限制。因此，子基金可將其超過30%的淨資產投資於設於中國的發行機構。

子基金可將其最多20%的淨資產投資於具有彌補虧損特點的債務工具，包括但不限於合資格的具完全彌補虧損能力的工具、應急可換股債務證券、某些類型的高級非優先債務，以及具與發行機構監管資本比率相關之撤減或自我紓困能力的其他類似工具。此類工具可能於發生觸發事件時進行或然撤減或或然轉換為股票。

子基金並不擬將其超過10%的淨資產投資於由任何信用評級低於投資級別（即低於穆迪的Baa3或標準普爾或惠譽的BBB-）的單一主權國（包括有關政府、公共或地方當局）所發行或擔保的證券。

子基金奉行主動管理投資策略，並採用摩根大通ESG亞洲信貸總回報美元指數，而該基準指數只用於業績表現比較的基礎。在正常市況下，投資管理人會以不受限制的方式，相對於基準指數進行投資，並可酌情決定投資於未納入基準指數之證券。基於市況及投資管理人的前瞻性預期，子基金投資策略可不時投資於與基準指數成份股範圍相若的證券，且因此該等證券具有與基準指數相若的特徵。

*風險因素：*

- a) **可持續投資風險：**主要投資於表現出可持續性特性的發行機構的投資（「**可持續投資**」），其帶有某些風險：在若干市況下，子基金可能會較不採用可持續投資策略的基金表現差。採用可持續投資原則可能會影響子基金對某些領域或投資類型的風險承擔，且會影響子基金的相對投資表現，具體取決於該等領域或投資是否受市場青睞。子基金持有的證券可能承擔在投資後不再符合子基金的可持續性及ESG準則的風險。投資管理人及／或副投資管理人對發行機構可持續特性的評估可能隨著時間推移而有所變化，可能需要在不利的情況下出售該等證券。這可能導致子基金臨時持有不符合子基金可持續投資原則或標準的證券的資產淨值下跌。在評估發行機構時，投資管理人及／或分投資管理人依賴於不完整、不準確或不可用的資料及數據，這可能導致投資管理人及／或分投資管理人錯誤評估發行機構的可持續性特性。

子基金的可持續投資策略的成功採用將取決於投資管理人及／或分投資管理人在正確識別及分析重大可持續性問題方面的技能。不同的管理人對可持續性因素作出的評估可能不同，且對不同的人來說可能意味著不同的事情。

## 亞洲高收益基金投資策略之修訂

子基金將其最少70%淨資產投資於在亞洲上市或買賣及／或在亞洲註冊或擁有重大業務權益的企業、政府、政府機構及超國家所發行並被評為低於投資級別（即低於穆迪的Baa3或標準普爾或惠譽的BBB-）（或如未經評級\*，則釐正為具備相若質素）的高收益債務證券。如此則，投資於此子基金伴有較高程度的信貸風險。債務證券包括（但不限於）債券、商業票據、短期票據、存款證及協議有期存款，並可由政府、政府機構、超國家及公司發行機構發行。

除了這些高收益的債務證券之外，該子基金可將其不超過30%的淨資產投資於由企業、政府、政府機構及超國家在全球範圍內發行的任何信貸質素的債務證券及／或現金、等同現金及短期貨幣市場工具。子基金可將其不超過10%的淨資產投資於UCITS（可轉讓證券集體投資計劃）及UCIs（集體投資計劃）。

儘管子基金將會在適用法規規限下遵照其投資目標及策略進行投資，惟子基金對於其淨資產投資於任何一個國家或行業的比例卻並無任何限制。考慮到子基金策略上的靈活性，子基金可將其超過30%的淨資產投資於位於中國內地及或印尼的發行機構。子基金的投資可以任何貨幣計價。

子基金可能將其最多20%的淨資產投資於具有彌補虧損特點的債務工具，包括但不限於合資格的具完全彌補虧損能力的工具、應急可換股債務證券、某些類型的高級非優先債務，以及具與發行機構監管資本比率相關之撇減或自我紓困能力的其他類似工具。此類工具可能於發生觸發事件時進行或然撇減或或然轉換為股票。

子基金並不擬將其超過10%的淨資產投資於由任何信用評級低於投資級別（即低於穆迪的Baa3或標準普爾或惠譽的BBB-）的單一主權國（包括有關政府、公共或地方當局）所發行或擔保的證券。

在市場極端波動或嚴重不利市況下，子基金可暫時以現金或等同現金形式持有重大部分（不超過50%）的淨資產，又或投資於短期貨幣市場票據，以維持子基金投資組合內資產的價值。

子基金奉行主動管理投資策略，並採用摩根大通亞洲信貸非投資級別指數，而該基準指數只用於業績表現比較的基礎。在正常的市況下，各聯合投資管理人會以不受限制的方式，相對於基準指數進行投資，並可酌情決定投資於未納入基準指數之證券。基於市場情況及各聯合投資管理人的前瞻性預期，子基金投資策略可不時投資於與基準指數成份股範圍相若的證券，且因此該等證券具有與基準指數相若的特徵。

\*就本子基金而言，「無評級」債務證券指證券本身或其發行機構均未有信貸評級的債務證券。

**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.