

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")

10 December, 2019

Dear Shareholder

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

These changes will be reflected in the revised prospectus (and where applicable and for Hong Kong shareholders only, the revised Hong Kong Covering Document) of the Company (the "**Revised Prospectus**") and the revised key facts statements (the "**Revised KFS**") to be dated 20 December 2019 (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 in respect of the Company and its sub-funds (each a "**Sub-Fund**", collectively, the "**Sub-Funds**") in order to comply with the revised Code on Unit Trusts and Mutual Funds dated 1 January 2019 (the "**Revised UT Code**") as issued by the Securities and Futures Commission of Hong Kong (the "**SFC**"):-

1. Disclosure of the Net Derivative Exposure of each Sub-Fund

In accordance with the Revised UT Code, as of the Effective Date, the Revised Prospectus and the Revised KFS will disclose the expected maximum net derivative exposure arising from financial derivative investments (the "**Net Derivative Exposure**") in respect of each Sub-Fund. In calculating the Net Derivative Exposure, financial derivative instruments acquired for investment purposes that would generate incremental leverage at the portfolio level of the relevant Sub-Fund are converted into their equivalent positions in their underlying assets.

The Net Derivative Exposure is calculated in accordance with the Revised UT Code and the requirements and guidelines issued by the SFC from time to time. The expected maximum Net Derivative Exposure is set out in Schedule 1.

2. Use of financial derivative instruments in the Manulife Global Fund - Strategic Income Fund (the "Strategic Income Fund")

Currently, the Strategic Income Fund may from time to time use financial derivative instruments extensively or primarily for investment purposes and not merely for efficient portfolio and hedging purposes. It is also currently disclosed in the Prospectus that the expected level of leverage is 25% calculated under the commitment approach and 120% calculated under the sum of notional approach, and that the Management Company calculates the global exposure of the Strategic Income Fund using the Absolute Value-at-Risk Approach (please see Schedule 1 for definition).

In view of the risk profile of the Strategic Income Fund, taking into consideration the Net Derivative Exposure and the expected level of leverage calculated under the commitment approach and the sum of notional approach, the Management Company no longer considers the Strategic Income Fund to use financial derivative instruments extensively or primarily for investment purposes. Additionally, in view of the same abovementioned factors, the Management Company no longer considers it suitable to calculate and monitor the global exposure of the Strategic Income Fund using the Absolute Value-at-Risk Approach, and now

considers that the Commitment Approach will be a more suitable approach (please see Schedule 1 for definition).

Therefore, as of the Effective Date:

- a) the Revised Prospectus will disclose that the Net Derivative Exposure of the Strategic Income Fund to be up to 50% of Net Asset Value;
- b) the investment strategy of the Strategic Income Fund will be amended to replace the sentence “*The Sub-Fund, may from time to time use FDIs, extensively or primarily for investment purposes and not merely for efficient portfolio management and hedging.*”, with “*The Sub-Fund, may from time to time use FDIs for investment purposes and not merely for efficient portfolio management and hedging.*”; and
- c) the global exposure of the Strategic Income Fund will no longer be calculated and monitored in accordance with the Absolute Value-at-Risk Approach, and shall be calculated and monitored using the Commitment Approach only. Consequently, the disclosures relating to the Absolute Value-at-Risk Approach and the risk management process of the Strategic Income Fund shall be removed in the Revised Prospectus.

3. Fair Valuation of Assets in consultation with the Depositary

Currently, if a Sub-Fund is invested in markets which are closed for business at the relevant Valuation Point of the Sub-Fund, the Directors may, during periods of market volatility, proceed to adjust the Net Asset Value per Share to reflect more accurately the fair value of the Sub-Fund’s investments at the Valuation Point. Also, the relevant Investment Manager and/or the Administrator may also value liquid assets and money market instruments at their fair value instead of the amortised cost method where necessary.

As of the Effective Date, the Directors shall carry out fair value adjustments of the Net Asset Value per Share in consultation with the Depositary. Similarly, the relevant Investment Manager and/or the Administrator shall use fair value adjustments in respect of liquid assets and money market instruments in consultation with the Depositary.

4. Suspension of valuation in consultation with the Depositary

Currently, the calculation of NAV (and consequently, issues, redemptions and switches of Shares) may be suspended under certain circumstances, examples of which are set out in the Prospectus.

As of the Effective Date, any suspension of the calculation of NAV shall be effected in consultation with the Depositary.

5. Other Disclosure Updates

The Revised Prospectus and the Hong Kong Covering Document will also be updated to reflect other amendments resulting from the Revised UT Code and other general updates, which include:

- (a) Change of address of the Chairman of the Board of the Company and change of director of the General Distributor;
- (b) Removal of the designation ‘sophisticated Sub-Fund’ as this is no longer applicable to the Company;
- (c) Enhancement of disclosure of the role of Manulife Investment Management International Holdings Limited and Manulife Investment Management (Hong Kong) Limited in respect of the Company and fees payable in relation thereto;
- (d) Enhancement of disclosure on the calculation methodology of performance fees, including an illustrated example;
- (e) Enhancements of disclosure to the Management Company’s policy on cash commissions;
- (f) Updates to the disclosure on FATCA;
- (g) Enhancements of disclosure to reflect the implementation of the Luxembourg Law of 13 January 2019 setting up a register of beneficial owners;
- (h) Enhancements of disclosure on unclaimed proceeds upon termination of the Company;
- (i) Enhancements of disclosure relating to when fair valuation may be conducted;
- (j) Enhancements of disclosure relating to when suspensions may be conducted;
- (k) Other miscellaneous formatting, administrative and/or clarificatory updates.

Please note that, except as otherwise described above, the above changes (i) will have no effect on the investment objective, strategy and risk profiles of the Sub-Funds, (ii) will not result in any change in the operations and/or manner in which the Company and the Sub-Funds are being managed, (iii) will not lead to an increase in the fees to be borne by any of the Sub-Funds or their investors, and (iv) will not materially prejudice any of the rights or interests of the existing investors of the Sub-Funds.

The costs and expenses relating to the above changes are estimated to be approximately HK\$140,000 and will be borne by the Company. Such costs and expenses will be allocated to the Sub-Funds by reference to their Net Asset Values.

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.hk¹.

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

¹ This website has not been reviewed by the SFC.

Schedule 1

Name of Sub-Funds	Expected Maximum Net Derivative Exposure
Equity Funds:	
<i>Manulife Global Fund – ASEAN Equity Fund</i>	Up to 50%
<i>Manulife Global Fund - Asia Value Dividend Equity Fund</i>	Up to 50%
<i>Manulife Global Fund – Asia Pacific REIT Fund</i>	Up to 50%
<i>Manulife Global Fund - Asian Equity Fund</i>	Up to 50%
<i>Manulife Global Fund - Asian Small Cap Equity Fund</i>	Up to 50%
<i>Manulife Global Fund - China Value Fund</i>	Up to 50%
<i>Manulife Global Fund - Dragon Growth Fund</i>	Up to 50%
<i>Manulife Global Fund - Emerging Eastern Europe Fund</i>	Up to 50%
<i>Manulife Global Fund - European Growth Fund</i>	Up to 50%
<i>Manulife Global Fund – Global Equity Fund</i>	Up to 50%
<i>Manulife Global Fund - Global Property Fund</i>	Up to 50%
<i>Manulife Global Fund - Global Resources Fund</i>	Up to 50%
<i>Manulife Global Fund - Greater China Opportunities Fund</i>	Up to 50%
<i>Manulife Global Fund - Healthcare Fund</i>	Up to 50%
<i>Manulife Global Fund - India Equity Fund</i>	Up to 50%
<i>Manulife Global Fund - Japan Equity Fund</i>	Up to 50%
<i>Manulife Global Fund - Latin America Equity Fund</i>	Up to 50%
<i>Manulife Global Fund - Taiwan Equity Fund</i>	Up to 50%
<i>Manulife Global Fund – U.S. Equity Fund</i>	Up to 50%
<i>Manulife Global Fund - U.S. Small Cap Equity Fund</i>	Up to 50%
Bond Funds:	
<i>Manulife Global Fund - Asia Total Return Fund</i>	Up to 50%
<i>Manulife Global Fund – Asian High Yield Fund</i>	Up to 50%
<i>Manulife Global Fund – China Total Return Bond Fund</i>	Up to 50%
<i>Manulife Global Fund - Strategic Income Fund</i>	Up to 50%
<i>Manulife Global Fund - U.S. Bond Fund</i>	Up to 50%
<i>Manulife Global Fund - U.S. Special Opportunities Fund</i>	Up to 50%
Hybrid Funds:	
<i>Manulife Global Fund – Global Multi-Asset Diversified Income Fund</i>	Up to 50%
<i>Manulife Global Fund – Preferred Securities Income Fund</i>	Up to 50%

"Value-at-Risk Approach (VaR Approach)"

The VaR methodology measures the potential loss to a Sub-Fund at a particular confidence (probability) level over a specific time period and under normal market conditions. The Management Company uses the 99% confidence interval and one month' measurement period for the purposes of carrying out this calculation.

Absolute VaR is commonly used as the relevant VaR measure for absolute return style Sub-Funds, where a reference portfolio is not appropriate for risk measurement purposes. The VaR measure for such a Sub-Fund must, in case Absolute VaR is used, not exceed 20% of that Sub-Fund's net asset value.

"Commitment Approach"

The Commitment Approach is a methodology that aggregates the underlying market or notional values of financial derivative instruments to determine the degree of global exposure of a sub-fund to financial derivative instruments.

Pursuant to the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, or any legislative replacements or amendments thereof, the global exposure for a Sub-Fund under the Commitment Approach must not exceed 100% of that Sub-Fund's net asset value.