



友邦(信託)有限公司  
香港鰗魚涌英皇道 734 號  
友邦香港大樓 11 樓

AIA Company (Trustee) Limited  
11/F, AIA Hong Kong Tower  
734 King's Road  
Quarry Bay  
Hong Kong

28 October 2022

## IMPORTANT NOTE TO PARTICIPATING EMPLOYERS:

1. This notice is important. It requires your immediate attention. If you are in any doubt about the contents of this notice, you should seek independent professional advice. AIA Company (Trustee) Limited (the "Trustee") accepts responsibility for the accuracy of the contents of this notice;
2. You should read this notice carefully because the changes described in this notice may affect the investment of both your accrued benefits and future contributions. Unless defined in this notice, capitalised terms shall have the same meaning as those defined in the Principal Brochure of the Scheme (the "Principal Brochure");
3. Please disseminate the information in this notice to the members of the Scheme.

TO: ALL PARTICIPATING EMPLOYERS AND MEMBERS OF AIA RETIREMENT FUND SCHEME (the "Scheme")

### Re: Restructuring of the Scheme

Thank you for your continuous support to AIA.

As a leading retirement solutions provider in Hong Kong, we regularly review our product offering to ensure that you receive quality products and services. As a result of our recent review of the fund offering under the Scheme, we would like to effect the following changes with effect from 1 December 2022 (the "Effective Date").

### 1. Summary of the Restructure

1.1. AIA Investment Management HK Limited ("**AIMHK**") becoming the sole management company of all fund choices at the Investment Portfolio level (each, an "**Investment Portfolio**")

- (a) The following management companies ("**Retiring Management Companies**"), as shown in the table below, will retire as the investment managers of the respective Investment Portfolios, and AIMHK will be appointed as the management company of such Investment Portfolios (the "**MC Change**"). For details, please refer to paragraph 2 below.

Retiring Management Companies	Investment Portfolios
1. J.P. Morgan Investment Management Inc.	AIA American Equity Fund
2. FIL Fund Management Limited	AIA European Equity Fund
3. Schroder Investment Management (Hong Kong) Limited	AIA Hong Kong Equity Fund
4. PineBridge Investments Asia Limited	All the other Investment Portfolios under the Scheme (excluding (i) the AIA Capital Guaranteed Fund (" <b>AIA CGF</b> "); and (ii) the Investment Portfolios listed in rows 1 to 3 of this table above)

- (b) In addition, the AIA CGF, which currently does not have a management company at the Investment Portfolio level, will have AIMHK appointed as its management company ("**CGF MC Appointment**"). The CGF MC Appointment, together with the MC Change, are collectively referred to as the "**AIMHK Appointment**". As a result of AIMHK Appointment, AIMHK will be the sole management company of all Investment Portfolios of the Scheme.

Postal Address: 8/F, AIA Financial Centre, 712 Prince Edward Road East, Kowloon, Hong Kong  
郵寄地址: 香港九龍太子道東712號友邦九龍金融中心8樓

AIA Company (Trustee) Limited is incorporated in Hong Kong with limited liability.  
友邦(信託)有限公司是於香港註冊成立之有限公司。



- (c) The fund charges applicable to all the Investment Portfolios (other than the AIA Guaranteed Fund and the AIA CGF) will be re-aligned in the manner more particularly described in paragraph 2.2 below.

### 1.2. *Change of fund structure of certain Investment Portfolios*

The Investment Portfolios listed below (each, a "**Transforming Fund**"), each currently being a feeder fund investing in a single underlying collective investment scheme authorised by the Securities and Futures Commission (the "**SFC**"), will be transformed into a direct investment fund (the "**Fund Structure Change**").

- AIA Global Bond Fund
- AIA American Equity Fund
- AIA European Equity Fund
- AIA Hong Kong Equity Fund
- AIA Greater China Equity Fund
- AIA Asia ex Japan Equity Fund

For details, please refer to paragraph 3 below.

### 1.3. *Changes of investment objectives/policies of certain Investment Portfolios*

Other than the AIA Guaranteed Fund and the AIA Capital Guaranteed Fund, the investment objectives and/or policies of all of the Investment Portfolios (collectively, referred to as the "**Objectives/Policies Change Funds**"), will be updated to reflect, amongst others, the intended investment universe of the Investment Portfolios listed in **Appendix 3** as a result of the AIMHK Appointment and the Fund Structure Change. For details, please refer to paragraph 4 below.

## 2. **AIMHK Appointment**

### 2.1. *General*

On the Effective Date:

- (a) the Retiring Management Companies will retire as the investment managers of all respective Investment Portfolios as shown in the table in paragraph 1.1.(a), and AIMHK will be appointed as their management company; and
- (b) AIMHK will be appointed as the management company of the AIA CGF (the AIA CGF currently does not have a management company appointed at the Investment Portfolio level).

As a result of AIMHK Appointment, from the Effective Date, AIMHK will be the sole management company of all Investment Portfolios under the Scheme.

The appointment of AIMHK as the management company of all Investment Portfolios will, in the Trustee's view, improve the overall product governance of the Scheme, as AIMHK will help minimise the investment risk and assume the day-to-day responsibility for monitoring performance and overseeing regulatory compliance of all Investment Portfolios. AIMHK, as the management company of all Investment Portfolios, can also facilitate effective communication about each Investment Portfolio and the underlying funds' performance to the Trustee. AIMHK will also, to the extent applicable, be able to offer more systematic allocation and selection of the underlying funds through its capability in quantitative fund analysis and thereby better manage the risks and return associated with third party management companies.

AIMHK, incorporated in May 2018, is a SFC licensed asset management company wholly owned by AIA Group. AIMHK has been licensed by the SFC for type 4 (advising on securities) and type 9 (asset management) regulated activities since March 2020 and November 2018, respectively. Since incorporation, AIMHK has built specialist teams to manage different asset classes across geographies and conduct global asset allocation based on in-depth research in equities, fixed income, collective investment schemes and economies.



Furthermore, AIMHK only services AIA Company Limited and its affiliates and dedicates investment resources to manage the assets of AIA's life insurance business and pension funds. As its sole client for pension business in Hong Kong from the fund management perspective, AIMHK is able to provide the Trustee and AIA pension customers with exclusive and tailored investment management services.

## 2.2. *Fund charges re-alignment*

Corresponding with the AIMHK Appointment, the fund charges applicable to each Investment Portfolio (other than the AIA Guaranteed Fund and the AIA CGF) will be re-aligned. Please refer to **Appendix 1** for details. The charges applicable to the AIA Guaranteed Fund and the AIA CGF will remain unchanged.

## 2.3. *Impacts on the scheme participants*

AIMHK Appointment will bring enhanced product governance and monitoring of the performance of all Investment Portfolios. The Trustee is of the view that the AIMHK Appointment and the corresponding re-alignment of the fund charges as described above should not have any adverse impact on the scheme participants' interests. However, if scheme participants do not wish to be involved in the AIMHK Appointment, please refer to paragraph 8 below for the alternative available.

# 3. **Fund Structure Change**

## 3.1. *General*

On the Effective Date, the Transforming Funds, each currently being a feeder fund investing in a single underlying fund, will be transformed into a direct investment fund that invests in two or more collective investment schemes at AIMHK's discretion. AIMHK, as the sole management company of the Transforming Funds (as a result of the MC Change as described paragraph 2.1. above), will exercise independent judgment in choosing the underlying investments of the Transforming Funds, taking into account of the scheme participants' interests.

Accordingly, the underlying fund(s) invested in by the Transforming Funds will be changed. Please refer to **Appendix 2** for details. Rest assured that, despite such change, the Transforming Funds' investments in the underlying fund(s) will comply with the investment restrictions under 8.10D of the Code on Pooled Retirement Funds.

## 3.2. *Impacts on the scheme participants*

The Trustee believes that transforming the Transforming Funds into direct investment funds will bring a positive effect to the Transforming Funds. In particular, as a result of the Fund Structure Change, the investments of the Transforming Funds can be diversified and the underlying fund(s) of the Transforming Funds can be managed by different management companies, and this in turn could help diversify the manager concentration risk at the underlying fund level and therefore potentially enhance the performance of the Transforming Funds. The Fund Structure Change could also make it easier to remove any underperforming underlying fund(s) of the Transforming Funds. In addition, the risk profile of each of the Transforming Funds will remain the same after the Fund Structure Change. As such, the Trustee therefore does not expect that the Fund Structure Change will have any adverse impact on the scheme participants' interests. However, if scheme participants holding units in the Transforming Funds and/or have investment mandates to invest in the Transforming Funds do not wish to remain investing in and/or invest their future contributions in the Transforming Funds, please refer to paragraph 8 below for the alternative available.

# 4. **Changes of investment objectives/policies of the Objectives/Policies Change Funds**

We have taken this opportunity to revisit the investment objectives and policies of certain Investment Portfolios. With effect from the Effective Date, the investment objectives and/or policies of the Objectives/Policies Change Funds will be updated to reflect, amongst others, the intended investment universe of the Investment Portfolios listed in **Appendix 3** as a result of the AIMHK Appointment and the Fund Structure Change. These changes in our view would enhance investment flexibility of these Investment Portfolios so that AIMHK may



have a broader scope of investment universe to choose to invest in order to achieve these Investment Portfolios' investment objectives. The key changes are summarised in **Appendix 2** (with respect to the Transforming Funds) and **Appendix 3** (with respect to the Objectives/Policies Change Funds (excluding the Transforming Funds)).

#### **5. Changes to the dealing arrangement and other changes to the constitutive document**

Both the constitutive document and the Principal Brochure of the Scheme will be updated to include a power on the part of the management company, in consultation with the Trustee and having regard to the best interests of the scheme participants, to declare a deferral or suspension in dealing for an Investment Portfolio in certain specified circumstances, e.g. where dealings in a market are restricted or suspended, means of communication normally employed in determining net asset value of an Investment Portfolio is broken down. Any outstanding requests for realisation of units in an Investment Portfolio received prior to or during the deferral or suspension shall be actioned after the suspension or deferral is declared by the management company to be lifted.

We have also taken this opportunity to revamp the Scheme's trust deed to specify that no interest shall be paid pending the actual payment of benefits under the Scheme and to ensure its contents will be in line with the latest features of each Investment Portfolio, including the investment strategies and restrictions.

#### **6. Changes in relation to the revised SFC's Code on Pooled Retirement Funds**

The SFC has revised the Code on Pooled Retirement Funds ("**Revised PRF Code**") with an aim to update the regulatory regime for SFC authorised pooled retirement funds. The Principal Brochure will be revised to reflect the requirements of the Revised PRF Code ("**PB Revamp**") with effect from the Effective Date. In particular, the disclosure relating to each Investment Portfolio will be updated per the Revised PRF Code.

Also, as a result of the Fund Structure Change and taking into account the latest requirements of the PRF Code, we have revisited the risk factors associated with each Investment Portfolio. The updated Principal Brochure will reflect the latest suite of risk factors associated with each Investment Portfolio. We have also made certain cosmetics and stylistic changes to the Principal Brochure, and re-jigged the sequence of contents of the Principal Brochure, to enhance clarity and readability.

In addition, we have taken this opportunity to revise the Scheme's trust deed to ensure its compliance with Appendix B to the Revised PRF Code. The Scheme's trust deed will be revised, amongst others, to provide that the functions, duties and obligations of the key operators of the Scheme and the investment strategies and restrictions of the investment portfolios are as set out in the Principal Brochure of the Scheme. In addition, the Scheme's trust deed will specify the Trustee's obligation to ensure that the constitutive documents of Scheme contain all the information listed in Appendix B to the Revised PRF Code.

#### **7. Change of registered address of AIA Company Limited**

Currently, AIA Company Limited is (i) the guarantor of AIA Guaranteed Fund and (ii) the insurer and guarantor of the Capital Guaranteed Insurance Policy (i.e. the underlying investment of the AIA Capital Guaranteed Fund). Effective from 16 August 2022, the registered address of AIA Company Limited has been changed from 27th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong to 35/F, AIA Central, 1 Connaught Road Central, Hong Kong.

#### **8. Is there any action scheme participants need to take in response to the changes set out in this notice?**

Scheme participants need not take any action to effect the changes set out in this notice. In particular, they need not buy/sell or transfer units in the relevant Investment Portfolio(s) if they decide to continue to invest in the relevant Investment Portfolio(s).

However, if scheme participants holding units in the relevant Transforming Fund(s) and/or Objectives/Policies Change Fund(s) and/or have investment mandates to invest contributions in the relevant Transforming Fund(s) and/or Objectives/Policies Change Fund(s) do not wish to remain investing in and/or invest their future contributions in the relevant Transforming Fund(s) and/or Objectives/Policies Change Fund(s) from the



Effective Date as a result of the changes set out in this notice, they may notify the Trustee to switch their units and/or future investment in the relevant Transforming Fund(s) and/or Objectives/Policies Change Fund(s) by returning to the Trustee a valid and complete Investment Mandate Form either (a) by post to 8/F, AIA Financial Centre, 712 Prince Edward Road East, Kowloon, Hong Kong or by fax to (852) 2565 0001, on or before 12:00 noon 30 November 2022; or (b) via AIA's Interactive Website at [aia.com.hk](http://aia.com.hk), mobile app and Interactive Voice Response System instructions before 4:00p.m. (Hong Kong time) on 30 November 2022, subject to different fund switching arrangement agreed with your employer. Please contact our Member Hotline at (852) 2200 6288 for details.

In particular, if scheme participants wish to switch their holdings in the AIA Guaranteed Fund and the AIA Capital Guaranteed Fund (as the case may be) as a result of the changes set out in this notice, they may do so via AIA's Interactive Website, mobile app or Interactive Voice Response System free of charge in accordance with the Principal Brochure. However, please note that any switching, withdrawal, termination or cessation of investment from such Investment Portfolios may affect scheme participants' entitlement to the guarantee and risk the loss of their guarantee.

No fees, penalties or bid/offer spread will be charged or imposed on any such change of investment mandate and fund switching.

If an employer chooses to terminate its participation in the Scheme because of the changes set out in this notice, it may do so free of all charges applicable in connection with the early termination of participation in the Scheme prior to the Effective Date in accordance with the trust deed of the Scheme.

#### **9. Availability of documents**

The revised Principal Brochure of the Scheme will be available for download at [aia.com.hk](http://aia.com.hk) on or around the Effective Date.

#### **10. Costs associated with the changes set out in this notice**

The costs and expenses associated with changes initiated by us, i.e. the changes in paragraphs 1 to 5 and 7 above, will not be borne by the Scheme or the scheme participants, and will be borne by us. As for the other changes, their costs and expenses will be borne by the Scheme according to the constitutive documents of the Scheme.

We are committed to providing you with professional and quality services in the best interest of members.

Should you have any queries, please contact your designated Account Executive or our Employer Hotline at (852) 2100 1888. For members, please call our Member Hotline at (852) 2200 6288.

Yours Sincerely,

Elaine Lau  
Chief Executive Officer  
AIA Company (Trustee) Limited



友邦(信託)有限公司  
香港鰂魚涌英皇道 734 號  
友邦香港大樓 11 樓

AIA Company (Trustee) Limited  
11/F, AIA Hong Kong Tower  
734 King's Road  
Quarry Bay  
Hong Kong

## Appendix 1 - Fund charges re-alignment

The table below shows the re-alignment of the fund charges applicable to the relevant Investment Portfolios (changes are underlined or struck through).

Investment Portfolio	Investment Portfolio Level		Underlying Fund Level
	Trustee Fee/ <del>Investment Management Fee</del>	<u>Investment Management Fee (inclusive of trustee fee and management fee of underlying fund(s))</u>  <u>Note: Fees chargeable not in the form of a percentage of the net asset value are not included in the Investment Management Fee.</u>	<del>Trustee Fee/Management Fee</del>
<b>AIA Asia ex Japan Equity Fund</b>	Not exceeding <u>Up to 0.3% p.a.</u> of the net asset value of the Investment Portfolio. Currently waived.	<u>Up to 1.2% p.a. of the net asset value of the Investment Portfolio.</u>	Not exceeding 1.5% p.a. of the net asset value of the underlying fund.
<b>AIA European Equity Fund</b>	Not exceeding <u>Up to 0.3% p.a.</u> of the net asset value of the Investment Portfolio. Currently waived.	<u>Up to 1.2% p.a. of the net asset value of the Investment Portfolio.</u>	Not exceeding 1.5% p.a. of the net asset value of the underlying fund.
<b>AIA American Equity Fund</b>	Not exceeding <u>Up to 0.3% p.a.</u> of the net asset value of the Investment Portfolio. Currently waived.	<u>Up to 1.2% p.a. of the net asset value of the Investment Portfolio.</u>	1.5% p.a. of the net asset value of the underlying fund.
<b>AIA Hong Kong Equity Fund</b>	Up to 0.3% p.a. of the net asset value of the Investment Portfolio.  The investment management fee is 0.95% p.a. of the net asset value of the Fund.	<u>Up to 0.95% p.a. of the net asset value of the Investment Portfolio.</u>	The trustee fee and the investment management fee of the Fund together with the management fee of the underlying fund(s) will not exceed 1.25% p.a. of the Fund's net asset value.
<b>AIA Growth Fund</b>	Up to 0.3% p.a. of the net asset value of the Investment Portfolio.  The investment management fee is 0.95% p.a. of the net asset value of the Fund.	<u>Up to 1.25% p.a. of the net asset value of the Investment Portfolio (inclusive of trustee fee of underlying funds not exceeding 0.3% p.a. of the net asset value of the Investment Portfolio).</u>	The trustee fee and the investment management fee of the Fund together with the management fee of the

Postal Address: 8/F, AIA Financial Centre, 712 Prince Edward Road East, Kowloon, Hong Kong  
郵寄地址: 香港九龍太子道東712號友邦九龍金融中心8樓

AIA Company (Trustee) Limited is incorporated in Hong Kong with limited liability.  
友邦(信託)有限公司是於香港註冊成立之有限公司。



Investment Portfolio	Investment Portfolio Level		Underlying Fund Level
	Trustee Fee/Investment Management Fee	Investment Management Fee (inclusive of trustee fee and management fee of underlying fund(s))  <b>Note: Fees chargeable not in the form of a percentage of the net asset value are not included in the Investment Management Fee.</b>	Trustee Fee/Management Fee
<b>AIA Balanced Fund</b>	Up to 0.3% p.a. of the net asset value of the Investment Portfolio.  The investment management fee is 0.95% p.a. of the net asset value of the Fund.	Up to 1.25% p.a. of the net asset value of the Investment Portfolio (inclusive of trustee fee of underlying funds not exceeding 0.3% p.a. of the net asset value of the Investment Portfolio).	underlying fund(s) will not exceed 1.25% p.a. of the Fund's net asset value.  The trustee of each underlying fund may receive a fee not exceeding 0.3% p.a. of the net asset value of the underlying fund.
<b>AIA Capital Stable Fund</b>	Up to 0.3% p.a. of the net asset value of the Investment Portfolio.  The investment management fee is 0.95% p.a. of the net asset value of the Fund.	Up to 1.25% p.a. of the net asset value of the Investment Portfolio (inclusive of trustee fee of underlying funds not exceeding 0.3% p.a. of the net asset value of the Investment Portfolio).	
<b>AIA Manager's Choice Fund</b>	Up to 0.3% p.a. of the net asset value of the Investment Portfolio.  The investment management fee is 0.95% p.a. of the net asset value of the Fund.	Up to 1.25% p.a. of the net asset value of the Investment Portfolio (inclusive of trustee fee of underlying funds not exceeding 0.3% p.a. of the net asset value of the Investment Portfolio).	
<b>AIA Greater China Equity Fund</b>	Up to 0.3% p.a. of the net asset value of the Investment Portfolio.  The investment management fee is 0.95% p.a. of the net asset value of the Fund.	Up to 1.25% p.a. of the net asset value of the Investment Portfolio (inclusive of trustee fee of underlying funds not exceeding 0.3% p.a. of the net asset value of the Investment Portfolio).	
<b>AIA Global Bond Fund*</b>	Up to 0.3% p.a. of the net asset value of the Investment Portfolio.  The investment management fee is up to 0.69% p.a. of the net asset value of the Fund.	Up to 0.69% p.a. of the net asset value of the Investment Portfolio.	The aggregate of (i) trustee fee and the investment management fee of the Fund; (ii) trustee fee and management fee of the underlying fund; and (iii) other expenses will not exceed 0.99% p.a. of the Fund's net asset value.



Investment Portfolio	Investment Portfolio Level		Underlying Fund Level
	Trustee Fee/Investment Management Fee	Investment Management Fee (inclusive of trustee fee and management fee of underlying fund(s))  <b><u>Note: Fees chargeable not in the form of a percentage of the net asset value are not included in the Investment Management Fee.</u></b>	Trustee Fee/Management Fee
<b>AIA Hong Kong and China Fund</b>	Up to <u>0.3%</u> <del>0.79%</del> p.a. of the net asset value of the Investment Portfolio (inclusive of the Investment Manager's fee).	Up to <u>0.69%</u> p.a. of the net asset value of the Investment Portfolio.	Up to <u>0.20%</u> p.a. of the net asset value of the underlying fund.
<b>AIA World Fund</b>	Up to <u>0.3%</u> <del>0.74%</del> p.a. of the net asset value of the Investment Portfolio (inclusive of the Investment Manager's fee).	Up to <u>0.69%</u> p.a. of the net asset value of the Investment Portfolio.	Up to <u>0.25%</u> p.a. of the net asset value of the underlying fund.

\* The aggregate fee is capped at 0.99% p.a. of the net asset value of the Investment Portfolio





**Appendix 2 - Changes to the investment objectives and policies of the Transforming Funds**

Transforming Funds	Investment objectives and policies	
	Existing	New (on and after the Effective Date)
<b>AIA Global Bond Fund</b>	<p><b><i>Investment objective:</i></b></p> <p>To seek a high level of return from a combination of current income and capital appreciation by investing in a portfolio of debt securities denominated in US dollars and a variety of foreign currencies.</p>	<p><b><i>Investment objective:</i></b></p> <p>Seeks to achieve long-term stable return from a combination of income and capital appreciation through investing primarily in fixed income securities in the international markets.</p>
	<p><b><i>Investment policy:</i></b></p> <p>The Fund invests solely in the PineBridge Fund Series – PineBridge Global Bond Fund.</p>	<p><b><i>Investment policy:</i></b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds) that will have majority of assets investing in fixed income securities in the international markets (which in aggregate shall account for no less than 70% of the Investment Portfolio's net asset value). The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes.</p> <p>The Investment Portfolio may also invest in other Underlying Funds as determined by the Management Company from time to time. The Investment Portfolio may indirectly invest up to 30% of its NAV in debt instruments with loss-absorption features ("<b>LAP</b>") (e.g. contingent convertible bonds, senior non-preferred debt securities, etc.). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.</p>



Transforming Funds	Investment objectives and policies	
	Existing	New (on and after the Effective Date)
AIA American Equity Fund	<p><b>Investment objective:</b></p> <p>To achieve long-term capital growth by investing primarily in North American securities.</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term capital growth through investing in equities issued by companies listed, based or operating principally in the US.</p>
	<p><b>Investment policy:</b></p> <p>The Fund invests solely in the JPMorgan Funds – America Equity Fund.</p>	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds) that will have majority of assets investing in equities of companies listed, based or operating principally in the US (which in aggregate shall account for no less than 70% of the Investment Portfolio's net asset value), with the remainder in cash and fixed income securities. The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes.</p>
AIA European Equity Fund	<p><b>Investment objective:</b></p> <p>To achieve capital growth by investing in a collective investment scheme authorised by the SFC which is mainly invested in equity securities quoted on European stock exchanges.</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve capital growth through investing primarily in equities issued by companies listed, based or operating principally in Europe.</p>
	<p><b>Investment policy:</b></p> <p>The Fund invests solely in the Fidelity Funds – European Growth Fund.</p>	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds) which asset allocation policy is normally to have a greater proportion of assets invested in equities in Europe (which in aggregate shall account for no less than 70% of the Investment Portfolio's net asset value), with the remainder in cash and fixed income securities. The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes.</p>



Transforming Funds	Investment objectives and policies	
	Existing	New (on and after the Effective Date)
AIA Hong Kong Equity Fund	<p><b>Investment objective:</b></p> <p>To provide capital growth primarily through investment in equity securities of Hong Kong SAR companies through an underlying fund.</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term capital appreciation by primarily investing in equities issued by companies listed, based or operating principally in Hong Kong.</p>
	<p><b>Investment policy:</b></p> <p>Except for a small portion (which is expected to be less than 10% of the net asset value of the Fund) to be held in cash or cash based investments for operational purposes, the Fund invests solely in the Schroder International Selection Fund - Hong Kong Equity (the "<b>Underlying Fund</b>") managed by the Investment Manager. The Fund, through the Underlying Fund, may invest in equity securities which are considered to be of high inherent risk.</p>	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds) which asset allocation policy is normally to have majority of assets investing in equities of companies listed, based or operating principally in Hong Kong (which in aggregate shall account for no less than 70% of the Investment Portfolio's net asset value). The Investment Portfolio may through investments in the Underlying Funds invest less than 30% of its NAV in China A-Shares and China B-Shares. Investment in China A-Shares may be made via the Stock Connect. Indirect exposure to China A-Shares may also be sought through investment in financial instruments such as China market access products. The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes.</p>
AIA Greater China Equity Fund	<p><b>Investment objective:</b></p> <p>To provide long term capital appreciation by investing in the equity securities of companies with exposure to the economies of countries within the Greater China Region i.e. China, Hong Kong and Taiwan.</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term capital appreciation by investing primarily in equities issued by companies listed, based or operating principally in Greater China region, including the PRC, Hong Kong, Macau and Taiwan.</p>
	<p><b>Investment policy:</b></p> <p>Except for a small portion (which is expected to be less than 10% of the net asset value of the Fund) to be held in cash or cash based investments for operational purposes, the Fund invests solely in the</p>	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds) that will have majority of assets investing in equities of companies listed, based or operating principally in the Greater China Region i.e. the PRC, Hong Kong, Macau and Taiwan (which in</p>



Transforming Funds	Investment objectives and policies	
	Existing	New (on and after the Effective Date)
	PineBridge Fund Series – PineBridge Greater China Equity Fund.	aggregate shall account for no less than 70% of the Investment Portfolio's net asset value). The Investment Portfolio may through investments in the Underlying Funds invest less than 30% of its NAV in China A-Shares and China B-Shares. Investment in China A-Shares may be made via the Stock Connect. The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes.
AIA Asia ex Japan Equity Fund	<p><b>Investment objective:</b></p> <p>To seek long-term capital appreciation by investing in the equity and equity-related securities of companies whose assets, products or operations are in the Asian Region (including Bangladesh, Hong Kong, India, Indonesia, Korea, Malaysia, Pakistan, The People's Republic of China, The Philippines, Singapore, Sri Lanka, Taiwan and Thailand).</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term capital appreciation by primarily investing in equities and equity-related securities issued by companies listed, based or operating principally in the Asian region, excluding Japan.</p>
	<p><b>Investment policy:</b></p> <p>The Fund invests solely in the PineBridge Global Funds – PineBridge Asia ex Japan Equity Fund (the "<b>Underlying Fund</b>"). The Underlying Fund may also, to a lesser extent, invest in equity and equity-related securities of companies whose assets, products or operations are in Australia and New Zealand.</p>	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds) (the "<b>Underlying Funds</b>") that will have majority of assets investing in the equity and equity-related securities of companies listed, based or operating principally in the Asian region, excluding Japan (which in aggregate shall account for no less than 70% of the Investment Portfolio's net asset value). The Underlying Funds may also, to a lesser extent, invest in equity and equity-related securities of companies listed, based or operating principally in Australia and New Zealand. The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes.</p>



**Appendix 3 - Change of investment objectives and/or policies of the Objectives/Policies Change Funds (excluding the Transforming Funds)**

The table below sets out the investment objectives and policies of each of the Objectives/Policies Change Funds (excluding the Transforming Funds): (i) before the Effective Date; and (ii) on and after the Effective Date.

Investment Portfolios	Investment objectives and policies	
	Existing	New (on and after the Effective Date)
<b>AIA Manager's Choice Fund</b>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long term capital appreciation through a professionally managed portfolio, invested in two or more pooled investment funds and/or approved index-tracking collective investment schemes. The Fund attempts to perform dynamic asset allocation in order to maximise long term capital appreciation. The Fund would be suitable to investors who are willing to accept an above average level of risk in order to achieve long term capital appreciation.</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term capital appreciation. The Investment Portfolio attempts to perform dynamic asset allocation in order to maximise long-term capital appreciation. The Investment Portfolio would be suitable to investors who are willing to accept an above average level of risk in order to achieve long term capital appreciation.</p>
	<p><b>Investment policy:</b></p> <p>The Investment Manager will achieve the objective through a professionally managed portfolio, invested in two or more pooled investment funds and/or approved index-tracking collective investment schemes ("<b>ITCISs</b>"). Depending on the market condition, the Fund may allocate from 10% to 90% of its assets in equities, with the balance invested in bonds, money market instruments and cash. Investments may be made in the above mentioned asset classes and may be in various markets globally where permitted by the Mandatory Provident Fund Schemes (General) Regulation. The allocations will change based on the Investment Manager's view on the economic and market outlook, with higher allocation to equity when equity market outlook is positive, balanced allocation when equity market outlook is neutral and higher allocation to bonds, money market instruments and</p>	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing in two or more collective investment schemes (which may include index tracking funds) (collectively, the "<b>Underlying Funds</b>"). Depending on the market condition, the Investment Portfolio may allocate from 10% to 90% of its exposure to equities, with the balance invested in fixed income securities, money market instruments and/or cash. The Investment Portfolio may indirectly invest in the above mentioned asset classes and in various markets globally. The allocations will change based on the Management Company's view on the economic and market outlook, with higher allocation to Underlying Fund(s) investing in equity when equity market outlook is positive, balanced allocation when equity market outlook is neutral and higher allocation to Underlying Fund(s) investing in fixed income securities, money market instruments and/or cash when equity market outlook is negative. The</p>



Investment Portfolios	Investment objectives and policies	
	Existing	New (on and after the Effective Date)
	<p>cash when equity market outlook is negative. The asset allocation will be continually monitored and reviewed and changes will be made as considered appropriate to better achieve the Fund's objective.</p>	<p>Investment Portfolio may indirectly invest up to 30% of its NAV in debt instruments with loss-absorption features ("<b>LAP</b>") (e.g. contingent convertible bonds, senior non-preferred debt securities, etc.). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events. The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes.</p>
<b>AIA Hong Kong and China Fund</b>	<p><b>Investment objective:</b></p> <p>To seek a long term capital appreciation by investing entirely in a combination of equity market index-tracking funds that track Hong Kong equity market indices that measure the performance of companies listed in Hong Kong (including China incorporated enterprises listed in Hong Kong in the form of H Shares).</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term capital appreciation by investing primarily in a combination of Hong Kong equity market index tracking funds, whether listed or unlisted.</p>
	<p><b>Investment policy:</b></p> <p>The Fund is a portfolio management fund investing entirely in index-tracking collective investment schemes. Please note that the Fund is not an index-tracking fund.</p> <p>The Fund may hold ancillary cash or cash based investments for operational and/or hedging purposes.</p>	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in a combination of two or more equity market index tracking funds, whether listed or unlisted, that track Hong Kong equity market indices that measure the performance of companies (including PRC incorporated enterprises) listed in Hong Kong (which in aggregate shall account for no less than 70% of the Investment Portfolio's net asset value). The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes. The Investment Portfolio is not an index-tracking fund.</p>



Investment Portfolios	Investment objectives and policies	
	Existing	New (on and after the Effective Date)
<b>AIA World Fund</b>	<p><b>Investment objective:</b></p> <p>To seek a long term capital appreciation by investing in a combination of global equity market index-tracking funds.</p>	<p><b>Investment objective:</b></p> <p>Seeks a long-term capital appreciation by investing primarily in a combination of index tracking funds, whether listed or unlisted, that track equity market indices around the world.</p>
	<p><b>Investment policy:</b></p> <p>The Fund is a portfolio management fund investing entirely in index-tracking collective investment schemes ("ITCISs"). Please note that the Fund is not an index-tracking fund.</p> <p>The Fund will invest mainly in ITCISs that track equity market indices that cover large cap companies in their respective markets around the world. A greater proportion of the assets will primarily be invested in equity market ITCISs that track North American, European, Far Eastern and Australasian markets and a smaller proportion will be invested in ITCISs that track Latin American markets.</p> <p>The Fund may hold ancillary cash or cash based investments for operational and/or hedging purposes.</p>	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in a combination of two or more index tracking funds, whether listed or unlisted, which track equity market indices around the world, and may also, to a lesser extent, invest in non-index tracking funds. Not less than 70% of the net asset value of the Investment Portfolio will be invested in equity market indices that track North American, European and Asia Pacific markets. The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes. The Investment Portfolio is not an index-tracking fund.</p>
<b>AIA Capital Stable Fund</b>	<p><b>Investment objective:</b></p> <p>Primary objective: to minimise its short-term capital risk in US dollar terms.</p> <p>Secondary objective: to enhance returns over the long term through limited exposure to global equities.</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term stable capital appreciation with lower volatility and adopts a conservative approach in relation to the allocation between (i) equities and (ii) fixed income securities, money market instruments and/or cash.</p>



Investment Portfolios	Investment objectives and policies													
	Existing	New (on and after the Effective Date)												
	<p><b>Investment policy:</b></p> <p>The Investment Manager will achieve the objective through a professionally managed portfolio, invested in one or more collective investment schemes authorised by the SFC. The Fund does not guarantee the repayment of capital. Investments are structurally limited in line with the following asset-class exposures:</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>30%</td> </tr> <tr> <td>Bonds</td> <td>70%</td> </tr> </tbody> </table> <p>Note: The above asset allocation is for reference only and is subject to changes at the Investment Manager's discretion.</p>	Asset Class	Benchmark	Equities	30%	Bonds	70%	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds) (the "<b>Underlying Funds</b>") which asset allocation policy is to invest in a conservative internationally diversified portfolio of securities mainly in fixed income securities, money market instruments and/or cash. The Investment Portfolio may through the Underlying Funds hold up to 50% of the assets in equities. The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes. The Investment Portfolio does not guarantee the repayment of capital. The Investment Portfolio may indirectly invest up to 30% of its NAV in debt instruments with loss-absorption features ("<b>LAP</b>") (e.g. contingent convertible bonds, senior non-preferred debt securities, etc.). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.</p> <p>The following is an indicative asset allocation of the Investment Portfolio:</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Indicative percentage of the Investment Portfolio's net asset value</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>10% to 50%</td> </tr> <tr> <td>Fixed Income Securities, Money Market Instruments and/or Cash</td> <td>50% to 90%</td> </tr> </tbody> </table>	Asset Class	Indicative percentage of the Investment Portfolio's net asset value	Equities	10% to 50%	Fixed Income Securities, Money Market Instruments and/or Cash	50% to 90%
Asset Class	Benchmark													
Equities	30%													
Bonds	70%													
Asset Class	Indicative percentage of the Investment Portfolio's net asset value													
Equities	10% to 50%													
Fixed Income Securities, Money Market Instruments and/or Cash	50% to 90%													





Investment Portfolios	Investment objectives and policies												
	Existing	New (on and after the Effective Date)											
AIA Balanced Fund	<p><b>Investment objective:</b></p> <p>To maximise its long-term capital appreciation in US dollar terms with moderate risk parameters.</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term capital appreciation with moderate volatility and adopts a balanced approach in relation to the allocation between (i) equities and (ii) fixed income securities, money market instruments and/or cash.</p>											
	<p><b>Investment policy:</b></p> <p>The Fund seeks to achieve the investment objective through investing in a balanced portfolio of equities and fixed income securities. The Investment Manager will achieve the objective through a professionally managed portfolio, invested in one or more collective investment schemes authorised by the SFC. Investments are structurally limited in line with the following asset-class exposures:</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>50%</td> </tr> <tr> <td>Bonds</td> <td>50%</td> </tr> </tbody> </table> <p>Note: The above asset allocation is for reference only and is subject to changes at the Investment Manager's discretion.</p>	Asset Class	Benchmark	Equities	50%	Bonds	50%	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing in a balanced internationally diversified portfolio of (i) equities and (ii) fixed income securities, money market instruments and/or cash. The Management Company will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds). The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes. The Investment Portfolio may indirectly invest up to 30% of its NAV in debt instruments with loss-absorption features ("<b>LAP</b>") (e.g. contingent convertible bonds, senior non-preferred debt securities, etc.). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.</p> <p>The following is an indicative asset allocation of the Investment Portfolio:</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Indicative percentage of the Investment Portfolio's net asset value</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>30% to 70%</td> </tr> <tr> <td>Fixed Income Securities, Money Market Instruments and/or Cash</td> <td>30% to 70%</td> </tr> </tbody> </table>	Asset Class	Indicative percentage of the Investment Portfolio's net asset value	Equities	30% to 70%	Fixed Income Securities, Money Market Instruments and/or Cash
Asset Class	Benchmark												
Equities	50%												
Bonds	50%												
Asset Class	Indicative percentage of the Investment Portfolio's net asset value												
Equities	30% to 70%												
Fixed Income Securities, Money Market Instruments and/or Cash	30% to 70%												



Investment Portfolios	Investment objectives and policies												
	Existing	New (on and after the Effective Date)											
AIA Growth Fund	<p><b>Investment objective:</b></p> <p>To maximise its long-term capital appreciation in US dollar terms.</p>	<p><b>Investment objective:</b></p> <p>Seeks to achieve long-term capital growth and appreciation and adopts an aggressive approach in relation to the allocation between (i) equities, and (ii) fixed income securities, money market instruments and/or cash.</p>											
	<p><b>Investment policy:</b></p> <p>The Fund seeks to achieve the investment objective through investing in an internationally diversified portfolio of securities mainly in equities with balance in bonds and cash. The Investment Manager will achieve the objective through a professionally managed portfolio, invested in one or more collective investment schemes authorised by the SFC. Investments are structurally limited in line with the following asset-class exposures:</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>85%</td> </tr> <tr> <td>Bonds</td> <td>15%</td> </tr> </tbody> </table> <p>Note: The above asset allocation is for reference only and is subject to changes at the Investment Manager's discretion.</p>	Asset Class	Benchmark	Equities	85%	Bonds	15%	<p><b>Investment policy:</b></p> <p>The Investment Portfolio will achieve the objective through investing in an aggressive internationally diversified portfolio of securities mainly in equities. The Investment Portfolio may hold up to 30% of the assets in fixed income securities, money market instruments and/or cash. The Management Company will achieve the objective through investing primarily in two or more collective investment schemes (which may include index tracking funds). The Investment Portfolio may hold ancillary cash or cash based investments for operational and/or hedging purposes. The Investment Portfolio may indirectly invest up to 30% of its NAV in debt instruments with loss-absorption features ("<b>LAP</b>") (e.g. contingent convertible bonds, senior non-preferred debt securities, etc.). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.</p> <p>The following is an indicative asset allocation of the Investment Portfolio:</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Indicative percentage of the Investment Portfolio's net asset value</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>70% to 100%</td> </tr> <tr> <td>Fixed Income Securities, Money Market Instruments and/or Cash</td> <td>0% to 30%</td> </tr> </tbody> </table>	Asset Class	Indicative percentage of the Investment Portfolio's net asset value	Equities	70% to 100%	Fixed Income Securities, Money Market Instruments and/or Cash
Asset Class	Benchmark												
Equities	85%												
Bonds	15%												
Asset Class	Indicative percentage of the Investment Portfolio's net asset value												
Equities	70% to 100%												
Fixed Income Securities, Money Market Instruments and/or Cash	0% to 30%												