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PRIVATE & CONFIDENTIAL

30 October 2020

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 accepts responsibility for the accuracy of the contents of this notice.

IMPORTANT NOTE TO PARTICIPATING EMPLOYERS: Please disseminate the information in this notice to the members of the Scheme.

You should read this notice carefully because the changes 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**").

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

Re: (1) Termination of the AIA Interest Guaranteed Fund and (2) enhanced disclosures in respect of the underlying investments of the AIA Manager's Choice Fund

Thank you for your continuous support to AIA.

We write to inform you of the termination of the AIA Interest Guaranteed Fund and the related updates to the Scheme's Principal Brochure and its constitutive documents. The Principal Brochure is also being updated to enhance the disclosure of the AIA Manager's Choice Fund.

(1) Termination of the AIA Interest Guaranteed Fund (the "Fund**")**

1.1 General

As noted in the Principal Brochure, the Fund invests solely in an insurance policy (the "**Policy**") issued by China Life Insurance (Overseas) Company Limited ("**China Life**").

China Life has determined not to renew the Policy upon expiration of the 36-month period in which the Policy provides a Guaranteed Net Investment Return until 31 January 2021. Accordingly, pursuant to Clause 3A of the Scheme's trust deed, the Fund will be terminated effective 1 February 2021 (the "**Effective Date**").

1.2 Impact on members who hold units in the Fund as at the Redemption Date

Units held by members in the Fund as at 31 January 2021 will be redeemed on the same date (the "**Redemption Date**") at the Fund's then prevailing net asset value. Upon receipt of the redemption proceeds from China Life (the "**Proceeds**"), which is expected to occur within 14 business days from the Redemption Date, all of the Proceeds will be used to subscribe to the AIA Guaranteed Fund under the Scheme on 23 February 2021 (the "**Subscription Date**"). In this respect, please note that if the Declared Rate of Return declared by China Life for the month of January 2021 is higher than the Guaranteed Rate of Return (i.e. if there is any excess return for that month), the corresponding bonus units, if any, will be included as part of the Proceeds and used to subscribe to the AIA Guaranteed Fund on the Subscription Date. The Principal Brochure will be updated effective 1 February 2021 to remove all references to the Fund.



The value of your holdings in the Fund immediately before the termination of the Fund will be the same as the value of your holdings in the AIA Guaranteed Fund immediately after the subscription to the AIA Guaranteed Fund.

No bid and offer spreads or other transaction costs will be applied for redemption of units of the Fund and the subsequent subscription to the AIA Guaranteed Fund.

You should note that your original investment in the terminating Fund will, following the Fund's termination and application of the Proceeds to subscribe to the AIA Guaranteed Fund, be subject to the investment objective, policy and management fees of the AIA Guaranteed Fund.

The terminating Fund and the AIA Guaranteed Fund have similar investment objectives and they also have similar risk levels, such that members who hold units in the Fund will not be subject to higher risk after the termination.

A comparative summary of information on the terminating Fund and the AIA Guaranteed Fund's investment objective, policy and fees is included in the Appendix for your reference. For further details of the AIA Guaranteed Fund, including its investment objective and policy, the relevant guarantee terms and conditions, risks and fees, please refer to the Principal Brochure, which is available for download at aia.com.hk and can be obtained upon request to the Trustee.

1.3 Transitional arrangements

To facilitate the abovementioned Fund termination, members should note that all requests for dealing in the Fund, including subscription, redemption, change of investment mandate and fund switching should be received by the Trustee by 11:59 pm on 18 January 2021 (the "**Cut-off Deadline**"). Members should also note that if they switch out of the Fund or if their employer terminate participation in the Scheme before 1 February 2021, (i) they may not be entitled to receive the bonus units, if any, for the calendar year of 2020, and (ii) they would not be entitled to receive the bonus units arising from the period of January 2021, if any; however, the capital guarantee and Guaranteed Net Investment Return for members would not be affected by such switching out of the Fund.

The details of the transitional arrangement of instructions involving the Fund will be as follows:

Types of instructions that involve the Fund	Valid and complete instructions received on or before the Cut-off Deadline	Instructions received after the Cut-off Deadline
Subscriptions (including member enrolment): Contributions and transfer-in monies	Such instructions will be processed under the Trustee's normal service benchmark.	Such instructions that relate to the Fund will be processed under AIA Guaranteed Fund after the Subscription Date under the Trustee's normal service benchmark.



Redemptions: Withdrawal claims and transfer-out benefits	Such instructions will be processed under the Trustee's normal service benchmark.	Such instructions that relate to the Fund will be processed after the Subscription Date under the Trustee's normal service benchmark.
Fund switching and change of investment mandate instructions	Such instructions will be processed under the Trustee's normal service benchmark.	Such instructions will be rejected. Please refer to the sub-section "In cases where no instructions are received" below for details. The Trustee will endeavor to reach affected members and issue rejection letter to the affected members.

Paper submission of instructions should be posted to the Trustee at 8/F, AIA Financial Centre, 712 Prince Edward Road East, Kowloon, Hong Kong. Instructions through fax can be submitted to 2565 0001.

Members investing in the Fund cannot effect any fund switching in the period after the Cut-off Deadline. However, these members may view the total balance at member account level via online service portal and Interactive Voice Response System during the period.

In cases where no instructions are received

For members with existing investments and/or investment mandate in the Fund, if valid and complete instructions for fund switching and change of investment mandate are not received by the Trustee on or before the Cut-off Deadline:

- (a) their investments in the Fund, if any, will be redeemed on the Redemption Date and the redemption proceeds will be used to subscribe to the AIA Guaranteed Fund on the Subscription Date; and
- (b) their new contributions and transfer-in monies to the Fund, if any, will be invested in the AIA Guaranteed Fund after the Cut-off Deadline.

1.4 Alternative for members and employers

If members are holding units in the Fund and/or have investment mandates to invest contributions in the Fund, and they do not wish their units and future contributions to be transferred and/or invested in the AIA Guaranteed Fund from the Effective Date, they may notify the Trustee to switch their units and/ or future investment in the Fund by returning to the Trustee a valid and complete Investment Mandate Form (a) by post (at the address set out in 1.3 above) or by fax to 2565 0001, on or before the Cut-off Deadline at no fees or charges. Any request received after the Cut-off Deadline will not be processed and will be rejected.

If an employer chooses to terminate its participation in the Scheme as a consequence of the termination of the Fund, 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.

Members should refer to 1.3 above for the impact on their entitlement to bonus units, and the treatment of capital guarantee and Guaranteed Net Investment Return if they switch out of the Fund or if their employer terminate its participation in the Scheme prior to the Effective Date.



1.5 Notification

Members who have investment mandate and/or any holding of units in the Fund immediately prior to the Effective Date will receive a statement showing the amount of accrued benefits being transferred and/or investment mandates being updated from the Fund to the AIA Guaranteed Fund. The statement will be sent by post to the members concerned within one month after the Subscription Date.

(2) Enhanced disclosures for the AIA Manager's Choice Fund in relation to its underlying investments' use of instruments with loss-absorption features

The Principal Brochure will be amended to include enhanced information on the use of loss-absorption features as follows.

The following disclosures will be added to the "AIA Manager's Choice Fund" section of the Fund Fact Sheets in the Principal Brochure of the Scheme to reflect the investment universe of its underlying investments.

At the end of the third paragraph in the sub-section "The Fund":

"Certain relevant sub-funds may invest less than 30% of their total net assets in debt instruments with loss-absorption features."

After paragraph (viii) in the sub-section "Risks":

"ix. Risk of investing in instruments with loss-absorption features - Certain underlying funds of the Fund may invest in instruments with loss-absorption features where such instruments are typically subject to being written off or converted to ordinary shares on the occurrence of a trigger event which are likely to be outside of the issuer's control. A trigger event may include, for example, where the issuer's capital ratio falls below a specified level or when the issuer is near or at the point of non-viability. Debt instruments with loss-absorption features are subject to greater risks as a result of being partially or fully written off when compared to traditional debt instruments. Trigger events are complex and difficult to predict and can result in a significant or total reduction in the value of such instruments giving rise to losses of the Fund."

The above updates aim to reflect the enhancement of disclosures for certain underlying funds of the AIA Manager's Choice Fund, and will not affect the way the AIA Manager's Choice Fund is being managed. There is no change to the risk profile of the AIA Manager's Choice Fund.

Availability of Documents

The revised Principal Brochure of the Scheme is available for download at aia.com.hk on or around the Effective Date.

The costs and expenses associated with the changes above, which are expected to be approximately USD 25,641, will be borne by AIA International Limited (Hong Kong Branch) and will not be borne by the Scheme or the scheme participants.

The arrangement made in relation to the termination of the Fund is in the best interest of scheme participants.

We are committed to providing you with professional and quality services in the best interests of the 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,

A handwritten signature in black ink, appearing to read 'Elaine Lau'.

Elaine Lau
Chief Executive Officer
AIA Company (Trustee) Limited



Appendix

AIA Interest Guaranteed Fund	AIA Guaranteed Fund
<p>Investment objective:</p> <ul style="list-style-type: none"> - Achieve a stable, consistent, predictable rate of return and the guarantee of capital, subject to the risks associated with the investments as detailed in the Principal Brochure 	<p>Investment objective:</p> <ul style="list-style-type: none"> - Develop a secured source of high recurring income over the long run and the guarantee of capital by investing in prudent, balanced fixed interest instruments and equities with low to medium inherent risk
<p>Expected asset class allocation:</p> <ul style="list-style-type: none"> - Invests solely in the China Life Policy issued by China Life, which subsequently invests into an open ended unit trust, called the China Life Franklin Diversified Income Fund - China Life Franklin Diversified Income Fund primarily invests in global and regional fixed income securities including high-yield bonds 	<p>Expected asset class allocation:</p> <ul style="list-style-type: none"> - 87% to 98% in bonds and other fixed income instruments - 0% to 7% in preferred/ common stocks - 2% to 6% in cash
<p>Guaranteed benefits:</p> <ul style="list-style-type: none"> - You will receive, at the Fund level: (a) a capital guarantee; and (b) a Guaranteed Net Investment Return (as defined in the Principal Brochure) of 1.5% p.a. for the first 36 calendar months starting from 31 January 2018. <p>Additional benefits:</p> <ul style="list-style-type: none"> - You will receive (if applicable) any additional investment return by way of bonus units. <p>Conditions for the additional benefits:</p> <ul style="list-style-type: none"> - Your entitlement to the additional investment return, if any, will be subject to the following conditions: you have held units in the Fund and remain a member or external retirement scheme investor of the Scheme as at the last date of the relevant calendar year (i.e. 31 December of that calendar year) and at the time when the distribution of such bonus units is actually made. Please refer to the section entitled "AIA Interest Guaranteed Fund" of the Principal Brochure for details of the above. 	<p>Guaranteed benefits:</p> <ul style="list-style-type: none"> - The AIA Guaranteed Fund provides for an annual capital guarantee at the end of each relevant year on any amount invested in the AIA Guaranteed Fund (after any deduction for payment of the trustee fee of 1% p.a. (deducted monthly)). <p>Additional benefits:</p> <ul style="list-style-type: none"> - The Trustee, in consultation with AIA Company Limited, will credit a monthly investment return to the AIA Guaranteed Fund. This monthly investment return is determined at the sole discretion of the Trustee. <p>Conditions for the guaranteed benefits:</p> <ul style="list-style-type: none"> - Your entitlement to the capital guarantee under the AIA Guaranteed Fund for each year will be subject to your continued investment in the AIA Guaranteed Fund until the end of each year (for the purpose of this Fund, a year is defined as the first 12 months of participation and each 12 months' period after that).
<p>Currency denomination:</p> <ul style="list-style-type: none"> - Hong Kong dollars 	<p>Currency denomination:</p> <ul style="list-style-type: none"> - Hong Kong dollars
<p>Trustee Fee/ Investment Management Fees at the AIA Interest Guaranteed Fund level:</p> <ul style="list-style-type: none"> - 1% p.a. of the daily average of Capital[#] 	<p>Trustee Fee/ Investment Management Fees at the AIA Guaranteed Fund level:</p> <ul style="list-style-type: none"> - 1% p.a. of the net asset value of the AIA Guaranteed Fund (inclusive of the Investment Manager's fee)
<p>Fees at the underlying policy level: Investment charge: 1% p.a. of the daily average of Capital[#] of the China Life Policy</p>	<p>Fees at the underlying policy level: N/A</p>



<p>Guarantee charge: up to 1% p.a. of the daily average of Capital# of the China Life Policy, if the actual investment return at policy level (after deduction of the applicable fees and charges) exceeds the Guaranteed Rate of Return</p> <p>Any fees and charges incurred in the management and custodianship of the China Life Policy e.g. audit fee, legal fee etc.</p> <p>In addition, China Life may also deduct a smoothing provision.</p> <p>For details of the above, please refer to the section "AIA Interest Guaranteed Fund" of the Principal Brochure.</p>	
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#Capital on each day, in respect of (or during) a calendar year, means:

(1) the actual amount of contributions invested in the China Life Policy, together with the declared return at the applicable Declared Rate of Return on such contributions, less any redemptions made by the Trustee as policyholder of the China Life Policy, accumulated up to and including 31 December of the preceding calendar year, plus

(2) the actual amount of contributions invested in the China Life Policy, less any redemptions made by the Trustee as policyholder of the China Life Policy in (or during) the current calendar year.

Important Notes

- The **AIA Capital Guaranteed Fund** in the AIA Retirement Fund Scheme (the "**Scheme**") invests solely in an insurance policy issued by AIA Company Limited (the "**Insurer**"). Your investments in the AIA Capital Guaranteed Fund, if any, are therefore subject to the credit risks of the Insurer as both insurer and guarantor. Your entitlement to the capital guarantee under the AIA Capital Guaranteed Fund for each calendar year will be subject to your continued investment in the AIA Capital Guaranteed Fund until the end of each calendar year (please refer to the section entitled "Switching Between Funds" of the Principal Brochure for details of how a year is to be defined).
- The **AIA Guaranteed Fund** in the Scheme is a capital guaranteed fund. The guarantor is AIA Company Limited. Your investments in the AIA Guaranteed Fund, if any, are subject to the credit risk of the guarantor. Your entitlement to the capital guarantee under the AIA Guaranteed Fund for each year will be subject to your continued investment in the AIA Guaranteed Fund until the end of each year (please refer to the section entitled "Switching Between Funds" of the Principal Brochure for details of how a year is to be defined).
- The **AIA Interest Guaranteed Fund** in the Scheme invests solely in an insurance policy ("**China Life Policy**") issued by China Life Insurance (Overseas) Company Limited ("**China Life**"). Your investments in the AIA Interest Guaranteed Fund, if any, are therefore subject to the credit risks of China Life as both insurer and guarantor. You will receive, at the Fund level: (a) a capital guarantee; (b) a Guaranteed Net Investment Return (as defined on page 37) of 1.5% p.a. for the first 36 calendar months starting from 31 January 2018; and (c) (if applicable) any additional investment return by way of bonus units. Your entitlement to the additional investment return under (c), if any, will be subject to the following conditions: you have held units in the Fund and remain a member or external retirement scheme investor of the Scheme as at the last date of the relevant calendar year (i.e. 31 December of that calendar year) and at the time when the distribution of such bonus units is actually made. Please refer to the section entitled "AIA Interest Guaranteed Fund" of the Principal Brochure for details of the above.
- You should consider your own risk tolerance level and financial circumstances before making any fund choices. When, in your selection of fund choices, you are in doubt as to whether a certain fund choice is suitable for you (including whether it is consistent with your investment objectives), you should seek financial and/or professional advice and choose the fund choice(s) most suitable for you taking into account your circumstances.
- In the event that you do not make any fund choices, your contributions made and/or benefits transferred into the Scheme in respect of you will be invested in the default fund choice as agreed between your employer and the Trustee (and set out in the appropriate enrolment form(s)).
- The **AIA Capital Stable Fund** and **AIA Allianz Capital Stable Fund** do not guarantee the repayment of capital under all circumstances.

AIA Retirement Fund Scheme

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Introduction

AIA Retirement Fund Scheme (the “Scheme”) is a pooled retirement scheme set up by AIA Company Limited to meet the needs of companies of all sizes and to enable retirement assets of each participating plan to be “pooled” with other similar plans into various investment funds, thereby offering more competitive returns.

Employers can benefit from their participation in the Scheme in the following ways:

- ✧ Attract and retain employees by improving their benefits.
- ✧ Their contributions are eligible for profit tax relief upon approval by the relevant authorities.
- ✧ Offset long service payment / severance payment entitlements from the employer's portion of the accrued benefits.

Employees can benefit from their participation in the following ways:

- ✧ Lump-sum benefits received are tax-free.
- ✧ The retirement benefits provide financial security for the employees and their families.

Structure

The Scheme is set up by AIA Company Limited, a member of the AIA Group. The administration and trusteeship are undertaken by separate companies within the AIA Group and the investment of the assets of the Scheme is managed by separate professional investment managers.

Trustee and Administrator

AIA Company (Trustee) Limited ("AIA(T)" or "Trustee"), incorporated under the laws of Hong Kong on 10 July 1987, is the present trustee of the Scheme. The Trustee is responsible for the safekeeping of the assets. It also monitors the investment of the assets of the Scheme to ensure full compliance with the laws of Hong Kong.

AIA International Limited (Hong Kong Branch), incorporated in Bermuda with limited liability, acts as the administrator of the Scheme (the "Administrator"). Aided by a state-of-the-art administration system, its team of experienced personnel provides clients with retirement scheme administration and related services including maintenance of accounts and records, as well as communications with employers and scheme members.

Investment Managers

As the Trustee of the Scheme, AIA(T) has selected a range of fund choices to cater for different needs of the participants of the Scheme. The various fund choices are designed to provide different investment strategies ranging from steady growth to a more aggressive approach. The underlying investment of these fund choices is invested in different markets around the world, providing a diversified selection of investment choices and is managed by the following professional investment managers, well known for their expertise in retirement fund asset management.

- PineBridge Investments Asia Limited (Note: the investment management function of the AIA Manager's Choice Fund has been delegated to PineBridge Investments LLC)
- PineBridge Investments Hong Kong Limited
- PineBridge Investments Ireland Limited
- J.P. Morgan Investment Management Inc.
- FIL Fund Management Limited
- Allianz Global Investors Asia Pacific Limited
- Schroder Investment Management (Hong Kong) Limited
- Franklin Advisers, Inc.

Applicable Legislation

Occupational Retirement Schemes Ordinance

According to the Occupational Retirement Schemes Ordinance ("ORSO"), each employer who joins the Scheme will need to register with the Mandatory Provident Fund Schemes Authority and pay a registration fee on an annual basis, plus other fees / charges payable to the registrar / other regulatory authority. The Administrator will assist in the registration process by keeping proper accounts, records and annual financial statements of the Scheme for auditing and filing purposes with the relevant authorities as well as other daily operation. A key requirement of ORSO is the separation of the employees' benefits from the employer's accounts. By joining the Scheme, this requirement is automatically satisfied.

Long Service Payment / Severance Payment Offset

The Government enacted a provision under the Employment Ordinance in 1986, whereby employees who meet certain criteria are entitled to receive statutory long service payment / severance payment. To be in compliance with the above requirement, employers are entitled to apply for the benefits payable out of the employer's portion from the Scheme to offset the aforementioned payment.

Securities and Futures Commission Authorization

The offering documentation of the Scheme has been authorized by the Securities and Futures Commission, pursuant to s.105 of the Securities and Futures Ordinance. Securities and Futures Commission's authorization is not a recommendation or endorsement of the Scheme nor does it guarantee the commercial merits of the Scheme or its performance. It does not mean the Scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Scheme Structure and Governing Law

The Scheme is structured as a trust and shall be construed according to the laws of Hong Kong. It is also acknowledged that the parties involved have the right to bring legal action in a Hong Kong court of law.

Implications of FATCA

Under the United States ("US") Foreign Account Tax Compliance Act ("FATCA") provisions of the US Hiring Incentives to Restore Employment ("HIRE") Act, 30% US withholding may be levied on certain US sourced income received, gross proceeds received on sales of the assets giving rise to that US sourced dividend or interest income, and any payments that are classified as "Foreign Passthru Payments" as defined below. FATCA imposes withholding on certain payments known as "Foreign

Passthru Payments” from non-US financial institutions regardless of whether such payments have any connection to US Source Payments. The US Internal Revenue Service (“IRS”) and the US Treasury Department have not issued implementing guidance regarding FATCA withholding on Foreign Passthru Payments.

FATCA applies to the Scheme because the Scheme is a Foreign Financial Institution (“FFI”) under FATCA. In general, there should be no withholding on payments to an FFI that complies with FATCA. Under US Treasury Regulations, FATCA compliance can be achieved by the Scheme being subject to the terms of an FFI agreement with the IRS under which the Scheme would, among other things, provide certain US tax reporting with respect to the holdings of and payments to certain members or external retirement scheme investors (as the case may be) in the Scheme, including members or external retirement scheme investors (as the case may be) identified as US persons.

The Scheme is subject to a Model 2 Intergovernmental Agreement between Hong Kong and the US (“Hong Kong IGA”) under which the Scheme is required to comply with FATCA, as implemented through the Hong Kong IGA and through applicable provisions of the US Treasury Regulations issued under FATCA, and report any FATCA-required information to the IRS. The Hong Kong IGA modifies certain FATCA requirements set forth in the US Treasury Regulations but generally requires similar information to be disclosed to the IRS. The Scheme intends to comply with FATCA and does not expect to be subject to a 30% withholding tax on payments received by the Scheme. In addition, the Scheme will not impose FATCA withholding on any payments made to members or external retirement scheme investors (as the case may be). The Scheme expects that such FATCA withholding will not be required until the date of publication in the US Federal Register of final regulations defining the term “Foreign Passthru Payment” for FATCA purposes. The Scheme has agreed to be subject to the terms of an FFI agreement and has registered with the IRS. However, there can be no assurance that the Scheme can remain FATCA compliant given the complexities of the FATCA requirements.

The Scheme may require a member or external retirement scheme investor (as the case may be) to (i) provide the Scheme with personal information (e.g. his/her status as a US or non-US person and, if he/she is a US person, his/her US federal taxpayer identification number), and (ii) consent to the Scheme reporting such personal information, his/her other account information and any information relating to any other account held by such member or external retirement scheme investor (as the case may be), to the IRS where applicable. If a member or external retirement scheme investor (as the case may be) fails to comply with requests from the Scheme relating to FATCA, the Scheme may be required to reflect such information of the member or external retirement scheme investor (as the case may be) when the Scheme reports information relating to aggregated account balance for, and the number of, non-consenting US accounts to the IRS.

Prospective members or external retirement scheme investors (as the case may be) should consult their own tax advisers regarding the possible implications of FATCA on their holding interests in the Scheme and the information that may be required to be provided and disclosed to the Scheme and the Trustee, and in certain circumstances ultimately to the IRS. The application of the FATCA withholding rules and the information that may be required to be reported and disclosed are subject to change.

Any discussion of US federal income tax considerations herein is not intended or written to be tax advice to any person and is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any US federal tax penalties that may be imposed on such person. A prospective member or external retirement scheme investor (as the case may be) should seek advice from his/her own tax advisor based on his/her particular circumstances and with respect to his/her own FATCA status and the effects of the implementation of FATCA.

Benefits

Scheme Operation

The Scheme is designed to cater for a variety of retirement plans by allowing high flexibility of plan design with a variety of fund choices. The employer can set his/her own retirement plan design and select the appropriate fund choices.

Retirement plans are usually divided into two main categories: defined contribution plans and defined benefit plans.

Defined Contribution Plans

These plans are usually more popular due to their simplicity of design and operation, as well as their easy planning because the employer's contribution can be budgeted for. The employer and the employees (under the provision of the plan rules) contribute a fixed percentage of the employees' salary to the Scheme each month. These contributions are recorded separately and then invested according to the investment choices. Annual statements are issued to the employer and its employees summarizing the accumulated contributions and investment returns.

Example of Plan Design

The employer may adopt a set of rules tailored specifically to meet his/her particular requirements. An example of a defined contribution plan is shown below.

1 Contribution rate

Years of service	Employer	Employee
Less than 5 years	5.0%	5.0%
5-10 years	7.5%	5.0%
more than 10 years	10.0%	5.0%

2 Normal retirement age

When starting a new plan, the employer may set any age between 45 to 65 as the normal retirement age. At retirement, subject to the provisions of the rules governing the employer's plan, the retiring employee will generally be entitled to his/her accumulated benefits. The provisions which may impact on a retiring employee's entitlement to his/her accumulated benefits include provisions on forfeiture of benefits in a summary dismissal situation.

3 Death during employment

If an employee dies during the term of employment, his/her accumulated benefits will normally be paid to the named beneficiary. The employer may also provide life insurance protection in addition to the retirement plan benefits.

4 Permanent disability or ill health

If an employee leaves his/her services because he/she is permanently disabled or unfit to continue to work, the accumulated benefits will be paid in full.

5 Resignation or termination before retirement age

If an employee leaves his/her services before reaching the normal retirement age, he/she will, under normal circumstances, receive that part of the benefits attributable to his/her own contributions with investment returns plus a vested proportion of the accumulated benefits from the contributions made by the employer in respect of the employee in accordance with the following vesting scale:

Completed years of service	Vested proportion of accumulated benefits from employer's contributions
Less than 3 years	Nil
3 years	30%
4 years	40%
5 years	50%
6 years	60%
7 years	70%
8 years	80%
9 years	90%
10 years or more	100%

An exception to the above described entitlement on resignation would be cases where an employee resigns to avoid summary dismissal and the plan's documentation provides for forfeiture of benefits where an employee resigns to avoid summary dismissal.

Defined Benefit Plans

In a defined benefit plan, the employees' retirement benefits are determined by a formula which multiplies the employees' final salary and years of service.

For example: it can be a certain percentage (factor) of the final salary for each year of completed services.

These plans are called defined benefit plans because the benefit rather than the contribution level is defined.

The employer contributions required to provide the defined benefit need to be actuarially determined and reviewed at least every three years and are subject to changes. The Administrator possesses the expertise to provide this service.

Employees' contributions can also be made to a defined benefit plan and withdrawal benefits are usually based on these contributions and interest plus either an additional vested benefit based on these contributions or a discounted proportion of the retirement benefits (based on an actuarially determined formula).

The responsibility of ensuring sufficient funds for the benefits of the employees rests with the employer.

Flexibility

Establishment of Retirement Plan

An employer joins the Scheme by executing a deed of participation for the Scheme which is governed by the deed of establishment. Under the deed of establishment, the rules governing the plan benefits due to the participating members are set out and must be adopted by the employer.

Variation to Rules

The Scheme is extremely flexible, allowing the employer to change the plan rules by executing a deed of variation, subject to certain limitations. This gives the employer the flexibility to adopt plan rules to suit the employer's needs.

Past Service Contribution (Optional)

In addition to normal contributions, an employer may opt to make additional contributions on behalf of an employee in respect of his/her previous service in the company, during which no pension benefits are applicable i.e. past service contribution.

Transferring Existing Plan

An employer's existing retirement plan can be transferred to the Scheme. The value of assets to be transferred from the existing retirement plan to the Scheme will be agreed with the manager of the existing plan, and then transferred to the Scheme by executing a deed of participation.

Deed of Establishment Amendments

The Trustee will amend the deed of establishment to comply with any new legislation that may be introduced, or to improve the management of the Scheme. Subject to the requirements under the Code on Pooled Retirement Funds issued by the Securities and Futures Commission, changes to the deed of establishment would require prior approval of the Securities and Futures Commission and the Securities and Futures Commission will determine whether investors should be notified and the period of notice (if any) that should be applied before any such changes are to take effect. Normally, a three-month notice period will be given.

Fund Choices and Selection

Upon joining the Scheme, the employer can invest its own and the employees' contributions into a combination of up to 18 fund choices, they are:

- ✧ AIA Guaranteed Fund
- ✧ AIA Capital Guaranteed Fund
- ✧ AIA Interest Guaranteed Fund
- ✧ AIA Global Bond Fund
- ✧ AIA Capital Stable Fund
- ✧ AIA Allianz Capital Stable Fund
- ✧ AIA Balanced Fund
- ✧ AIA Allianz Stable Growth Fund
- ✧ AIA Growth Fund
- ✧ AIA Allianz Growth Fund
- ✧ AIA Manager's Choice 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
- ✧ AIA Hong Kong and China Fund
- ✧ AIA World Fund

Employees' preference may be taken into account when setting both the fund choices and combination of fund choices. This selection process would work as follows:

- (i) The employer can choose a combination of up to 18 fund choices. For example: if the employer chooses 5 out of the 18 fund choices
 - 1 AIA American Equity Fund
 - 2 AIA Growth Fund
 - 3 AIA Balanced Fund
 - 4 AIA Capital Stable Fund
 - 5 AIA Guaranteed Fund

- (ii) The employer then sets the investment arrangement options for its plan, within the selected fund choices.

Once the options are set, the employer can then leave it to the employees to choose the options they prefer. The employees' choices can be a separate option to that of the employer's. Alternatively, the employer may elect to give its employees the right to decide on the investment arrangement in

relation to both the employer's and employee's contributions.

A list of investment arrangement options has been completed based on different long-term objectives to assist employers and employees in determining the appropriate options.

Switching Between Funds

(i) Switching by Members (not Deferred Members)

Future contributions invested in funds

Each member can reallocate their future contributions among the fund choices. There is no limit on the number of requests for reallocation of any future contributions among the fund choices, but the provisions of paragraph (4) below would apply.

Existing investments in funds

Each member can switch all or part of their existing investments free of charge from one fund choice to another within the Scheme, subject to the following:

- (1) Subject to paragraph (4) below, there is no limit on the number of switches into any of the fund choices.
- (2) Subject to paragraph (4) below, there is no limit on the number of switches out of any fund choices (other than the AIA Guaranteed Fund and the AIA Interest Guaranteed Fund as explained in paragraph (3) below).
- (3) Subject to paragraph (4) below, in each relevant plan year as notified by the Trustee to the relevant Employer from time to time (each such plan year called "Employer Plan Year"), only one switch out of each of the AIA Guaranteed Fund and the AIA Interest Guaranteed Fund is permitted. With every switching request, the previous and the requested revised allocation percentage for existing balance in the AIA Guaranteed Fund and the AIA Interest Guaranteed Fund will be compared. If the revised allocation percentage is smaller than the previous allocation percentage, it will be deemed to be a switch-out from the AIA Guaranteed Fund or the AIA Interest Guaranteed Fund (as the case may be).
- (4) All switches or reallocations via the Interactive Website or Interactive Voice Response System are free of charge, but this is subject to an access fee for each Employer Plan Year (which is currently waived). Only one free-of-charge switch or reallocation request either into or out (as defined in paragraph (3) above) of any fund choices using a method of instruction other than via the Interactive Website or Interactive Voice Response System will be permitted in each Employer Plan Year (unless otherwise agreed by the Trustee).
- (5) For AIA Interest Guaranteed Fund, Members can only make switching requests by paper form.

An administration fee of HK\$100 per fund choice switching request per member, subject to a minimum of HK\$2,000 per employer plan for each submission, will be charged for additional fund choice switching requests (except for the annual free switch) submitted via the employer using a method of instruction other than the Interactive Website or Interactive Voice Response System in an Employer Plan Year.

The participating fund choices chosen for the plan may also be changed once a year at the plan review date and may be subject to a bid / offer margin at both the scheme level and the underlying level on the transfer of assets. No switching will be permitted under a one-year investment period within each option.

(ii) Switching by Deferred Members

Instead of receiving benefits from the Scheme at such time as prescribed under the governing documentation of the Scheme (generally, on termination of employment), an employee who participates in the Scheme may also elect to have his/her benefits retained in the Scheme on such terms and conditions and in such manner as the Trustee may from time to time determine. Details of such participation will be given upon request.

Without prejudice to the generality above, a deferred member may reallocate his/her benefits retained in the Scheme (the “retained benefits”) among the fund choices. There is no limit on the number of requests for reallocation of any such retained benefits among the fund choices, subject to the following conditions:

- (1) Subject to paragraph (4) below, there is no limit on the number of switches into any of the fund choices.
- (2) Subject to paragraph (4) below, there is no limit on the number of switches out of any fund choice (other than the AIA Guaranteed Fund and the AIA Interest Guaranteed Fund as explained in paragraph (3) below).
- (3) Subject to paragraph (4) below, in each plan year (which is a calendar year, each such year called “Deferred Member Plan Year”), only one switch out of each of the AIA Guaranteed Fund and the AIA Interest Guaranteed Fund is permitted. With every switching request, the previous and the requested revised allocation percentage for existing balance in the AIA Guaranteed Fund and the AIA Interest Guaranteed Fund will be compared. If the revised allocation percentage is smaller than the previous allocation percentage, it will be deemed to be a switch out from the AIA Guaranteed Fund or the AIA Interest Guaranteed Fund (as the case may be).
- (4) All switches or reallocations via the Interactive Website or Interactive Voice Response System are free of charge, but this is subject to an access fee for each Deferred Member Plan Year (which currently is waived). Only one free-of-charge switch or reallocation

request either into or out (as defined in paragraph (3) above) of any fund choices using a method of instruction other than via the Interactive Website or Interactive Voice Response System will be permitted in each Deferred Member Plan Year (unless agreed by the Trustee) (see paragraph below for details).

- (5) For AIA Interest Guaranteed Fund, Deferred Members can only make switching requests by paper form.

An administration fee of HK\$100 per fund choice switching request will be charged for additional fund choice switching requests submitted via means other than the Interactive Website or Interactive Voice Response System in a Deferred Member Plan Year.

(iii) Important Note (applicable to Members and Deferred Members)

Profiles of each of these fund choices are attached at the Fund Fact Sheets. Information contained in the Fund Fact Sheets is for reference only.

Any figure or graph shown in the Fund Fact Sheets is measured net of trustee and investment management fees and for illustration purposes only, and should not be viewed as an indication of future investment performance. The investment returns may go up as well as down.

The Trustee selects the fund choices available for the employers and members participating in the Scheme and may delete from or add to the list of fund choices from time to time. According to the Code on Pooled Retirement Funds issued by the Securities and Futures Commission, notice period of at least three months as agreed with the Securities and Futures Commission will be given to all participants if a fund choice is to be removed as a fund choice from the Scheme.

Investment Restrictions

An investment portfolio is expected to comply with the general provisions of Chapter 7 of the Code on Unit Trusts and Mutual Funds, where applicable.

In addition, no money of an investment portfolio may be invested in the securities of, or lent to, as applicable, the management company, the guarantor, the Trustee, or any of their respective connected persons except where any of these parties is a substantial financial institution or an insurance company. For these purposes securities does not include units or shares in unit trusts or mutual fund corporations, either authorized under s.104 of Securities and Futures Ordinance or recognized jurisdiction schemes pursuant to s.1.2 of the SFC Code on Unit Trusts and Mutual Funds.

The above requirements should be applied, individually, to all investment portfolios of a pooled retirement fund except for guaranteed funds.

Rebates

An investment manager and its connected persons will not receive cash or other rebates from brokers or dealers in respect of directing transactions in the investment of the pooled retirement fund save that goods and services may be retained which are of demonstrable benefit to the investors and the transaction execution is consistent with best execution standards and brokerage rates are not in excess of customary institutional full-service brokerage rates.

Please note that "goods and services" referred to in the paragraph immediately above may include, among other things: research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; computer hardware and software incidental to the above goods and services; clearing and custodian services and investment-related publications. Such goods and services may not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries, or direct money payments.

Professional Services

Administration Services

The Administrator renders the following services:

- * Assistance in plan design and advice on subsequent improvements and changes
- * Preparation of contract documents for the plan
- * Obtaining registration from relevant authorities
- * Assistance in printing of explanatory leaflets and employee communications
- * Assistance in organizing enrollment meetings
- * General administration and record keeping
- * Ensuring ongoing compliance with legislation
- * Calculation and payment of benefits
- * Preparation of annual statements for both employer and employees

In order to safeguard the interests of both the employer and the employees when investing in the Scheme, separate accounts for each party will be maintained.

Benefits will normally be paid in the currency of the fund choice(s) selected, but may be paid in another currency upon request.

A copy of the deed of establishment, rules and annual audited accounts for each fund of the Scheme are available for inspection at the administration office of the Administrator.

Administration Charges

Subject to any written agreement between the Trustee and an employer from time to time, the administration charges of a defined contribution plan are as those as shown below. If employers are interested in a defined benefit plan, please contact our hotline at 2100 1888 for further details.

- 1 Annual plan charge - HK\$1,000
- 2 Annual membership charge - HK\$12 per member for the first 500 members and HK\$10 per member on the excess over 500
- 3 Contribution charge - subject to the agreement between the Trustee and the employer, a percentage not exceeding 5% p.a. of the annual contributions

ORSO Registration Fees

- 1 Each employer who joins the Scheme will need to register with the Mandatory Provident Fund Schemes Authority and pay a registration fee on an annual basis, plus any other fees / charges payable to the registrar / other regulatory authority.
- 2 Each employer has to pay an auditor fee and solicitor fee of not exceeding HK\$1,000 to the Administrator on an annual basis.

The Trustee has absolute discretion over whether or not to accept an employer into the Scheme. In case of unusual or difficult procedures in meeting the requirements of the employer, a different charging scale may be applied with the agreement of the employer. Any changes to the charges are subject to a minimum of three months (except otherwise stated) notice. Please also see the attached profiles of fees in relation to the fund choices under the Scheme.

Plan Termination Charge

An employer may choose to terminate its participation in the Scheme by giving 31-day notice in writing to the Trustee. As detailed below, an early termination charge is applicable if the employer withdraws from the Scheme in the first 5 years:

	(Percentage of plan asset value)
1st	5%
2nd	4%
3rd	3%
4th	2%
5th	1%
6th or onwards	0%

Additional Expenses

Additional costs and expenses arising as a result of specific request made by an employer and / or member, which are incurred by the Trustee and/or the Administrator as a result of such specific request will be borne by that particular employer and / or member. If such employer and / or member fails to separately pay for such costs and expenses, the Trustee may redeem such necessary credited units of such employer and / or member with their respective consents (as applicable), to settle such costs and expenses so incurred by the Trustee and/or the Administrator.

Offices of Participants

Trustee

AIA Company (Trustee) Limited

11/F, AIA Hong Kong Tower, 734 King's Road, Quarry Bay, Hong Kong

Tel. No.: 2100 1500

Administration office

12/F, AIA Tower, 183 Electric Road, North Point, Hong Kong

Tel. No.: 2100 1500

Administrator

AIA International Limited (Hong Kong Branch)

Customer Service Centre: 12/F, AIA Tower, 183 Electric Road, North Point, Hong Kong

Principal Place of Business in Hong Kong: 1/F, AIA Hong Kong Tower, 734 King's Road, Quarry Bay, Hong Kong

Postal Address: 8/F, AIA Financial Centre, 712 Prince Edward Road East, Kowloon, Hong Kong

Please note that a customer service counter is available at the Customer Service Centre, but not at our other two locations. For enquiries or to obtain copies of the Principal Brochure and/or application forms, scheme participants can visit the Customer Service Centre.

Tel. No.: 2100 1500

Custodian

For AIA Global Bond Fund, AIA Allianz Capital Stable Fund, AIA Allianz Stable Growth Fund, AIA Allianz Growth 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 and AIA Interest Guaranteed Fund:

AIA Company (Trustee) Limited

(see the section "Trustee" above for the appropriate contact details)

For AIA Guaranteed Fund, AIA Capital Guaranteed Fund, AIA Capital Stable Fund, AIA Balanced Fund, AIA Growth Fund, AIA Manager's Choice Fund, AIA Hong Kong and China Fund and AIA World Fund:

Citibank, N.A.

Suite 127, 3900 Paradise Road, Nevada, Las Vegas, NV 89109, United States of America

Tel. No.: 2868 8888

Investment Managers

PineBridge Investments Asia Limited

Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda

Tel. No.: 3970 3639

PineBridge Investments Hong Kong Limited

Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong

Tel. No.: 3970 3639

PineBridge Investments Ireland Limited

78 Sir John Rogerson's Quay, Dublin 2, Ireland

Tel. No.: +353 1 6720222

J.P. Morgan Investment Management Inc.

270 Park Avenue, New York, NY 10167, United States of America

Tel. No.: 2978 7588

FIL Fund Management Limited

Pembroke Hall, 42 Crow Lane, Pembroke HM 19, Bermuda

Tel. No.: +1 441 295 0 665

Allianz Global Investors Asia Pacific Limited

27/F, ICBC Tower, 3 Garden Road, Central, Hong Kong

Tel. No.: 2238 8888

Schroder Investment Management (Hong Kong) Limited

Suite 3301, Level 33, Two Pacific Place, 88 Queensway, Hong Kong

Tel. No.: 2843 7778

Franklin Advisers, Inc.

One Franklin Parkway, San Mateo, CA 94403-1906, United States of America

Tel. No.: 2805 0111

Insurers and guarantors

Insurer and guarantor of Capital Guaranteed Insurance Policy (AIA Capital Guaranteed Fund);
guarantor of AIA Guaranteed Fund

AIA Company Limited

27th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

Tel. No.: 2832 1800

Insurer and guarantor of China Life – Deposit Administration Guarantee Fund Policy (AIA Interest Guaranteed Fund)

China Life Insurance (Overseas) Company Limited

22/F, CLI Building, 313 Hennessy Road, Wan Chai, Hong Kong

Tel. No.: 3999 5519

- End -

For more information about the Scheme, please contact our hotline at 2100 1888.

Note: To reflect material changes, this Principal Brochure, Fund Fact Sheets, and Summary of Fees and Charges (the “Offering Document”) may from time to time be updated and intending subscribers should enquire of the Trustee as to the issue of any later version. The Trustee accepts responsibility for the information contained in the Offering Document being accurate as at the date of the Offering Document.

For the full meaning and effect of this document, the provisions herein should be read in the context of the constitutive documents of the Scheme which include the deed of establishment, and the appropriate deed of participation between the Trustee and the relevant employer, as may be amended from time to time.

AIA Guaranteed Fund

Investment manager at the fund level:

PineBridge Investments Asia Limited (the "Investment Manager")

The Fund

The investment objective of AIA Guaranteed Fund (the "Fund") is to develop a secured source of high recurring income over the long run and the guarantee of capital by investing in prudent, balanced fixed interest instruments and equities with low to medium inherent risk. The Fund is denominated in Hong Kong dollars. The Fund, at the retirement fund level, does not invest in any financial derivative instruments or use any leveraging investment other than for hedging purposes. Investments are structurally limited in line with the following asset-class exposure:

Asset Class	Range
Bonds and Other Fixed Income Instruments	87% - 98%
Preferred / Common Stocks	0% - 7%
Cash	2% - 6%

Note: The above asset allocation is for reference only and is subject to changes at the Investment Manager's discretion.

A member's or external retirement scheme investor's entitlement to the capital guarantee under the Fund for each year will be subject to the member's or external retirement scheme investor's continued investment in the Fund until the end of each year (for the purpose of this Fund, a year is defined as the first 12 months of participation and each 12 months' period after that).

The Fund provides for an annual capital guarantee at the end of each relevant year on any amount invested in the Fund (after any deduction for payment of the trustee fee of 1% p.a. (deducted monthly)).

If a member or an external retirement scheme investor (as the case may be) switches out his/her investment from the Fund before the end of the relevant year for any reason, the guarantee of capital mentioned above will not apply and the member or the external retirement scheme investor would be entitled to his/her contribution and the monthly yield that has been declared and credited to his/her account on or before the date of switching. In addition, a member or an external retirement scheme investor who switches out his/her investment from the Fund before the end of the relevant year may not receive the whole amount of his/her contribution if the monthly yield declared is negative.

AIA Company Limited ("AIA") as the guarantor of the Fund agrees and undertakes to satisfy the capital guarantee under the Fund.

A member's or external retirement scheme investor's investments in the Fund, if any, are subject to the credit risk (including default and downgrade risks) of AIA.

In relation to the capital guarantee, an investment reserve has been set up for stabilization purpose and is used for the benefit of the Fund's participants. The reserve amount is deducted from the balance of the Fund before allocation of yield proportionately to each participating employer's or external retirement scheme investor's plan. Such reserve is owned by the Fund. It does not form part of the assets of the Investment Manager or the Trustee and cannot be repatriated to either party. AIA, at its sole discretion has the right to allocate investment income of the Fund in excess of that required to be set aside into the above mentioned reserve to meet the guaranteed benefits under the Fund.

The Trustee, in consultation with AIA, will credit a monthly investment return to the Fund. This monthly investment return is determined at the sole discretion of the Trustee in the following manner:

- I. The Trustee determines the investment income of the Fund of the month. Investment income is ascertained according to the prevailing generally accepted accounting principles.
- II. The Trustee then reduces this investment income by a provision for investment reserve and the fees and charges of the Fund.
- III. The net income, after deduction of the amounts in (II) above, is then used to derive the monthly yield to be declared by the Trustee on the Fund and credited to the account of the member or external retirement scheme investor (as the case may be) at the end of each calendar month.

Valuation of the Fund will be made after the close of business on the last day of each calendar month.

Note: AIA has the right at its sole discretion to change/reduce the capital guarantee by giving a six-month advance notice (or any shorter period as agreed with the Securities and Futures Commission).

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks – The guarantee feature of the Fund will not be affected by political, economic and social risks. However, the guarantor and the value of the Fund's assets may be affected by changes in political, economic and social conditions and policies;
- ii. Counterparty/credit risk - The Fund invests in deposits, equities and bonds, and may be exposed to default and settlement risks;
- iii. Guarantor risk - The value of the Fund is subject to the risk of the guarantor not being able to meet the guarantee obligations; and
- iv. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

The Trustee receives a fee of 1% per annum (inclusive of the Investment Manager’s fee) of the total net asset value of the Fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs

as described in all the constitutive documents.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Capital Guaranteed Fund

Insurer of Capital Guaranteed Insurance Policy ("CG Policy"): AIA Company Limited ("AIA")

The Fund

AIA Capital Guaranteed Fund (the "Fund"), established in 1999, invests in the CG Policy issued by AIA. AIA is the guarantor of the Fund and the CG Policy.

The investment objective of the Fund is to achieve a stable, consistent, predictable rate of return and the guarantee of capital, by investing primarily in fixed income instruments or in any product which, in the opinion of AIA, provides economically equivalent returns, and investments in equity will not exceed 15% of total assets. The Fund is denominated in Hong Kong dollars. As mentioned above, the Fund invests in the CG Policy; the CG Policy does not invest in any financial derivative instruments or use any leveraging investment other than for hedging purposes.

The Trustee determines the investment income of the Fund each month. Investment income is ascertained according to the prevailing generally accepted accounting principles.

The investment income is then reduced by the fees and charges of the Fund and by a provision for investment reserve. The net income after the deduction is then used to derive the monthly yield to be declared by the Trustee.

The Trustee will at the end of each calendar year determine the investment yield of the Fund. AIA guarantees the investment yield of the Fund declared for each calendar year not to be negative. The investment yield will be determined by, firstly, considering the annual declared interest rate payable under the CG Policy and, secondly, deduction of any trustee fee and all other fees and charges¹. Such annual declared interest rate will be determined by AIA at its sole discretion at the end of each calendar year. AIA guarantees that the annual declared interest rate will not be negative under the CG Policy. AIA, at its sole discretion, has the right to retain investment income of the Fund in excess of that required to be set aside to meet the guaranteed benefits under the Fund. Such retained investment income will be transferred to the shareholders' funds of AIA.

An interim interest rate will be declared by the Trustee each month and credited to the members or external retirement scheme investors (as the case may be) on a daily basis.

A member's or external retirement scheme investor's entitlement to any capital guarantee under the Fund for each year will be subject to the member's or external retirement scheme investor's continued investment in the Fund until the end of each calendar year. If a member or an external retirement scheme investor (as the case may be) switches out his/her investment from the Fund

before the end of the relevant calendar year for any reason, the guarantee of capital mentioned above will not apply and the member or the external retirement scheme investor would be entitled to his/her contribution and the investment yield that has been declared and credited to his/her account until the date of switching. As such, the guarantee of having an investment yield for the relevant calendar year not to be negative would not be applicable to such member or external retirement scheme investor. In addition, a member or an external retirement scheme investor who switches out his/her investment from the Fund before the end of the relevant year may not receive the whole amount of his/her contribution if the interim interest rate declared is negative.

The CG Policy will invest primarily in (but not limited to) Hong Kong fixed income securities or in any product which, in the opinion of AIA, provides economically equivalent returns.

Valuation of the Fund will be made after the close of business on the last day of each calendar month.

Note:

1. AIA reserves the right under the CG Policy to discontinue the guarantee or revise the guarantee upon the giving of 6 months notice (or such other period as agreed with the Securities and Futures Commission).
2. Upon any partial or total withdrawal request made by a participating employer or external retirement scheme investor* which is due to a retirement plan termination made under the Scheme, the Trustee shall pay (at the participating employer's or external retirement scheme investor's option):
 - a) the withdrawal amount payable to the participating employer or external retirement scheme investor (the "Withdrawal Amount") by 20 quarterly installments each being an amount equal to one-twentieth of the Withdrawal Amount with the amount of investment earnings credited thereon after the effective date of the plan termination being paid at the last installment; or
 - b) the Withdrawal Amount less an amount, which is to be determined by the Trustee at its sole discretion to reflect the difference between the participating employer's or external retirement scheme investor's accumulation in the participating employer's or external retirement scheme investor's account (as the case may be) and the market value of the underlying assets;

provided always that if the Withdrawal Amount exceeds HK\$25 million, the Trustee has the right to pay the Withdrawal Amount by installments over a period not exceeding five years with any investment earnings credited thereon after the effective date being paid at the last installment.

3. Below is an illustration to demonstrate the guarantee mechanism of the Fund:

Date	Initial balance (HK\$)	Monthly contribution (HK\$)	Monthly interim interest rate [#]	Member entitlement (HK\$)
1/1/2000	1,000.00			1,000.00
1/31/2000		50.00	0%	1,050.00
2/29/2000		50.00	0%	1,100.00
3/31/2000		50.00	0%	1,150.00
4/30/2000		50.00	0%	1,200.00
5/31/2000		50.00	0%	1,250.00
6/30/2000		50.00	2%	1,325.00
7/31/2000		50.00	0%	1,375.00
8/31/2000		50.00	0%	1,425.00
9/30/2000		50.00	0%	1,475.00
10/31/2000		50.00	0%	1,525.00
11/30/2000		50.00	0%	1,575.00
12/31/2000		50.00	-2%	1,593.50
	Guaranteed total:	1,600.00	Accumulated member entitlement (with guaranteed annual investment yield of 0%) as at 12/31/2000	1,600.00

[#] For the purpose of the example above, the monthly interim interest rate has already taken into account any fees and charges.

¹ All other fees and charges refer to all costs, charges, taxes and expenses related to registration, auditing, custodial services and investments. These shall be charged against the Fund.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks – The guarantee feature of the Fund will not be affected by political, economic and social risks. However, the insurer and the value of the Fund's assets may be affected by changes in political, economic and social conditions and policies;
- ii. Counterparty/credit risk - The Fund invests in deposits, equities and bonds, and may be exposed to default and settlement risks;
- iii. Insurer risk - The value of the Fund is subject to the risk of the insurer not being able to meet the guarantee obligations; and
- iv. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Insurer of Capital Guaranteed Insurance Policy

You may contact the insurer of Capital Guaranteed Insurance Policy for its latest information. Please refer to the section "Offices of Participants" of the Principal Brochure for the contact information.

Fees

The Trustee can receive a fee not exceeding 1% per annum of the total net asset value of the Fund. The trustee fee is currently waived for the Fund but its underlying investment is being charged a fee of 1% per annum of the total net asset value of the underlying investment.

Upon the consent of AIA, the Trustee may vary the trustee fee provided that any such variation shall be notified to the employer or external retirement scheme investor at least three months (or such other period as agreed with the Securities and Futures Commission) in advance.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Interest Guaranteed Fund

Insurer and Guarantor of China Life – Deposit Administration Guarantee Fund Policy (“**China Life Policy**”): China Life Insurance (Overseas) Company Limited (“**China Life**”)

The Fund

The investment objective of AIA Interest Guaranteed Fund (the “**Fund**”), established in 2018, is to achieve a stable, consistent, predictable rate of return and the guarantee of capital, subject to the risks associated with the investments, as detailed below.

1. General structure

Your investment in the AIA Interest Guaranteed Fund, if any, is subject to the credit risk of China Life, as both the insurer and guarantor of the China Life Policy. For details, please refer to the "Risks" section on page 44.

The Fund seeks to achieve its objective by investing solely in the China Life Policy issued by China Life, which subsequently invests into an open ended unit trust, called the China Life Franklin Diversified Income Fund, which is authorized by the Securities and Futures Commission. Such authorization, however, does not imply official recommendation by the Securities and Futures Commission. China Life Franklin Diversified Income Fund primarily invests in global and regional fixed income securities including high-yield bonds. The Fund is denominated in Hong Kong dollars.

In summary, under the structure of the Fund:

- (i) *at the China Life Policy level*: the Fund will receive a capital guarantee and a return after the end of each calendar year. Such return will be calculated based on the Guaranteed Rate of Return or the Declared Rate of Return (if it is higher than the Guaranteed Rate of Return), both terms as defined below. For the first 36 calendar months investment period of the China Life Policy, the Guaranteed Rate of Return will be 2.5% p.a., but such rate may be subject to change by China Life after the 36 calendar month period. Please also refer to the section "Details of the guarantee at the China Life Policy level" for details; and
- (ii) *at the Fund level*: any contributions made in respect of or by a member or an external retirement scheme investor for the subscription of units in the Fund will receive, through investing in the China Life Policy:
 - (a) a capital guarantee;
 - (b) a guaranteed net investment return (such return at the Fund level shall be referred to as

the "**Guaranteed Net Investment Return**"), which is 1.5% p.a. for the first 36 calendar months starting from 31 January 2018;

- (c) if applicable, any additional investment return by way of bonus units (as more particularly described in the section "Crediting of the Excess Rate after the end of the calendar year" below).

The entitlement to the capital guarantee in (a) and Guaranteed Net Investment Return in (b) is not subject to any condition.

The Guaranteed Net Investment Return of 1.5% p.a. for the first 36 calendar months starting from 31 January 2018 is the resultant of the Guaranteed Rate of Return at the China Life Policy level (2.5% p.a.) less the trustee fee of 1% p.a. of the daily average of Capital[#] at the Fund level. Please refer to the section "Fees" on page 40 for details of the trustee fee.

Set out below are the details of the guarantee at the China Life Policy level and the return at the Fund level.

2. Details of the guarantee at the China Life Policy level

Any contribution made on behalf of or by a member or an external retirement scheme investor (as the case may be) to the Fund, after deduction of the applicable contribution charges (for details please refer to the section entitled "Summary of Fees and Charges"), will be invested solely in the China Life Policy.

Minimum guarantee entitlement

At the China Life Policy level, China Life will provide the below.

- (i) a capital guarantee; and
- (ii) after the end of each calendar year, a guaranteed rate of return (the "**Guaranteed Rate of Return**") on the Capital[#].

The Guaranteed Rate of Return from China Life will be 2.5% p.a. for a period of 36 calendar months starting from 31 January 2018. However China Life reserves the right to revise from time to time the Guaranteed Rate of Return (which should not be less than 0% p.a.) by giving not less than 6 months' prior written notice to the Trustee, with such revised Guaranteed Rate of Return to take effect no earlier than the expiry of the 36 calendar month period.

#Capital on each day, in respect of (or during) a calendar year, means:

- (1) the actual amount of contributions invested in the China Life Policy, together with the declared return at the applicable Declared Rate of Return ("**Declared Return**") on such contributions, less any redemptions made by the Trustee as policyholder of the China Life Policy, accumulated up to and including 31 December of the preceding calendar year, plus
- (2) the actual amount of contributions invested in the China Life Policy, less any redemptions made by the Trustee as policyholder of the China Life Policy in (or during) the current calendar year.

Declaration of the rate of return

Under the China Life Policy, within 10 business days after the end of each calendar year, China Life will declare a rate of return (the "**Declared Rate of Return**"), which will be the higher of:

- (i) the Guaranteed Rate of Return; or
- (ii) a rate representing the gross investment return ("**Gross Return**") of the China Life Policy through its investment in the underlying unit trust, China Life Franklin Diversified Income Fund, for the calendar year, less investment charge¹, guarantee charge² (if applicable), smoothing provision³ (if applicable) and other fees and charges⁴ (if applicable) payable under the China Life Policy.

(It should be noted that there will be applicable fees and charges under the China Life Franklin Diversified Income Fund, which has already been reflected in the Gross Return. For details, please refer to its offering document which is available upon request to the Trustee.)

The Declared Rate of Return will be credited to the China Life Policy after the end of each relevant calendar year.

¹ *Investment charge*: An investment charge of 1% p.a. on the daily average of Capital[#] will be charged at the China Life Policy level.

² *Guarantee charge*: If the Gross Return of the China Life Policy at the end of a year (less the investment charge¹ and other fees and charges⁴ (if applicable) but before deduction of the smoothing provision³ (if applicable)) exceeds the guaranteed return at the Guaranteed Rate of Return ("**Guaranteed Return**"), China Life is entitled to charge a guarantee charge on the excess part, up to a maximum of 1% p.a. of the daily average of Capital[#] of the policy of that calendar year.

³ *Smoothing provision*: China Life may at its sole discretion, if the Gross Return earned for any

particular year (less the investment charge¹, guarantee charge² (if applicable) and other fees and charges⁴ (if applicable)) shall exceed the Guaranteed Return, set aside any such excess amount under the China Life Policy as smoothing provisions for the purpose of smoothing market fluctuations and contingency at any time and to provide the guarantee for the China Life Policy in the future, provided that such amount shall not exceed 1% p.a. of the daily average of Capital[#] of that calendar year. The smoothing provision will be deducted from the China Life Policy at the beginning of the following year prior to the declaration of the Declared Rate of Return. It forms part of the China Life Policy and does not form part of the assets of the Trustee and cannot be repatriated to the Trustee. For the avoidance of doubt, no smoothing provision shall be payable for a calendar year if the Gross Return (less the investment charge¹, guarantee charge² (if applicable) and other fees and charges⁴ (if applicable)) does not exceed the Guaranteed Return.

Under the China Life Policy, if the Gross Return at the end of a year (less the investment charge¹ and other fees and charges⁴ (if applicable) but before deduction of the guarantee charge² (if applicable) and smoothing provision³ (if applicable)) is less than the Guaranteed Return, China Life will not deduct any guarantee charge or smoothing provision, but may use the smoothing provision that it has already maintained from previous years (if any) to fund the shortfall in providing the Guaranteed Return. If the smoothing provision already maintained from previous years is insufficient to fund the shortfall, China Life shall make up the difference out of its own monies and resources.

⁴ Other fees and charges of the China Life Policy include audit fees, legal expenses (if any) and other disbursement (e.g. printing and postage expenses) (if any) which arises from time to time pursuant to the provisions of the China Life Policy.

“daily average of Capital[#]” for each calendar year is the average of the daily Capital[#] of that year, which shall be calculated by dividing the sum of Capital[#] on each calendar day of that year by the number of calendar days of that year.

Where the Gross Return of the China Life Policy for a calendar year, less investment charge¹, guarantee charge² (if applicable), smoothing provision³ (if applicable) and other fees and charges⁴ (if applicable) payable under the China Life Policy is lower than the Guaranteed Return of the China Life Policy, the Guaranteed Return will be provided by China Life under the China Life Policy (i.e. the Declared Rate of Return to be declared will be the Guaranteed Rate of Return).

3. Details of the return at the Fund level

Fees

At the Fund level, the net asset value of the Fund is subject to a trustee fee charged by the Trustee accrued and deducted at the Fund level for each day of the calendar year. The trustee fee shall be 1% p.a. of the daily average of Capital[#] ("**Trustee Fee**").

Capital guarantee

During the calendar year, any contribution made on behalf of or by a member or an external retirement scheme investor (as the case may be) to the Fund, after deduction of the applicable contribution charges will receive a capital guarantee on such contributions.

Crediting of the Guaranteed Net Investment Return during the relevant calendar year

During the calendar year, the unit price of the Fund will be calculated on each calendar day at the Guaranteed Net Investment Return of a rate equal to the Guaranteed Rate of Return less the Trustee Fee rate, on a simple interest basis. For the period of 36 calendar months starting from 31 January 2018, the Guaranteed Rate of Return is 2.5% p.a. and based on the Trustee Fee being 1% p.a. of the daily average of Capital[#], such Guaranteed Net Investment Return shall be 1.5% p.a.. The Guaranteed Net Investment Return will not be altered for the period of 36 calendar months starting from 31 January 2018. If the Guaranteed Rate of Return at the China Life Policy level is altered after such period, the level of the Guaranteed Net Investment Return will be altered accordingly. Please refer to the section "Valuation" on the calculation of the unit price.

Crediting of the Excess Rate after the end of the calendar year

If the Declared Rate of Return declared by China Life for that calendar year is higher than the Guaranteed Rate of Return (the excess being the "**Excess Rate**"), an amount equivalent to the Excess Rate on the Capital[#] will be distributed after the declaration of the Declared Rate of Return (normally within 30 Business Days after the aforesaid declaration) by means of additional bonus units of the Fund ("**Crediting Day**"). Thus, such distribution will be made within 40 Business Days after the end of the relevant calendar year, taking into account the 10 Business Days within which China Life will declare the Declared Rate of Return. The **amount equivalent to the Excess Rate on the Capital[#] will be distributed to the members or external retirement scheme investors provided that the following conditions are satisfied: they have held units in the Fund and remain members or external retirement scheme investors as at the last date of the relevant**

calendar year (i.e. 31 December of that calendar year) and at the time of actual distribution (i.e. Crediting Day) (referred to as "Eligible Members"). The number of such additional bonus units to be distributed will be determined using the Fund's unit price as at the last date of that calendar year (i.e. 31 December). For members and external retirement scheme investors who do not fulfill the conditions above, they will not be entitled to the bonus units, which will be distributed to the accounts of the Eligible Members on the Crediting Day on a pro-rata basis, according to their respective additional bonus units of the Fund they receive for the calendar year divided by the total number of additional bonus units of Eligible Members of the Fund.

During the relevant calendar year, the additional bonus for each day of an Eligible Member is calculated as follows:

Daily additional bonus on Day (T) = Capital[#] on Day (T-1) x (Excess Rate) x (1/total number of calendar days in the year)

Total additional bonus for the year = sum of additional bonus calculated for each day in the year

Total additional bonus units = total additional bonus for the year / unit price at the end of the relevant calendar year

Valuation

Valuation of the Fund will be carried out on each Business Day to determine the Fund's net asset value. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs.

Investment shall be valued according to the prevailing generally accepted accounting principles. "Business Day" means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a "Business Day" unless the Trustee otherwise determines.

At the Fund level, the unit price shall be calculated on each calendar day as follows, assuming that the unit price at the first day of the Fund in the relevant calendar year is "Unit Price (Day 1)", the unit

price on day T of the calendar year will be calculated as follows:

Year 1:

Unit Price (Day T) = Unit Price (Day 1) x [1 + (Guaranteed Rate of Return – Trustee Fee rate chargeable by the Trustee at the Fund level) x ((T-1)/total number of calendar days in the year)]

Year 2 and onwards:

The first day on Year 2 will be Day 1 of Year 2.

The first day of each subsequent year will be Day 1 of that year.

Unit Price (Day T) = Unit Price (at the last day of the preceding calendar year) x [1 + (Guaranteed Rate of Return - Trustee Fee rate chargeable by the Trustee at the Fund level) x (T/total number of calendar days in the year)]

Limitation on Fund Redemption

If the Trustee receives a redemption request on any Business Day, the redemption settlement period will be according to the following table.

Total value of the redemption requests, net of subscription, received by the Trustee on any Business Day	Redemption settlement period
HK\$10 million or below	8 Business Days
Over HK\$10 million	15 Business Days

Illustrative Example of the guarantee mechanism at the Fund level:

The following is an illustrative example to show, as described above, how the Guaranteed Net Investment Return is reflected in the daily unit price. It also illustrates how the Excess Rate is distributed as at the end of the calendar year by way of additional bonus units.

Assumptions:

- The first contribution to the Fund is assumed to take place on the 7th last day of a calendar year which will be Day 1 of the scheme year, so that there are only seven days (Day 1 to Day 7) to operate the account before the end of the calendar year.
- Day 7 of the scheme year, and Day 1 of the subsequent scheme year are respectively the last day of the calendar year and the first day of the immediately following calendar year.
- Fund price at Day 1: HK\$10.000000
- Guaranteed Rate of Return: 2.5% p.a. (at China Life Policy level)

- *Trustee Fee: The Trustee Fee is 1% p.a. of the daily average of Capital# (charged by the Trustee at the Fund level).*
 - *Guaranteed Net Investment Return at the Fund level: 1.5% p.a., being Guaranteed Rate of Return (i.e. 2.5% p.a.) minus Trustee Fee rate (i.e. 1% p.a.)*
 - *Gross Return rate at China Life Policy level: 6.6% p.a.*
 - *Declared Rate of Return: 3.6% p.a., being the Gross Return rate declared by China Life at China Life Policy level (i.e. 6.6% p.a.) minus the investment charge¹ of 1% p.a., guarantee charge² of 1% p.a., smoothing provision³ of 1% p.a., and assuming there are no other fees and charges payable under the China Life Policy*
 - *Excess Rate : 1.1% p.a. (i.e. 3.6% p.a. – 2.5% p.a.)*
 - *Date on which the Declared Rate of Return is declared: The 14th day of the immediately following calendar year (i.e. Day 14 of year 2 below)*
 - *Member's Transactions:*
 - (a) *Contribution at Day 1: HK\$20,000.00*
 - (b) *Contribution at Day 5: HK\$6,000.00*
 - (c) *Redemption/withdrawal at Day 6: HK\$10,000.00*
- The Fund's unit price on Day 1: HK\$10.000000.*

Calculation of Unit Price of the Fund (HK\$, truncated to 6 decimal places) based on the Fund's unit price on Day 1 and the number of days elapsed after Day 1. Please also refer to the formula in the "Valuation" section on page 42.

Year 1
Day 1: 10.000000
Day 2: $10 \times (1+(2.5\% -1\%) \times 1/365)$ (i.e. Number of days in the calendar year) = 10.000410
Day 3: $10 \times (1+(2.5\% -1\%) \times 2/365) = 10.000821$
Day 4: $10 \times (1+(2.5\% -1\%) \times 3/365) = 10.001232$
Day 5: $10 \times (1+(2.5\% -1\%) \times 4/365) = 10.001643$
Day 6: $10 \times (1+(2.5\% -1\%) \times 5/365) = 10.002054$
Day 7: $10 \times (1+(2.5\% -1\%) \times 6/365) = 10.002465$
Year 2
Day 1: $10.002465 \times (1+(2.5\% -1\%) \times 1/365) = 10.002876$ (being the 1st day of the immediately following calendar year)
Day 2: $10.002465 \times (1+(2.5\% -1\%) \times 2/365) = 10.003287$
Day 14: $10.002465 \times (1+(2.5\% -1\%) \times 14/365) = 10.008219$
Day 21: $10.002465 \times (1+(2.5\% -1\%) \times 21/365) = 10.011097$

Calculation of Additional Bonus Units at Fund's Level

(Unless stated otherwise, dollar amounts are rounded to the nearest 2 decimal places and units (including additional units) are rounded to the nearest 4 decimal places)

The Guaranteed Net Investment Return at the Fund level is reflected in the unit price of the Fund.

The additional bonus amount accrued in respect of each day "T" of the calendar year are calculated by applying the Excess Rate (i.e. 1.1% p.a. in this example) to the Capital# as of the day immediately before that

day "T-1" (i.e. $\text{Capital}^\# (\text{Day } T-1) \times 1.1\% \times 1/365$ (i.e. Number of days in the calendar year)). Based on the illustration below, the HK\$3.68 worth of additional units or 0.3679 units ($\text{HK\$}3.68 / \text{HK\$}10.002465$, i.e. calculated based on the fund price at Day 7, being the fund price on the last day of the calendar year) would be credited to the account of the member being the additional bonus units to the eligible member for that calendar year.

Day in Year 1	Unit price (HK\$, truncated to 6 decimal places) (a)	Subscription /amount of contribution redeemed (HK\$) (b)	Accumulated subscription amount (net of any amount of contribution redeemed) (HK\$) (i.e. Capital#) (c)	No. of units subscribed/ redeemed (d) = (b) / (a)	Accumulated units (net of any unit redeemed) (e)	Account balance (HK\$) (f) = (a) x (e)	Additional Bonus Units at Fund level		
							Bonus amount (HK\$, no rounding) (h) = (c) at previous day x 1.1% x 1/365 (i.e. Number of days in the calendar year)	Total bonus amount (HK\$) (i) = sum of (h) for the calendar year	No. of bonus units entitled (j) = (i) / (a) at Day 7
1	10.000000	20,000.00	20,000.00	2,000.0000	2,000.0000	20,000.00	-		
2	10.000410	-	20,000.00		2,000.0000	20,000.82	0.6027397...		
3	10.000821	-	20,000.00		2,000.0000	20,001.64	0.6027397...		
4	10.001232	-	20,000.00		2,000.0000	20,002.46	0.6027397...	3.68	0.3679
5	10.001643	6,000.00	26,000.00	599.9014	2,599.9014	26,003.29	0.6027397...		
6	10.002054	(10,000.00)	16,000.00	(999.7946)	1,600.1068	16,004.35	0.7835616...		
7	10.002465	-	16,000.00		1,600.1068	16,005.01	0.4821917...		

Note: For the purpose of the above illustration on additional units entitlement, it is assumed that HK\$10,000 of contributions is redeemed on Day 6.

Risks

The Fund is exposed to the following risks:

- i. Interest rate risk – As the China Life Franklin Diversified Income Fund, the open ended unit trust that the China Life Policy invests in, primarily invests in fixed income securities including high-yield bonds whose value is driven significantly by changes in interest rates, the China Life Franklin Diversified Income Fund is subject to interest rate risk. A fixed income security will generally increase in value when interest rates fall and decrease in value when interest rates rise. Movements in interest rates may adversely affect a fixed income security's value and the net asset value of the China Life Franklin Diversified Income Fund. Conditions in the banking sector may also adversely affect interest rates and the prices of fixed income securities. Therefore, the actual investment return of members or external retirement scheme investors may be adversely affected and no additional bonus units may be issued to members or external retirement scheme investors after the end of the calendar year;
- ii. Market risk – Factors such as changes in economic environment, consumption pattern and investors' expectation etc. may have significant impact on the value of investments. Market movement may therefore result in substantial fluctuation in the net asset value of

- the China Life Franklin Diversified Income Fund and thus the China Life Policy. Members and external retirement scheme investors need to be aware of and be prepared for any extreme volatility in the markets. In such circumstances, the actual investment return of members or external retirement scheme investors may be adversely affected and no additional bonus units may be issued to members after the end of the calendar year;
- iii. Political, economic and social risks – The guarantee feature of the China Life Policy will not be affected by political, economic and social risks. However, the insurer of such policy and the policy value may be affected by changes in political, economic and social conditions and policies. Such factors may affect the Declared Rate of Return and hence the number of additional bonus units issued to members or external retirement scheme investors. In the worst case, there may not be any additional bonus units available for distribution to members or external retirement scheme investors after the end of the calendar year;
 - iv. Counterparty/credit risk – The underlying fund of the China Life Policy invests, generally, in bonds, thus China Life may be exposed to default and credit risks of the bond issuers. Thus, any default of the bond issuers may affect the value of the China Life Policy, which in turn may affect the interest of the members or external retirement scheme investors, such that there may not be any additional bonus units available for distribution to members or external retirement scheme investors after the end of the calendar year. Additionally, as the Fund solely invests in the China Life Policy, the Fund is subject to the counterparty and credit risk of China Life Insurance (Overseas) Company Limited, the insurer of the China Life Policy not being able to meet the guarantee obligations. Investments in the China Life Policy are held as the assets of China Life. In the event where China Life is liquidated or otherwise in default of its payment obligations under the China Life Policy, the Fund may not be able to recover in full its investments in the China Life Policy, or its value may be reduced, and the guarantee may not be available. Members or external retirement scheme investors may only claim against China Life indirectly through the Trustee who, as the policyholder of the China Life Policy, only has a contractual right to claim the amount representing the benefits payable under the China Life Policy from China Life. The Trustee can assist members to make such claim, but are not liable for any losses suffered by them. In the worst case scenario, members or external retirement scheme investors may suffer a total loss to their investments; and
 - v. Withholding tax risk – The Fund may be subject to withholding tax including under FATCA.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be)

is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Insurer of China Life – Deposit Administration Guarantee Fund Policy

You may contact the insurer of China Life – Deposit Administration Guarantee Fund Policy for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

At the Fund level, the Trustee receives a Trustee Fee of 1% p.a. of the daily average of Capital[#]. Please refer to the section "Fees" on page 40 for details of the trustee fee.

The Insurer of the China Life Policy may receive: (1) an investment charge¹ of 1% p.a. of the daily average of Capital[#] of the China Life Policy; and (2) a guarantee charge² up to 1% p.a. of the daily average of Capital[#] of the China Life Policy, if the actual investment return at the China Life Policy at the end of the year (after deduction of the investment charge, other fees and charges⁴ (if applicable) but before deduction of the smoothing provision (if applicable)) exceeds the Guaranteed Return. Details of the fees and charges payable under the China Life Franklin Diversified Income Fund, in which the China Life Policy invests, are set out in the offering document of the China Life Franklin Diversified Income Fund which is available upon request to the Trustee.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers, members or external retirement scheme investors, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

The Trustee may vary the trustee fee provided that any such variation shall be notified to the employer or external retirement scheme investor at least three months (or such other period as

agreed with the Securities and Futures Commission) in advance.

Any expenses incurred in the management and custodianship of the China Life Policy e.g. audit fee, legal fee etc. are charged to the China Life Policy.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Global Bond Fund

Investment manager at the fund level and the underlying fund level:

Franklin Advisers, Inc. (the "Investment Manager")

The Fund

AIA Global Bond Fund (the "Fund"), established in 2016, invests solely in the Franklin Templeton Investment Funds – Templeton Global Total Return Fund (the "Underlying Fund"). The Fund is denominated in United States dollars. The investment objective of the Underlying Fund is to maximize total investment return by achieving an increase in the value of its investments, earning income and realizing currency gains over the medium to long term.

The Underlying Fund invests principally in debt securities of any quality (including investment grade and non-investment grade securities) issued by governments, government-related or corporate entities worldwide, and may also invest in mortgage- and asset-backed securities, debt obligations issued by supranational entities organized or supported by several national governments, such as the European Investment Bank, securities in default (limited to 10% of assets), and convertible bonds. The Underlying Fund can invest less than 30% of its net assets in Mainland China through the Bond Connect or directly (also referred to as China Interbank Bond Market "CIBM" direct). The Underlying Fund may invest extensively in financial derivative instruments for hedging, efficient portfolio management and/or investment purposes to manage the risks of the portfolio and gain exposure to certain asset classes, currencies, or position on the yield curve (long maturities vs. short maturities), or to exchange fixed rate obligations with floating rate obligations. The financial derivative instruments in which the Underlying Fund may invest include swaps (such as credit default swaps or fixed income related total return swaps), futures contracts, and foreign currency forward contracts, including cross currency forwards where one currency is hedged into another through an intermediate third currency or where one currency is used as a proxy for hedging another currency (e.g. using the Canadian dollar as a proxy for the U.S. dollar). The Underlying Fund's net derivative exposure may be more than 50% but up to 100% of the Underlying Fund's net asset value.

The Underlying Fund may invest in debt instruments with loss-absorption features ("LAP") e.g. contingent convertible securities, senior non-preferred debts, etc. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). The Fund's expected total maximum investments in LAP is 30% of its net assets.

Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

Valuation of the Fund will normally be made on each Business Day to determine the Fund's net

asset value together with the Fund's unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. "Business Day" means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a "Business Day" unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

The Fund is exposed to the following risks:

- i. Economic, political and regulatory risks: Such risks are prevalent in any market, especially emerging markets. For example, legal and regulatory risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress, the Underlying Fund may be subject to more restrictive regulatory regimes potentially preventing the Underlying Fund from making the fullest possible use of the investment limits. The Underlying Fund may also be adversely affected by changes in market and/or economic and political conditions, and in legal, regulatory and tax requirements;
- ii. Eurozone risk: The Underlying Fund may invest in the Eurozone. Mounting sovereign debt burdens (e.g. any sovereigns within the Eurozone, which default on their debts, may be forced to restructure their debts and faced difficulties in obtaining credit or refinancing) and slowing economic growth among European countries, combined with uncertainties in European financial markets, including feared or actual failures in the banking system and the possible break-up of the Eurozone and Euro currency, may adversely affect interest rates and the prices of securities across Europe and potentially other markets as well. These events may increase volatility, liquidity and currency risks associated with investments in Europe. The aforesaid economic and financial difficulties in Europe may spread across Europe and as a result, a single or several European countries may exit the Eurozone or a sovereign within the Eurozone may default on its debts. In any event of the break-up of the Eurozone or Euro currency, the Underlying Fund may be exposed to additional operational or performance risks. While the European governments, the European Central Bank, and other authorities are taking measures (e.g. undertaking economic reforms and imposing austerity measures on citizens) to address the current

fiscal conditions, these measures may not have the desired effect and therefore the future stability and growth of Europe is uncertain. The performance and value of the Underlying Fund may be adversely affected should there be any adverse credit events (e.g. downgrade of the sovereign credit rating or default or bankruptcy of any Eurozone countries);

- iii. Interest rate securities risk: Interest rates changes tend to be driven by prevailing economic, political and regulatory conditions as well as issuer-specific factors, impacting longer term securities more than short-term securities. While changes in interest rates may affect the Underlying Fund's interest income, such changes may positively or negatively affect the net asset value of the Underlying Fund's shares on a daily basis. A fixed income security's value will generally increase in value when interest rates fall and decrease in value when interest rates rise. Movements in interest rates may adversely affect a fixed income security's value and the Underlying Fund's net asset value. Conditions in the banking sector may also adversely affect interest rates and the prices of fixed income securities;
- iv. Credit risk and sovereign debt risk: The Underlying Fund may invest in debt obligations issued by governments and corporate. Investment in sovereign debts issued or guaranteed by governments as well as in corporate issues involves a high degree of risk, as default can occur if the government or corporate entity is not able or willing to repay the principal and/or interest when due. Fixed income securities are also exposed to the risk of being downgraded, which can adversely affect and/or result in a substantial loss to the Underlying Fund. Additional risks for sovereign debt include the unilateral rescheduling of sovereign debt by the issuer and the limited legal resources available against a sovereign issuer, which may adversely affect the Underlying Fund;
- v. Low-rated, unrated or non-investment grade securities risk: The Underlying Fund may invest in lower rated, unrated or non-investment grade securities where the risk of failure to pay interest and/or principal is greater vs. higher rated securities, which may result in a substantial loss to the Underlying Fund;
- vi. Foreign currency risk: The Underlying Fund will typically invest to a significant degree in securities that are denominated in currencies other than the base currency of the Underlying Fund, exposing its investments to changes in foreign exchange rates and the possibility of exchange control regulations. The Underlying Fund may seek to hedge currency exposure, which can limit the potential for currency gains, or take a currency position for investments purposes, which can result in substantial loss to the Underlying Fund. To the extent that the Underlying Fund seeks to hedge or protect against currency exchange risk, there is no guarantee that hedging or protection will be achieved, and the value of the Underlying Fund may be adversely affected;
- vii. Liquidity risk: The Underlying Fund may not be able to easily sell securities due to adverse

market conditions or reduced value or creditworthiness of issuers in which it invests. Requests for redemption of shares, which are not listed, may be deferred or suspended. Reduced liquidity due to these factors may have an adverse impact on the net asset value of the Underlying Fund and on the ability of the Underlying Fund to meet redemption requests in a timely manner;

- viii. Mortgage dollar roll risk: The Underlying Fund may sell mortgage-backed securities for delivery in the current month and simultaneously contract to repurchase similar securities on a future date. The Underlying Fund may suffer a substantial loss if the counterparty defaults;
- ix. Derivative risk: The Underlying Fund may invest in financial derivatives or structured products such as credit-linked securities, swaps (including credit default swaps and fixed income related total return swaps), futures, forwards, and options for hedging or investment purposes, or for efficient portfolio management (to reduce risk or cost). Derivative instruments involve cost, may be volatile, and may involve a leverage effect. A small investment in derivatives may give rise to material market exposure and result in higher risk than the initial investment, which may cause substantial loss to the Underlying Fund. The risk of loss to the Underlying Fund for a swap transaction on a net basis may equal the entire amount that the Underlying Fund is entitled to receive if the counterparty that owes that amount defaults or is otherwise unwilling or unable to make the payment that is owed to the Underlying Fund. The Underlying Fund does not set aside cash or assets to meet future obligations related to derivatives. Performance and value of derivative instrument depend, at least in part, on the performance or value of the underlying asset. Risks include delivery failure, default by other party or the inability to close out a position because the trading market becomes illiquid. In addition, with respect to the use of derivatives for hedging, efficient portfolio management or investment purposes, there can be no assurances that the use of derivatives for these intended purposes will be achieved;
- x. Counterparty risk: When over-the-counter (“OTC”) or other bilateral contracts are entered into (such as OTC derivatives, repurchase agreements, security lending etc.), the Underlying Fund may find itself exposed to risks arising from the solvency of its counterparties and from their ability to respect the condition of these contracts and the Underlying Fund/investors may be adversely impacted.
- xi. Volatility risk: Financial derivative instruments tend to be more volatile and less liquid than underlying investments to which they relate, which can have an adverse impact on the Underlying Fund; and
- xii. Risks associated with investments in debt instruments with loss-absorption features: Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of a pre-defined trigger

events (e.g. when the issue is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments. In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk. The Underlying Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The Underlying Fund may also invest in senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

- xiii. China Bond Connect risk: Bond Connect is a mutual market access scheme allowing overseas investors to trade in bonds circulated on the CIBM through connection between the Mainland and Hong Kong financial infrastructure institutions without quota limitations. The Northbound Trading link commenced on 3 July 2017 with transactions being made possible through mutual access arrangements in respect of trading, custody and settlement. It involves China Foreign Exchange Trading System, China Central Depository & Clearing Co., Shanghai Clearing House, Hong Kong Exchanges & Clearing plus the Central Money Markets Unit (CMU). A delivery versus payment (DVP) settlement system for transactions through the Bond Connect scheme was implemented in August 2018 thereby reducing settlement risk. The ultimate foreign eligible investors are the beneficial owners of the relevant CIBM bonds and may exercise their rights against the bond issuer through CMU as the nominee holder. The nominee holder may exercise its creditor rights and bring actions against bond issuers in Chinese courts. CIBM securities traded via the Bond Connect can be subject to risks including but not limited to regulatory risks, liquidity risk, operational risk, PRC tax risk and reputational risk. The Bond Connect encompasses recently developed trading systems. There can be no assurance that those systems will function correctly or will not be subject to further changes or adaptation. The relevant rules and regulations may be subject to change which may have potential retrospective effect. If the relevant mainland Chinese authorities suspend account opening or trading on the CIBM, the Underlying Fund's ability to invest in the CIBM will be adversely affected. In such event, the Underlying Fund's ability to achieve its investment objective may be negatively affected. There is no specific written guidance by the Mainland China tax

authorities on the treatment of income tax and other tax categories payable in respect of trading in the CIBM by eligible foreign institutional investors via the Bond Connect. Securities traded through the Bond Connect may be subject to a range of reputational risks such as risks borne by companies being subject to cyber abuses, sanctions concerns and negative accusations over labor and human rights, environmental degradation, ties to high-risk countries and entities overseas.

- xiv. Withholding tax risk: The Fund may be subject to withholding tax including under FATCA.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section "Offices of Participants" of the Principal Brochure for the contact information.

Fees

A trustee fee of 0.2% per annum of the total net asset value of the Fund shall be payable from the Fund to the Trustee. Such fee shall accrue daily based on the calculation basis described above and be payable monthly in arrears.

The investment manager of the Underlying Fund may receive a fee of 1.05% per annum, accrued at each dealing day and payable monthly in arrears, of the net asset value of the Underlying Fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs

as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund (e.g. stamp duty, audit fees etc.) are charged to the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Capital Stable Fund

Investment manager at the fund level:

PineBridge Investments Asia Limited (the “Investment Manager”)

The Fund

AIA Capital Stable Fund (the “Fund”) was established in 1994. The Fund is denominated in United States dollars.

The primary objective of the Fund is to minimize its short-term capital risk in United States dollar terms. The secondary objective is to enhance returns over the long term through limited exposure to global equities. The Investment Manager will achieve the objective through a professionally managed portfolio, invested in one or more collective investment schemes authorized by the Securities and Futures Commission. The Fund does not guarantee the repayment of capital. The Fund invests in various classes or sub-funds (as the case may be) established under (i) the PineBridge Fund Series and/or (ii) the JPMorgan Savings & Retirement (“SAR”) range of funds. Details of the investment policies of the relevant sub-funds under the PineBridge Fund Series and the JPMorgan SAR range of funds are set out in their respective offering documents which are available upon request to the Trustee. Investments are structurally limited in line with the following asset-class exposures:

Asset Class	Benchmark
Equities	30%
Bonds	70%

Note: The above asset allocation is for reference only and is subject to changes at the Investment Manager’s discretion.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Exchange risk - The Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
- iii. Counterparty/credit risk – The underlying collective investment schemes invest in deposits and debt securities and may be subject to default and settlement risks; and
- iv. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and the Investment Manager respectively. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment

management fee of the Fund together with the management fee in respect of the underlying fund(s) will not exceed 1.25% per annum of the Fund's net asset value.

The Trustee of each underlying fund may receive a fee not exceeding 0.3% per annum of the net asset value of the underlying fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the underlying fund(s) e.g. stamp duty, audit fees etc. are charged to the underlying fund(s).

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Allianz Capital Stable Fund

Investment manager at the fund level and the underlying fund level:

Allianz Global Investors Asia Pacific Limited (the “Investment Manager”)

The Fund

AIA Allianz Capital Stable Fund (the “Fund”), established in 2007, invests solely in the Allianz Choice Capital Stable Fund (the “Underlying Fund”), except for a small portion (which is expected to be less than 10% of the net asset value of the Fund) that may be held in cash or cash based investments for operational purposes. The Fund is denominated in Hong Kong dollars.

The investment objective of the Fund is to provide investors with capital preservation combined with steady capital appreciation over the long term by investing in a diversified portfolio of global equities and fixed-interest securities through the Underlying Fund. The Fund does not guarantee repayment of capital.

The Underlying Fund is expected to invest 30% of its assets in equities and 70% in fixed-interest securities. The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Underlying Fund will be invested primarily in Hong Kong, Japan, North American and European markets with a smaller proportion being invested, at the discretion of the Investment Manager, in other Asian countries and emerging markets. Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Exchange risk - The Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
- iii. Counterparty/credit risk – The Fund may invest in deposits and debt securities and may be subject to default and settlement risks;
- iv. Liquidity risk - The Fund may invest in financial instruments which may include investments in unlisted securities, which are not traded in an organised public market and which generally may be illiquid. As a result, the Fund may not be able to liquidate in a timely manner some of its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements; and
- v. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and Investment Manager respectively. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the Underlying Fund's management fee will not exceed 1.25% per annum of the Fund's net asset value.

The trustee of the Underlying Fund may receive a fee not exceeding 0.25% per annum of the net asset value of the Underlying Fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund (e.g. stamp duty, audit fees etc.) are charged to the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the

rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Balanced Fund

Investment manager at the fund level:

PineBridge Investments Asia Limited (the "Investment Manager")

The Fund

AIA Balanced Fund (the "Fund") is denominated in United States dollars and was established in 1999.

The objective of the Fund is to maximize its long-term capital appreciation in United States dollar terms with moderate risk parameters. 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 authorized by the Securities and Futures Commission. The Fund invests in various classes or sub-funds (as the case may be) established under (i) the PineBridge Fund Series and/or (ii) the JPMorgan Savings & Retirement ("SAR") range of funds. Details of the investment policies of the relevant sub-funds under the PineBridge Fund Series and the JPMorgan SAR range of funds are set out in their respective offering documents which are available upon request to the Trustee.

Investments are structurally limited in line with the following asset-class exposures:

<u>Asset Class</u>	<u>Benchmark</u>
Equities	50%
Bonds	50%

Note: The above asset allocation is for reference only and is subject to changes at the Investment Manager's discretion.

Valuation of the Fund will normally be made on each Business Day to determine the Fund's net asset value together with the Fund's unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. "Business Day" means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a "Business Day" unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Exchange risk - The Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
- iii. Counterparty/credit risk – The underlying collective investment schemes invest in deposits and debt securities and may be subject to default and settlement risks; and
- iv. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and Investment Manager respectively. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment

management fee of the Fund together with the management fee in respect of the underlying fund(s) will not exceed 1.25% per annum of the Fund's net asset value.

The trustee of each underlying fund may receive a fee not exceeding 0.3% per annum of the net asset value of the underlying fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the underlying fund(s) e.g. stamp duty, audit fees etc. are charged to the underlying fund(s).

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Allianz Stable Growth Fund

Investment manager at the fund level and the underlying fund level:

Allianz Global Investors Asia Pacific Limited (the “Investment Manager”)

The Fund

AIAAllianz Stable Growth Fund (the “Fund”), established in 2007, invests solely in the Allianz Choice Stable Growth Fund (the “Underlying Fund”), except for a small portion (which is expected to be less than 10% of the net asset value of the Fund) that may be held in cash or cash based investments for operational purposes. The Fund is denominated in Hong Kong dollars.

The investment objective of the Fund is to achieve a stable overall return over the long term by investing in a diversified portfolio of global equities and fixed-interest securities through the Underlying Fund.

The Underlying Fund is expected to invest 50% of its assets in equities and 50% in fixed-interest securities. The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Underlying Fund will be invested primarily in Hong Kong, Japan, North American and European markets with a smaller proportion being invested, at the discretion of the Investment Manager, in other Asian countries and emerging markets. Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Exchange risk - The Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
- iii. Counterparty/credit risk – The Fund may invest in deposits and debt securities and may be subject to default and settlement risks;
- iv. Liquidity risk - The Fund may invest in financial instruments which may include investments in unlisted securities, which are not traded in an organised public market and which generally may be illiquid. As a result, the Fund may not be able to liquidate in a timely manner some of its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements; and
- v. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and Investment Manager respectively. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the Underlying Fund’s management fee will not exceed

1.25% per annum of the Fund's net asset value.

The trustee of the Underlying Fund may receive a fee not exceeding 0.25% per annum of the net asset value of the Underlying Fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund (e.g. stamp duty, audit fees etc.) are charged to the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Growth Fund

Investment manager at the fund level:

PineBridge Investments Asia Limited (the “Investment Manager”)

The Fund

AIA Growth Fund (the “Fund”) was established in 1994 and is denominated in United States dollars.

The objective of the Fund is to maximize its long-term capital appreciation in United States dollar terms. 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 authorized by the Securities and Futures Commission. The Fund invests in various classes or sub-funds (as the case may be) established under (i) the PineBridge Fund Series and/or (ii) the JPMorgan Savings & Retirement (“SAR”) range of funds. Details of the investment policies of the relevant sub-funds under the PineBridge Fund Series and the JPMorgan SAR range of funds are set out in their respective offering documents which are available upon request to the Trustee. Investments are structurally limited in line with the following asset-class exposures:

<u>Asset Class</u>	<u>Benchmark</u>
Equities	85%
Bonds	15%

Note: The above asset allocation is for reference only and is subject to changes at the Investment Manager’s discretion.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Emerging markets risk - Various countries in which the underlying collective investments schemes may invest are considered emerging markets. As emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of market risks;
- iii. Exchange risk - The Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
- iv. Counterparty/credit risk – The underlying collective investment schemes invest in deposits and debt securities and may be subject to default and settlement risks; and
- v. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and Investment Manager respectively. Such fee(s) shall accrue daily based on calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the management fee in respect of the underlying fund(s) will not exceed 1.25% per annum of the Fund's net asset value.

The trustee of each underlying fund may receive a fee not exceeding 0.3% per annum of the net asset value of the underlying fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the underlying fund(s) e.g. stamp duty, audit fees etc. are charged to the underlying fund(s).

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the

rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Allianz Growth Fund

Investment manager at the fund level and the underlying fund level:

Allianz Global Investors Asia Pacific Limited (the “Investment Manager”)

The Fund

AIA Allianz Growth Fund (the “Fund”), established in 2007, invests solely in the Allianz Choice Growth Fund (the “Underlying Fund”), except for a small portion (which is expected to be less than 10% of the net asset value of the Fund) that may be held in cash or cash based investments for operational purposes. The Fund is denominated in Hong Kong dollars.

The investment objective of the Fund is to maximise long term overall returns by investing primarily in global equities through the Underlying Fund.

The Underlying Fund may invest in the countries comprised in the MSCI World Index which covers all the major world stock markets including but not limited to those in Japan, North America, Asia, Australia and Europe. Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Market risk - Various countries in which the Fund will invest are considered as emerging

- markets. As emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of markets risks;
- iii. Exchange risk - The Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
 - iv. Counterparty/credit risk – The Fund may invest in deposits and debt securities and may be subject to default and settlement risks; and
 - v. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and Investment Manager respectively. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the Underlying Fund’s management fee will not exceed 1.25% per annum of the Fund’s net asset value.

The trustee of the Underlying Fund may receive a fee not exceeding 0.25% per annum of the net asset value of the Underlying Fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme,

including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund (e.g. stamp duty, audit fees etc.) are charged to the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Manager's Choice Fund

Investment manager at the fund level:

PineBridge Investments Asia Limited (the "Investment Manager")

The Fund

AIA Manager's Choice Fund (the "Fund") was established in 2008 and is denominated in Hong Kong dollars.

The AIA Manager's Choice Fund 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 ("ITCISs"). The AIA Manager's Choice Fund attempts to perform dynamic asset allocation in order to maximize long term capital appreciation. The AIA Manager's Choice 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.

The Investment Manager will achieve the objective through a professionally managed portfolio, invested in two or more pooled investment funds and/or approved ITCISs. Depending on the market condition, the AIA Manager's Choice 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 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. The Fund invests in various classes or sub-funds (as the case may be) established under (i) the PineBridge Fund Series, and/or (ii) the JPMorgan Savings & Retirement ("SAR") range of funds, and/or (iii) approved ITCISs. Details of the investment policies of the relevant sub-funds under the PineBridge Fund Series, the JPMorgan SAR range of funds and the approved ITCISs are set out in their respective offering documents which are available upon request to the Trustee.

Valuation of the Fund will normally be made on each Business Day to determine the Fund's net asset value together with the Fund's unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. "Business Day" means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a "Business Day" unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Emerging markets risk - Various countries in which the underlying pooled investment funds and/or the underlying approved ITCISs may invest are considered emerging markets. As emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of market risks;
- iii. Exchange rate risk - The Fund may invest in holdings denominated in other currencies and therefore be exposed to currency movements;
- iv. Counterparty risk – The underlying pooled investment funds and/or the underlying approved ITCISs may invest in deposits and debt securities and hence may be subject to defaults risks;
- v. Concentration risk – The investments of the underlying approved ITCISs may be concentrated in the securities of a single issuer or several issuers or in a particular industry or several industries, which may result in the Fund indirectly subject to concentration risk. Such indirect concentration may have the effect of increasing the volatility of the Fund's returns. The Fund does not control the investments of the underlying approved ITCISs and any indirect concentration is a result of the underlying approved ITCISs pursuing their own investment objectives;
- vi. Tracking error risk – The underlying approved ITCISs seek to track as closely as possible

their respectively stated equity market indices. However, due to inherent tracking errors brought about by various factors, including, without limitation, the fees and charges payable by the underlying approved ITCISs, the performance of the underlying approved ITCISs may not track exactly the performance of the respective equity market indices;

- vii. Passive investment risk – The composition of the respective equity market indices which are tracked by the underlying approved ITCISs may change and constituent securities may be delisted. There is no guarantee or assurance that the performance of the underlying approved ITCISs will exactly replicate at any time the performance of the respective equity market indices.

Due to the inherent investment nature of index-tracking funds, the underlying approved ITCISs lack the discretion to adapt to market changes. As such, any falls in the respective equity market indices may result in corresponding falls in the value of the underlying approved ITCISs and the Fund; and

- viii. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and Investment Manager respectively. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the management fee in respect of the underlying fund(s) will not exceed 1.25% per annum of the Fund’s net asset value.

The trustee of each underlying fund may receive a fee not exceeding 0.3% per annum of the net asset value of the underlying fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the underlying fund(s) e.g. stamp duty, audit fees etc. are charged to the underlying fund(s).

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

Remarks: The Investment Manager of the AIA Manager's Choice Fund has full discretion to allocate the fund of AIA Manager's Choice Fund in the above mentioned asset classes. **The allocation in**

the above mentioned asset classes may change significantly based on the Investment Manager's view on the economic and market outlook.

AIA American Equity Fund

Investment manager at the fund level and the underlying fund level:

J.P. Morgan Investment Management Inc. (the "Investment Manager")

The Fund

AIA American Equity Fund (the "Fund"), established in 1999, invests solely in the JPMorgan Funds – America Equity Fund (the "Underlying Fund"). The Fund is denominated in United States dollars. The investment objective is to achieve long-term capital growth by investing primarily in North American securities. Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

The Underlying Fund is run with a value bias and takes exposure to both large and mid-cap companies which may include non-index stocks and also seeks to outperform the S&P 500 Index by focusing on stock selection as the key source of excess return.

Valuation of the Fund will normally be made on each Business Day to determine the Fund's net asset value together with the Fund's unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. "Business Day" means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a "Business Day" unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Diversification risk - The Underlying Fund invests solely in the North American market. The performance of the Fund will therefore be affected by risks which are particular to the North American market and such risks will not be limited by any diversification of investments in other markets;

- iii. Exchange risk - The Underlying Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
- iv. Counterparty/credit risk – The Underlying Fund may invest in deposits and debt securities and may be subject to default and settlement risks; and
- v. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

The Trustee can receive a fee of not exceeding 0.3% per annum of the total net asset value of the Fund. Currently it is waived. Such fee shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The Investment Manager of the Underlying Fund receives an annual management fee of 1.5% of the Underlying Fund’s net asset value. The management fee is calculated and accrued on each valuation date.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving

notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund (e.g. stamp duty, audit fees etc.) are charged to the Underlying Fund. In particular, the operating and administrative expenses of 0.4% per annum of the net asset value of the Underlying Fund are charged against the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA European Equity Fund

Investment manager at the fund level and the underlying fund level:

FIL Fund Management Limited (the “Investment Manager”)

The Fund

AIA European Equity Fund (the “Fund”), established in 1999, invests solely in the Fidelity Funds – European Growth Fund (the “Underlying Fund”). The Fund is denominated in Hong Kong dollars and the Underlying Fund is denominated in Euro, while the exchange rate risk will be borne by the investors.

The investment objective of the Fund is to achieve capital growth by investing in a collective investment scheme authorised by the Securities and Futures Commission which is mainly invested in equity securities quoted on European stock exchanges. Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Exchange risk - The Underlying Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held

- and the base currency of the Fund;
- iii. Counterparty/Credit risk – The Underlying Fund may invest in deposits and debt securities and may be subject to default and settlement risks; and
 - iv. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

The Trustee can receive a fee of not exceeding 0.3% per annum of the total net asset value of the Fund. Currently it is waived. Such fee shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The Investment Manager of the Underlying Fund may receive a fee not exceeding 1.5% per annum of the net asset value of the Underlying Fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs

as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund (e.g. stamp duty, audit fees etc.) are charged to the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Hong Kong Equity Fund

Investment manager at the fund level and the underlying fund level:

Schroder Investment Management (Hong Kong) Limited (the “Investment Manager”)

The Fund

AIA Hong Kong Equity Fund (the “Fund”) was established in 2009 and is denominated in Hong Kong dollars.

The objective of the Fund is to provide capital growth primarily through investment in equity securities of Hong Kong SAR companies through an underlying fund. The Fund, through the Underlying Fund (as defined below), may invest in equity securities which are considered to be of high inherent risk.

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 “Underlying Fund”) managed by the Investment Manager. The investment policy of the Underlying Fund is that the Underlying Fund will invest primarily, i.e. at least two thirds of its total assets (excluding liquidities), in equity and equity related securities (namely, options on equities and equity warrants) and the remaining third of its total assets may be invested in convertible bonds, bonds with equity options, equity linked notes and other similar securities and instruments. Also, the above investments of the Underlying Fund will be primarily related to the Hong Kong market. Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Exchange rate risk - The Underlying Fund may invest in holdings denominated in other currencies and therefore be exposed to currency movement;
- iii. Counterparty/credit risk – The Underlying Fund may invest in deposits and debt securities and hence may be subject to default and settlement risks; and
- iv. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Rebate

The Investment Manager of the Fund may enter into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Manager of the Fund, including the Fund, and where the Investment Manager of the Fund is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the Fund. Any such arrangements must be made

by the Investment Manager of the Fund on terms commensurate with best market practice.

Borrowing

The Fund may not borrow for the account of the Fund, unless the borrowed amounts do not in aggregate exceed 10% of the net asset value of the Fund, and then only as a temporary measure, for the purpose of meeting redemption requests or defraying operating expenses.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and the Investment Manager respectively. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the Underlying Fund's management fee will not exceed 1.25% per annum of the Fund's net asset value.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund e.g. stamp duty, audit fees etc. are charged to the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Greater China Equity Fund

Investment manager at the fund level: PineBridge Investments Asia Limited (the “Investment Manager”)

Investment manager at the underlying fund level: PineBridge Investments Hong Kong Limited

The Fund

AIA Greater China Equity Fund (the “Fund”), was established in 2009 and is denominated in Hong Kong dollars.

The Fund seeks 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. Implementation of the investment policy is considered to be of high inherent risk.

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 PineBridge Fund Series – PineBridge Greater China Equity Fund (“the Underlying Fund”) whose asset allocation policy is to have at least 70% of assets invested in equity securities, securities convertible into equity securities and other investments giving exposure to equity securities, in each case where the equity securities are listed or to be listed on the stock exchanges of Hong Kong and Taiwan. The investment manager of the Underlying Fund may, in its discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction. The remaining assets of the Underlying Fund will be held in cash or near-cash securities. Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Emerging Markets risk - Various regions in which the Underlying Fund will invest are considered emerging markets. As emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of markets risks;
- iii. Exchange rate risk - The Underlying Fund may invest in holdings denominated in other currencies and therefore be exposed to currency movements;
- iv. Counterparty risk – The Underlying Fund may invest in deposits and debt securities and hence may be subject to defaults risks; and
- v. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

A trustee fee of up to 0.3% per annum, and an investment management fee equal to 0.95% per annum, of the total net asset value of the Fund shall be payable from the Fund to the Trustee and the Investment Manager respectively. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the Underlying Fund’s management fee will not exceed 1.25% per annum of the Fund’s net asset value.

The trustee of the Underlying Fund may receive a fee not exceeding 0.3% per annum of the net asset value of the Underlying Fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund e.g. stamp duty, audit fees etc. are charged to the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Asia ex Japan Equity Fund

Investment manager at the fund level: PineBridge Investments Asia Limited (the “Investment Manager”)

Investment manager at the underlying fund level: PineBridge Investments Ireland Limited

The Fund

AIA Asia ex Japan Equity Fund (the “Fund”), established in 1994, invests solely in the PineBridge Global Funds – PineBridge Asia ex Japan Equity Fund (the “Underlying Fund”). The Fund is denominated in United States dollars. The investment objective is 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). 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. Details of the investments of the Underlying Fund are set out in the offering documents of the Underlying Fund which are available upon request to the Trustee.

The Underlying Fund is a sub-fund of PineBridge Global Funds, an Irish domiciled UCITS-umbrella fund, authorized and regulated by the Central Bank of Ireland. The units of PineBridge Asia ex Japan Equity Fund are not listed on any Stock Exchange. .

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Prior to 2 March 2018, valuation will normally be made on the 2nd Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. With effect from 2 March 2018, valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the

- Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Emerging markets risk - Various countries in which the Underlying Fund will invest are considered emerging markets. As emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of market risks;
 - iii. Exchange risk - The Underlying Fund may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
 - iv. Counterparty/credit risk – The Underlying Fund may invest in deposits and debt securities and may be subject to default and settlement risks; and
 - v. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section “Offices of Participants” of the Principal Brochure for the contact information.

Fees

The Trustee can receive a fee not exceeding 0.3% per annum of the total net asset value of the Fund. Currently it is waived. Such fee shall accrue daily based on the calculation basis described above and be payable monthly in arrears.

The investment manager of the Underlying Fund may receive a fee not exceeding 1.5% per annum, accrued at each dealing day and payable monthly in arrears, of the net asset value of the Underlying Fund.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the Underlying Fund (e.g. stamp duty, audit fees etc.) are charged to the Underlying Fund.

For details of fees and charges, please refer to the Summary of Fees and Charges.

Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA Hong Kong and China Fund

Investment manager at the fund level: PineBridge Investments Asia Limited (the “Investment Manager”)

The Fund

AIA Hong Kong and China Fund (the “Fund”) was established in 2019 and is denominated in Hong Kong dollars.

The Fund is a portfolio management fund investing entirely in a combination of approved index-tracking collective investment schemes (“ITCISs”). The investment objective of the Fund is 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). Please note that the Fund is not an index-tracking fund.

Except for a small portion to be held in cash or cash based investments for operational and/or hedging purposes, the Fund will invest entirely in approved ITCISs 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). Details of the investment policies of the relevant approved ITCISs are set out in their respective offering documents which are available upon request to the Trustee. The Fund will not engage in security lending or use derivatives for investment purposes.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social

- conditions and policies;
- ii. Market risk - The investments into the underlying approved ITCISs are subject to the risks inherent in all securities; the value of holdings may rise as well as fall. Various regions in which the Fund may invest are considered as emerging markets. As emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of market risks;
 - iii. Interest rate risk – The underlying approved ITCISs may invest in equities whose values will be subject to interest rate movements;
 - iv. Exchange rate risk – The Fund and/or the underlying approved ITCISs may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
 - v. Counterparty/Credit risk – The Fund invests in approved ITCISs and may be exposed to counterparty default and settlement risks;
 - vi. Hedging – The Investment Manager is permitted, but not obliged, to use hedging techniques to attempt to offset market and currency risks. There is no guarantee that hedging techniques will achieve their desired result;
 - vii. Concentration risk – The investments of the underlying approved ITCISs may be concentrated in the securities of a single issuer or several issuers or in a particular industry or several industries, which may result in the Fund indirectly subject to concentration risk. Such indirect concentration may have the effect of increasing the volatility of the Fund's returns. The Fund does not control the investments of the underlying approved ITCISs and any indirect concentration is a result of the underlying approved ITCISs pursuing their own investment objectives;
 - viii. Tracking error risk – The underlying approved ITCISs seek to track as closely as possible their respectively stated equity market indices. However, due to inherent tracking errors brought about by various factors, including, without limitation, the fees and charges payable by the underlying approved ITCISs, the performance of the underlying approved ITCISs may not track exactly the performance of the respective equity market indices. The Investment Manager of the Fund will monitor the extent of the tracking errors of the underlying approved ITCISs on an ongoing basis and, in the situation where the performance of any of the underlying approved ITCIS deviates significantly from the performance of the relevant equity market index, the Investment Manager of the Fund may take any appropriate actions;
 - ix. Passive investment risk – The composition of the respective equity market indices which are tracked by the underlying approved ITCISs may change and constituent securities may be delisted. There is no guarantee or assurance that the performance of the underlying approved ITCISs will exactly replicate at any time the performance of the

respective equity market indices.

Due to the inherent investment nature of index-tracking funds, the underlying approved ITCISs lack the discretion to adapt to market changes. As such, any falls in the respective equity market indices may result in corresponding falls in the value of the underlying approved ITCISs and the Fund.

Any license granted to the service providers of the underlying approved ITCISs for the use of, and reference to, the respective equity market indices, may be terminated and the underlying approved ITCISs may be terminated as a result. Under such situation, the Fund may have to reallocate its assets to other underlying approved ITCISs; and

- x. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section "Offices of Participants" of the Principal Brochure for the contact information.

Fees

The Trustee receives a fee of up to 0.79% per annum (inclusive of the Investment Manager's fee) of the total net asset value of the Fund. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the management fee in respect of the underlying fund(s) will not exceed 0.99% per annum of the Fund's net asset value.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs

and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the underlying fund(s) e.g. stamp duty, audit fees etc. are charged to the underlying fund(s).

For details of fees and charges, please refer to the Summary of Fees and Charges. Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).

AIA World Fund

Investment manager at the fund level: PineBridge Investments Asia Limited (the “Investment Manager”)

The Fund

AIA World Fund (the “Fund”) was established in 2019 and is denominated in Hong Kong dollars.

The Fund is a portfolio management fund investing entirely in approved index-tracking collective investment schemes (“ITCISs”). The investment objective of the Fund is to seek a long term capital appreciation by investing in a combination of global equity market index-tracking funds. Please note that the Fund is not an index-tracking fund.

The Fund will invest mainly in approved 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 indices that track North American, European, Far Eastern and Australasian markets and a smaller proportion will be invested in Latin American markets. The remaining assets will be held in cash or cash based investments for operational and/or hedging purposes. Details of the investment policies of the relevant approved ITCISs are set out in their respective offering documents which are available upon request to the Trustee. The Fund will not engage in security lending or use derivatives for investment purposes.

Valuation of the Fund will normally be made on each Business Day to determine the Fund’s net asset value together with the Fund’s unit price. Valuation will normally be made on the 1st Business Day following the completion of the Business Day on which the relevant subscription, redemption, dealing or such transaction occurs. “Business Day” means any day (other than a Saturday) on which banks in Hong Kong are open for normal banking business provided that where, as a result of typhoon signal number 8 or above or a black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, any such day shall not be a “Business Day” unless the Trustee otherwise determines. Investment shall be valued according to the prevailing generally accepted accounting principles.

Risks

Other than the usual market risk and interest rate risk, the Fund is also exposed to the following risks:

- i. Political, economic and social risks - All financial markets and therefore the value of the Fund may at times be adversely affected by changes in political, economic and social conditions and policies;
- ii. Market risk – The investments into the underlying approved ITCISs are subject to the risks

inherent in all securities; the value of holdings may rise as well as fall. Various countries in which the Fund may invest are considered as emerging markets. As emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of market risks;

- iii. Interest rate risk – The underlying approved ITCISs may invest in equities whose values will be subject to interest rate movements;
- iv. Exchange rate risk – The Fund and/or the underlying approved ITCISs may invest in assets quoted in currencies other than the base currency of the Fund. The performance of the Fund may therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Fund;
- v. Counterparty/Credit risk – The Fund invests in approved ITCISs and may be exposed to counterparty default and settlement risks;
- vi. Hedging – The Investment Manager is permitted, but not obliged, to use hedging techniques to attempt to offset market and currency risks. There is no guarantee that hedging techniques will achieve their desired result;
- vii. Concentration risk – The investments of the underlying approved ITCISs may be concentrated in the securities of a single issuer or several issuers or in a particular industry or several industries, which may result in the Fund indirectly subject to concentration risk. Such indirect concentration may have the effect of increasing the volatility of the Fund's returns. The Fund does not control the investments of the underlying approved ITCISs and any indirect concentration is a result of the underlying approved ITCISs pursuing their own investment objectives;
- viii. Tracking error risk – The underlying approved ITCISs seek to track as closely as possible their respectively stated equity market indices. However, due to inherent tracking errors brought about by various factors, including, without limitation, the fees and charges payable by the underlying approved ITCISs, the performance of the ITCISs may not track exactly the performance of the respective equity market indices. The Investment Manager of the Fund will monitor the extent of the tracking errors of the underlying approved ITCISs on an ongoing basis and, in the situation where the performance of any of the underlying approved ITCIS deviates significantly from the performance of the relevant equity market index, the Investment Manager of the Fund may take any appropriate actions;
- ix. Passive investment risk – The composition of the respective equity market indices which are tracked by the underlying approved ITCISs may change and constituent securities may be delisted. There is no guarantee or assurance that the performance of the underlying approved ITCISs will exactly replicate at any time the performance of the respective equity market indices.

Due to the inherent investment nature of index-tracking funds, the underlying approved ITCISs lack the discretion to adapt to market changes. As such, any falls in the respective

equity market indices may result in corresponding falls in the value of the underlying approved ITCISs and the Fund.

Any license granted to the service providers of the underlying approved ITCISs for the use of, and reference to, the respective equity market indices, may be terminated and the underlying approved ITCISs may be terminated as a result. Under such situation, the Fund may have to reallocate its assets to other underlying approved ITCISs; and

- x. Withholding tax risk - The Fund may be subject to withholding tax including under FATCA.

In the worst case scenario, a member who invests into this Fund may suffer a significant loss to his/her investments.

A member or external retirement scheme investor (as the case may be) should consider his/her own risk tolerance level and financial circumstances before making any fund choices. When, in his/her selection of fund choices, the member or external retirement scheme investor (as the case may be) is in doubt as to whether a certain fund choice is suitable for him/her (including whether it is consistent with his/her investment objectives), the member or external retirement scheme investor (as the case may be) should seek financial and/or professional advice and choose the fund choice(s) most suitable for him/her taking into account his/her circumstances.

The Investment Manager

You may contact the Investment Manager for its latest information. Please refer to the section "Offices of Participants" of the Principal Brochure for the contact information.

Fees

The Trustee receives a fee of up to 0.74% per annum (inclusive of the Investment Manager's fee) of the total net asset value of the Fund. Such fee(s) shall accrue daily based on the calculation basis described above and be payable monthly in arrears. The trustee fee and the investment management fee of the Fund together with the management fee in respect of the underlying fund(s) will not exceed 0.99% per annum of the Fund's net asset value.

The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving

notices to or otherwise communicating with employers or external retirement scheme investors*, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.

Any expenses incurred in the management and custodianship of the underlying fund(s) e.g. stamp duty, audit fees etc. are charged to the underlying fund(s).

For details of fees and charges, please refer to the Summary of Fees and Charges. Any changes to the above fees will be announced by the Trustee at least three months in advance.

Remark: This Fund is only available to (i) the participating employers and employees, and (ii) any external retirement scheme investor*, of the Scheme. Therefore this sheet should be issued and read in conjunction with the Principal Brochure and the Summary of Fees and Charges of the Scheme.

* An external retirement scheme investor means either the trustee(s) of an external retirement scheme (i.e. a retirement scheme other than the Scheme) or any investor(s) of assets of any external retirement scheme(s) or the Scheme (to the extent that such assets are to be invested in accordance with the rules to the trust deed constituting the Scheme). "Investor" for the purpose of "external retirement scheme" must either be a company authorised under the Insurance Ordinance (Cap. 41) to carry on insurance business, or a corporation licensed to carry on, or an authorised financial institution registered for carrying on, a business in asset management under Part V of the Securities and Futures Ordinance (Cap. 571).



Summary of Fees and Charges

Fund Name	Plan Charges (applicable to all funds)	Fund Charges																	
		Retirement Fund Level		Underlying Fund Level															
		Trustee Fee / Investment Management Fee	Other Expenses	Trustee Fee / Management Fee	Other Expenses														
AIA Asia ex Japan Equity Fund	A) Plan Administration Charges 1. Annual plan charge – HK\$1,000 2. Annual membership charge – HK\$12 per member for the first 500 members and HK\$10 per member on the excess over 500 3. Contribution charge – a percentage, not exceeding 5% p.a. of the annual contributions 4. Switching charge – An administration fee of HK\$100 per fund switching request per member, subject to a minimum of HK\$2,000 per employer plan for each submission, will be charged for additional fund switching requests (except for the annual free switch) submitted via the employer using a method of instruction other than the Interactive Website or Interactive Voice Response System in a plan year. B) Annual ORSO-related Charge 1. Registration fee plus any other fees / charges payable to the registrar / other regulatory authority 2. Auditor fee and solicitor fee – not exceeding HK\$1,000 C) Early Termination Charge An early termination charge is applicable if the employer withdraws from the Scheme in the first 5 years as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Plan Year</th> <th>% of Plan Asset Value</th> </tr> </thead> <tbody> <tr><td>1 st</td><td>5%</td></tr> <tr><td>2 nd</td><td>4%</td></tr> <tr><td>3 rd</td><td>3%</td></tr> <tr><td>4 th</td><td>2%</td></tr> <tr><td>5 th</td><td>1%</td></tr> <tr><td>6 th or onwards</td><td>0%</td></tr> </tbody> </table> D) Additional Expenses Additional costs and expenses arising as a result of specific request made by an employer and / or member, which are incurred by the Trustee and the Administrator as a result of such specific request will	Plan Year	% of Plan Asset Value	1 st	5%	2 nd	4%	3 rd	3%	4 th	2%	5 th	1%	6 th or onwards	0%	Not exceeding 0.3% p.a. of the net asset value of the Fund. Currently waived.	The Fund will bear all fees and expenses incurred in connection with or in relation to the Scheme, including custody, sub-custody expenses and stamp duties, any application, authorization, annual or other fees payable to any regulatory authorities, and any levy imposed by the relevant Hong Kong legislation, in particular, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, proxy fees and expenses, collection fees and expenses, insurance and security costs (if any), the fees and expenses of the auditors, legal charges and other advisory charges, the expenses of giving notices to or otherwise communicating with employers or external retirement scheme investors, the costs and expenses incurred in effecting and maintaining any insurance, other expenses required by any other applicable laws or regulations to be taken out in respect of the Scheme, and other costs as described in all the constitutive documents.	Not exceeding 1.5% p.a. of the net asset value of the underlying fund.	Any expenses incurred in the management and custodianship of the underlying fund e.g. stamp duty, audit fee etc.
Plan Year		% of Plan Asset Value																	
1 st		5%																	
2 nd		4%																	
3 rd		3%																	
4 th		2%																	
5 th		1%																	
6 th or onwards		0%																	
AIA European Equity Fund					1.5% p.a. of the net asset value of the underlying fund.	Any expenses incurred in the management and custodianship of the underlying fund e.g. stamp duty, audit fee etc. Operating and administrative expenses: 0.4% p.a. of the net asset value of the underlying fund.													
AIA American Equity Fund					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.	Any expenses incurred in the management and custodianship of the underlying fund e.g. stamp duty, audit fee etc.													
AIA Allianz Growth Fund		The trustee fee is up to 0.3% p.a. of the net asset value of the Fund.		The trustee of each underlying fund may receive a fee not exceeding 0.25% p.a. of the net asset value of the underlying fund.															
AIA Allianz Stable Growth Fund		The investment management fee is 0.95% p.a. of the net asset value of the Fund.		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.															
AIA Allianz Capital Stable Fund				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.															
AIA Hong Kong Equity Fund				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.															
AIA Growth Fund			The Trustee may enter into arrangements with the investment managers of the underlying funds whereby the Trustee may receive fees under such arrangement for providing administrative and marketing support services to the relevant fund choices, which will indirectly benefit the underlying funds. In no event shall the total of the fees paid to the Trustee by the Scheme and the fees paid to the																
AIA Balanced Fund																			
AIA Capital Stable Fund																			
AIA Manager's Choice Fund																			
AIA Greater China Equity																			

Fund	be borne by that particular employer and / or member. If such employer and / or member fails to separately pay for such costs and expenses, the Trustee may redeem such necessary credited units of such employer and / or member with their respective consents (as applicable), to settle such costs and expenses so incurred by the Trustee or Administrator.		Trustee by the investment managers of the underlying funds exceed 1.25 % p.a. of the net asset value of the relevant fund choices. The costs and administrative expenses for establishing each of AIA Hong Kong and China Fund and AIA World Fund are approximately USD52,230, which will be allocated to the Scheme (across all fund choices under the Scheme on a pro-rata basis by reference to their net asset value) by the end of 2020 when such costs and expenses are incurred and settled.		
AIA Global Bond Fund		0.2% p.a. of the net asset value of the Fund		1.05% p.a. of the net asset value of the underlying fund.	
AIA Guaranteed Fund		1% p.a. of the net asset value of the Fund (inclusive of the Investment Manager's fee).		N/A	N/A
AIA Capital Guaranteed Fund		Not exceeding 1% p.a. of the net asset value of the Fund. Currently waived.		1% p.a. of the net asset value of the underlying investment.	N/A
AIA Hong Kong and China Fund		Up to 0.79% p.a. of the net asset value of the Fund (inclusive of the Investment Manager's fee).		Up to 0.20% p.a. of the net asset value of the underlying fund.	Any expenses incurred in the management and custodianship of the underlying fund e.g. stamp duty, audit fee etc.
AIA World Fund		Up to 0.74% p.a. of the net asset value of the Fund (inclusive of the Investment Manager's fee).		Up to 0.25% p.a. of the net asset value of the underlying fund.	
AIA Interest Guaranteed Fund		1% p.a. of the daily average of Capital [#] .		N/A	N/A

-End-

For the full meaning and effect of this document, the provisions herein should be read in the context of the constitutive documents of the Scheme.

Investment involves risks and not all fund choices under the Scheme would be suitable for everyone. Investment performance and returns may go down as well as up.