



# Manulife Sustainable Asia Bond Fund<sup>†</sup>

## **Committed to investing responsibly in Asia**

- ✓ Holistic approach to sustainable investing
- ✓ Generating potential returns through sustainable themes
- ✓ Diversified ESG portfolio to meet sustainable goals

<sup>†</sup> The full name of the Fund is Manulife Global Fund  
— Sustainable Asia Bond Fund

# Sustainable investing

Sustainable investing is the incorporation of environmental, social and governance (ESG) factors, into the selection and management of investments.



## Environmental

How a company's operations affect the natural environment, and how the natural environment affects the company.



## Social

The relationship between a company and its employees, suppliers, and communities.



## Governance

The structures or systems a company has put in place to ensure effective direction and control.



## The case for sustainable investing in Asia

### Challenges

Corporate governance standards in many parts of Asia have been strengthening<sup>1</sup> but there is still much room for improvement

Asia lags behind most regions in sustainability ranking, with only 16 Asian companies making it into the global top 100<sup>2</sup>

Asia is responsible for around 52% of global carbon emission<sup>3</sup>. Many Asian countries have increasing regulatory pressure on companies that are heavy polluters and emitters

### Opportunities

Strong ESG performance should be a proxy for identifying quality companies with potential to outperform companies with inferior ESG attributes

Higher sustainability rankings have been linked with better long-term survival prospects<sup>2</sup>, further highlighting the importance of ESG performance

Companies with better ESG performance will face less regulatory pressure. New products and services that can accelerate the transition to a cleaner, low-carbon economy could unlock huge business opportunities

Source: 1 Asian Corporate Governance Association CG Watch 2020: Future Promise, May 2021. 2 Corporate Knights, 2022 Global 100 Most Sustainable Corporations in the World Index. 3 bp Statistical Review of World Energy 2022



# Our beliefs and commitment

Sustainability is not a given	Sustainability helps drive financial value	The future of sustainability and active investment management are interlinked	Sharing sustainability goals with our clients	High standard of stewardship	Commitment to stakeholders goes beyond
Sustainable outcomes can be obtained through leadership display and commitment to principles of sustainability.	The ability to create financial value is affected by the health of our natural environment and the strength of the social infrastructure in our communities.	Active investment management is necessary to deeply understand and harvest the value implicit in ESG factors.	We strive to provide transparency about our process and approach to sustainable investing.	It's our responsibility to pursue the best sustainability processes and standards for ourselves	As a leading global financial institution, we have a role in making a positive contribution to society in addition to our financial performance.

## Recognitions

- ✓ Received an **A+** from UN PRI for ESG strategy and governance, and integration in listed equity and fixed income SSA<sup>4</sup>
- ✓ Chair of the **AIGCC Physical Risk & Resilience Working Group** that is formed in 2020<sup>5</sup>
- ✓ Invited by **Japanese Government to join Task Force** on Climate-Related Financial Disclosures consortium (2019)
- ✓ Named to **PRI Leaders' Group 2020** for excellence in climate reporting<sup>6</sup>
- ✓ Founding member of the **Board Diversity Hong Kong** initiative to promote gender diversity on boards across companies in Hong Kong<sup>7</sup>
- ✓ Joined the **Sustainable Accounting Standards Board's** Investor Advisory Group (2019)



ASIA  
INVESTOR  
GROUP  
ON  
CLIMATE  
CHANGE



Source: Manulife Investment Management. Information provided as of 31 January 2023 unless otherwise noted and represents experience of certain Manulife Investment Management affiliates.

4 Principles for Responsible Investment, 2020. Fixed income SSA includes sovereigns, supranationals, and agency bonds. 5 AIGCC stands for Asia Investor Group on Climate Change. 6 Principles for Responsible Investment (PRI). Score for the year 2019. As of 18 September 2020. <https://www.unpri.org/showcasing-leadership/the-pri-leaders-group/4771.article>.

7 For more information: <https://www.boarddiversityhk.org/>

# Introducing Manulife Sustainable Asia Bond Fund<sup>†</sup>

The Fund is designed to help investors capture investment opportunities within Asian fixed income market and achieve their sustainability objectives.

## Unique Investment Approach

We adopt a holistic approach in building a portfolio that seeks to generate potential sustainable risk-adjusted returns, by incorporating material ESG considerations throughout the various stages of our investment process.



Source: Manulife Investment Management, 31 January 2023. For illustration purposes only.

# Generating potential returns through sustainable themes

We empower our investors to make a positive change in the world through these 3 sustainable themes:



## Climate change

- Avoid companies overly dependent on thermal power generation.
- Target a minimum 15% exposure to dedicated “Green Bonds”



## Superior corporate governance promotion

- Companies with questionable party transactions, business models or a history of mismanagement are rejected.
- Focus only on companies with high quality governance structures and teams.



## Aging population

- Adverse impact on health and savings such as gambling, tobacco & alcohol sectors are avoided.
- Identify companies that are providing solutions for an aging population and expected to maintain an overweight exposure to dedicated “Social Bonds”

# Diversified ESG portfolio



80 – 150 holdings



An average portfolio quality of investment grade credit quality



Minimum 15% exposure to pure ESG bonds<sup>8</sup>

<sup>8</sup> ESG bonds are bonds where proceeds of the bond issue is to finance green, social and sustainable projects; i.e. projects aimed to have a positive impact on environment (green bond), social (social bond), combination of environment and social respectively (sustainable bond).

# Experienced & dedicated team



20+ Asian credit research analysts



29 Dedicated ESG analysts



10 Markets in Asia

Source: Manulife Investment Management, Analyst numbers are as of 31 January 2023.

# Manulife Sustainable Asia Bond Fund†

## Fund information

<b>Investment objective</b>	Aims to maximize total returns from a combination of income generation and potential capital appreciation by investing primarily in fixed income securities issued by Asia governments, agencies, supra-nationals and corporate issuers that demonstrate superior sustainability attributes.
<b>Base currency</b>	USD
<b>Initial sales charge</b>	Up to 5%
<b>Dealing frequency</b>	Daily
<b>Investment manager</b>	Manulife Investment Management (Hong Kong) Limited
<b>Fund size</b>	USD 90.0 million / SGD 118.4 million (as of 31 January 2023)
<b>SFDR Category</b>	Article 8*

Share class <sup>Δ</sup>	AA (USD) Accumulation	AA (USD) MDIST (G)	AA (SGD Hedged) MDIST (G)	AA (AUD Hedged) MDIST (G)
<b>Inception date</b>	6 August 2020			
<b>ISIN code</b>	LU2097395268	LU2097395342	LU2097395698	LU2097395425
<b>Bloomberg ticker</b>	MLABAAU LX	MLABAUM LX	MLABASM LX	MLABRAAM LX
<b>Mode of subscription</b>	Cash	Cash	Cash / SRS	Cash
<b>Minimum initial investment</b>	USD 1,000 (or equivalent in any other major currency)			
<b>Distribution frequency</b>	Not applicable	Monthly <sup>§</sup>	Monthly <sup>§</sup>	Monthly <sup>§</sup>
<b>Management fee</b>	1%			

Share class <sup>Δ</sup>	AA (HKD) Accumulation	AA (HKD) MDIST (G)	AA (RMB Hedged) MDIST (G)	AA (GBP Hedged) MDIST (G)
<b>Inception date</b>	30 April 2021			
<b>ISIN code</b>	LU2283351695	LU2283351778	LU2283351851	LU2283351935
<b>Bloomberg ticker</b>	MLABAHA LX	MLABAHM LX	MLABARM LX	MLABAGM LX
<b>Mode of subscription</b>	Cash			
<b>Minimum initial investment</b>	USD 1,000 (or equivalent in any other major currency)			
<b>Distribution frequency</b>	Not applicable	Monthly <sup>§</sup>	Monthly <sup>§</sup>	Monthly <sup>§</sup>
<b>Management fee</b>	1%			

<sup>§</sup> The intention of the Manager to make the monthly distribution and the distribution yield for the Fund is not guaranteed, and the Manager may in future review the distribution policy depending on prevailing market conditions.

<sup>Δ</sup> Please refer to the Prospectus for details on other available classes.

\* Manulife Investment Management has reviewed the Fund against the obligations of SFDR and considers that the Fund would meet the criteria of Article 8.

#### Important notes:

Manulife Global Fund (the “Company”) is an open-ended investment company registered in the Grand Duchy of Luxembourg. The Manulife Global Fund — Sustainable Asia Bond Fund (the “Fund”) is recognised under the Securities and Futures Act of Singapore for retail distribution. The Company has appointed Manulife Investment Management (Singapore) Pte. Ltd. as its Singapore Representative and agent for service of process in Singapore. The information provided herein does not constitute financial advice, an offer or recommendation with respect to the Fund.

Opinions, forecasts and estimates on the economy, financial markets or economic trends of the markets mentioned herein are not necessarily indicative of the future or likely performance of the Fund. **The Fund may use financial derivative instruments for efficient portfolio management and/or hedging.**

Investments in the Fund are not deposits in, guaranteed or insured by the manager and involve risks. Past performance of the manager or sub manager is not necessarily indicative of its future performance and any income accruing to them may fall or rise. Past performance of the Fund is not necessarily indicative of future performance. The value of units in the Fund and any income accruing to them may fall or rise. Past performance of the Fund is not necessarily indicative of future performance. Investors should read the prospectus, and seek advice from a financial adviser before deciding whether to purchase units in the Fund. A copy of the prospectus and the product highlights sheet can be obtained from Manulife or its distributors. In the event an investor chooses not to seek advice from a financial adviser, he should consider whether the Fund is suitable for him.

**Distributions are not guaranteed.** Investors should refer to the Singapore prospectus for the distribution policy of the Fund. The Directors of the Company shall have the absolute discretion to determine whether a distribution is to be made in respect of the Fund as well as the rate and frequency of distributions to be made. Distributions may be made out of (a) income, or (b) net capital gains, or (c) capital of the Fund, or (d) gross income while charging all or part of the fees and expenses to capital, or (e) any combination of (a), (b), (c) and/or (d). Past distribution yields and payments are not necessarily indicative of future distribution yields and payments. Any payment of distributions by the Fund is expected to result in an immediate decrease in the net asset value per share of the Fund.

#### ESG risk disclosure:

We consider that the integration of sustainability risks in the decision-making process is an important element in determining long-term performance outcomes and is an effective risk mitigation technique. Our approach to sustainability provides a flexible framework that supports implementation across different asset classes and investment teams. While we believe that sustainable investing will lead to better long-term investment outcomes, there is no guarantee that sustainable investing will ensure better returns in the longer term. In particular, by limiting the range of investable assets through the exclusionary framework, positive screening and thematic investment, we may forego the opportunity to invest in an investment which we otherwise believe likely to outperform over time.

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

Information is correct as of 31 January 2023, unless otherwise stated.