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Date: 18 December 2020

Private and confidential

Policy Plan: [Name of the Policy Plan] (the “Plan”)

Policy Number: [Policy Number of the Policy Holder]

Dear Valued Customer,

As an important notice, please read this letter carefully and seek independent professional advice should you have any questions about the content. Heng An Standard Life (Asia) Limited accepts responsibility for the accuracy of the content of this letter.

Various changes to the underlying funds corresponding to the following investment choices of BNP Paribas Funds

Unless otherwise specified herein, terms and expression not defined in this letter shall have the same meaning as in the Luxembourg Prospectus of BNP Paribas Funds (the “**Luxembourg Prospectus**”).

Reference Code	Name of investment choice
22BU	BNP Paribas Funds Brazil Equity - Classic Cap
23BE	BNP Paribas Funds Brazil Equity - Classic EUR - CAP
20BE	BNP Paribas Funds Consumer Innovators - Classic Cap
14BU	BNP Paribas Funds Consumer Innovators - Classic USD - CAP
59BU	BNP Paribas Funds Energy Transition - Classic USD – CAP#
17BE	BNP Paribas Funds Russia Equity - Classic Cap
24BU	BNP Paribas Funds Russia Equity - Classic USD - CAP

(Each an “**Investment Choice**” and collectively, the “**Investment Choices**”)

Closed for any subscription and switch-in instruction, until further notice.

We have been informed by the board of directors of BNP Paribas Funds of the following changes to the underlying funds corresponding to the Investment Choices (Each an “**Underlying Fund**” and collectively, the “**Underlying Funds**”). As the unitholders of the Investment Choice(s), the following change applicable to the Underlying Fund(s) may have implications for your investment. The changes will be effective on 28 December 2020, unless otherwise specified.

I. SWING PRICING

A clarification is provided to the definition and modalities of the swing pricing mechanism that may potentially be applied under certain circumstances, described as follows:

“A sub-fund may suffer reduction of the net asset value due to investors purchasing, selling and/or switching in and out of the sub-fund at a price that does not reflect the dealing costs associated with this sub-fund's

portfolio trades undertaken by the Investment Manager to accommodate such cash inflows or outflows. In order to mitigate this effect and enhance the protection of existing unitholders, the mechanism known as “swing pricing” may be applied at the discretion of the Board of Directors of the Management Company.

Such swing pricing mechanism may be applied to a given sub-fund when its total capital activity (i.e. net amount of subscriptions and redemptions) exceeds a pre-determined threshold determined as a percentage of the net assets value for a given valuation day. The net asset value of the relevant sub-fund may then be adjusted by an amount (the “swing factor”) to compensate for the expected transaction costs resulting from the capital activity. The level of thresholds, if and when applicable, will be decided on the basis of certain parameters which may include the size of the sub-fund, the liquidity of the underlying market in which the respective sub-fund invests, the cash management of the respective sub-fund or the type of instruments that are used to manage the capital activity. The swing factor is, amongst others, based on the estimated transaction costs of the financial instruments in which the respective sub-fund may invest. Typically, such adjustment will increase the net asset value when there are net subscriptions into the sub-fund and decrease the net asset value when there are net redemptions. Swing pricing does not address the specific circumstances of each individual investor transaction. An ad hoc internal committee is in charge of the implementation and periodic review of the operational decisions associated with swing pricing. This committee is responsible for decisions relating to swing pricing and the ongoing approval of swing factors which form the basis of pre-determined standing instructions.

In principle, the swing factor will not exceed 1% of the respective sub-fund’s net asset value. Such limit may however be raised beyond this maximum level on a temporary basis and to protect the interests of shareholders, when facing exceptional market conditions. These may include situations such as a global pandemic, a financial crisis, a geopolitical crisis, or any other exceptional event causing a severe deterioration of the liquidity.

The swing pricing mechanism may be applied across all sub-funds of the Fund. On certain unit classes, the Management Company may be entitled to a performance fee. Where applicable, this will be based on the unswung net asset value.”

Such clarification has no impact on the way the Underlying Funds are managed.

II. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Sustainable Investment Policy

Please note that the presentation of the Sustainable Investment Policy of the Underlying Funds is performed as follows with effect from 27 November 2020:

“BNP PARIBAS ASSET MANAGEMENT’s Global Sustainability Strategy governs the approach to sustainable investment, which consists of the implementation of ESG integration, responsible business conduct standards and stewardship activities (as defined below) into the investment processes applied by the investment managers of each sub-fund.

ESG stands for Environmental, Social and Governance; these are criteria commonly used to assess the level of sustainability of an investment.

BNP PARIBAS ASSET MANAGEMENT is committed to have a sustainable investment approach for its investments. Nonetheless, the extent and manner in which this sustainable investment approach is applied varies according to the type of sub-fund, asset class, region and instrument used. Furthermore, some sub-funds may apply additional investment guidelines, as described in the Book 2. Consequently, the implementation of the sustainable investment approach will be applied individually across all portfolios.

The sustainable investment approach is incorporated at each of the investment process of each sub-fund and includes the following elements:

- **Responsible business conduct standards:** As defined in the BNP PARIBAS ASSET MANAGEMENT’s Responsible Business Conduct policy (“RBC”). They include respecting: 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies.
1) Norms-based screens: The United Nations Global Compact (www.unglobalcompact.org) defines 10 principles for businesses to uphold in the areas of human rights, labour standards, environmental stewardship and anti-corruption. Similarly, the OECD Guidelines for Multinational Enterprises sets out

principles for the responsible business conduct of businesses. These two shared frameworks are recognized worldwide and applicable to all industry sectors. Companies that violate one or more of the principles are excluded from the sub-funds' investments, and those at risk of breaching them are closely monitored, and may also be excluded.

2) BNP PARIBAS ASSET MANAGEMENT has also defined a series of guidelines relating to investments in sensitive sectors, listed in the RBC. Companies from these sensitive sectors that do not comply with the minimum principles specified in these guidelines are excluded from the sub-funds' investments. The sectors concerned include, but are not limited to, palm oil, wood pulp, mining activities, nuclear, coal-fired power generation, tobacco, controversial weapons, unconventional oil and gas and asbestos.

- **ESG integration:** It involves the evaluation of the below three non-financial criteria at the level of the companies in which the sub-funds invest:
 - Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
 - Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
 - Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

ESG scores, as defined by an internal proprietary framework, can be made available to assist in the ESG evaluation of securities' issuers. ESG integration is systematically applied to all investment strategies. The process to integrate and embed ESG factors in the investment decision-making processes is guided by formal ESG Integration Guidelines. However, the way and the extent to which ESG integration, including ESG scores, is embedded in each investment process is determined by its Investment Manager, who is fully responsible in this respect.
- **Stewardship:** It is designed to enhance the long-term value of shareholdings and the management of long-term risk for clients, as part of BNP PARIBAS ASSET MANAGEMENT's commitment to act as an efficient and diligent steward of assets. Stewardship activities include the following categories of engagement:
 - Company Engagement: the aim is to foster, through dialogue with companies, corporate governance best practices, social responsibility and environmental stewardship. A key component of company engagement is voting at annual general meetings. BNP PARIBAS ASSET MANAGEMENT publishes detailed proxy-voting guidelines on a range of ESG issues.
 - Public Policy Engagement: BNP PARIBAS ASSET MANAGEMENT aims to embed sustainability considerations more fully into the markets in which it invests and in the rules that guide and govern company behavior as per its Public Policy Stewardship Strategy.

More information and documents on BNP PARIBAS ASSET MANAGEMENT global sustainability strategy may be found on the website at the following address: <https://www.bnpparibas-am.com/en/our-approach-to-responsibility/as-a-responsible-investor/>."

Resulting Classification

Consequently, the Underlying Funds can be classified as "Sustainable" or "Sustainable Plus":

- "Sustainable" means that the Underlying Funds are submitted to the above-mentioned sustainable investment approach;
- "Sustainable Plus" means that in addition to the above-mentioned sustainable investment approach, the

Underlying Funds also have more specific sustainability guidelines or restrictions as specified below and in Book 2 of the Luxembourg Prospectus.

BNP PARIBAS ASSET MANAGEMENT has implemented a specific taxonomy for "Sustainable Plus" Underlying Fund, as follows:

- Thematic: The Underlying Fund corresponding to BNP Paribas Funds Energy Transition - Classic USD - CAP (Reference Code: 59BU) invests in companies that provide products and services providing concrete solutions to specific environmental and/or social challenges, seeking to benefit from future growth anticipated in these areas while contributing capital towards the transition towards a low-carbon, inclusive economy.

III. Changes to the underlying fund corresponding to BNP Paribas Funds Energy Transition - Classic USD - CAP (Reference Code: 59BU)

With the updates in ESG Sustainable Investment Policy above, the investment strategy of the Underlying Fund would also be enhanced (by adding the bolded words and removing the crossed words below) accordingly to provide a more precise disclosure of the Underlying Fund. Such disclosure enhancement on investment policy is not a material change.

*"The Investment Manager applies also BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy as defined in the Prospectus, which takes into account Environmental, Social and Governance ("ESG") standards and ~~analysis~~ **integration** in the investments of the sub-fund.*

*ESG standards are integrated in the investment process of the sub-fund. The ESG standards comprise 1) the 10 principles of the United Nations Global Compact **and OECD Guidelines for Multinational Enterprises** and 2) the BNP PARIBAS ASSET MANAGEMENT sector policies.*

*The United Nations Global Compact is a shared framework, recognized worldwide and applicable to all industry sectors. The 10 principles of the United Nations Global Compact in the areas of human rights, labour standards, environmental stewardship and anti-corruption are integrated in the investment process. **Similarly, the OECD Guidelines for Multinational Enterprises sets out principles for the responsible business conduct of businesses.***

*BNP PARIBAS ASSET MANAGEMENT has also defined a series of ~~ESG~~-guidelines relating to investments in sensitive sectors including but not limited to palm oil, wood pulp, mining activities, ~~oil sands, tar sands~~, nuclear, coal-fired power generation, tobacco, controversial weapons, **unconventional oil and gas** and asbestos.*

~~The ESG standards above are communicated to the investment manager.~~

*The ESG ~~analysis~~ **integration** involves the evaluation of the three non- financial indicators below:*

- Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
- Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

*ESG ~~analysis-integration~~ above is ~~integrated~~ **reflected** in the investment process of the sub-fund by way of ESG scores.*

*The sub-fund would exclude investment in (i) securities issued by companies that violate any of the principles of the United Nations Global Compact **or OECD Guidelines for Multinational Enterprises** and (ii) securities issued by companies from the sensitive sectors above that do not comply with the ~~ESG~~-guidelines defined by BNP PARIBAS ASSET MANAGEMENT."*

IV. Additional Information

Additional clerical changes have been made to update and enhance the general wording of the Luxembourg Prospectus or to comply with new laws and regulations.

The above changes will be incorporated in the next version of the Hong Kong Offering Document of BNP Paribas Funds.

Implication of the changes

The changes would not result in any change in fees level or costs in managing the Underlying Funds. In addition, the Management Company of the Underlying Funds would bear the costs or expenses incurred in connection with the changes. The changes would not materially change the features and overall risk profile of the Underlying Funds following the change. There would be no change in the operations or the manner in which the Underlying Funds are being managed. There would also be no material change in the investment objective or policy of the Underlying Funds as a result of the changes. Further, the changes would not materially prejudice the existing investors' rights of interest.

Actions to take

You do not have to take any action if you wish to remain invested in the Investments Choices regardless of the above change. Otherwise you may wish to consider switching the units of the Investments Choices or redirect future regular

premiums/contributions (if applicable) to other investment choice(s) through the usual application procedure. No switching fee(s) will be incurred under the current fee structure of your policy.

Investment involves risks. For details regarding the Plan, the investment choices available under the Plan and the underlying funds corresponding to such investment choices (including, without limitation, the investment objectives and policies, risk factors and charges), please refer to the latest offering documents of the Plan (in particular the document named "Investment Choices Brochure") and the offering documents of the underlying funds, all of which are available from us upon request and free of charge. You may also visit our website at www.hengansl.com.hk for investment choices details.

Should you have any queries, please contact your Financial Adviser or our Customer Service Hotline on +852 2169 0300 or email us at cs@hengansl.com.hk.

Yours faithfully,
Customer Service Department
Heng An Standard Life (Asia) Limited

私人及機密

保單計劃：[保單計劃名稱]（「計劃」）

保單編號：[保單持有人的保單編號]

親愛的客戶

此乃重要通知，請細閱本信件內容，如對其內容有任何疑問應諮詢獨立專業人士之意見。恒安標準人壽(亞洲)有限公司對本信件內容的準確性負責。

有關連繫至法巴基金投資選擇的相連基金之若干變更

除另有規定外，本信件內並無定義的詞彙及句子與法巴基金盧森堡基金章程（「盧森堡基金章程」）所界定者具有相同涵義。

參考編號	投資選擇名稱
22BU	法巴巴西股票基金 - 經典資本
23BE	法巴巴西股票基金 - 經典歐元 - 資本
20BE	法巴主要消費品創新股票基金 - 經典資本
14BU	法巴主要消費品創新股票基金 - 經典美元 - 資本
59BU	法巴能源轉型基金 - 經典美元 - 資本#
17BE	法巴俄羅斯股票基金 - 經典資本
24BU	法巴俄羅斯股票基金 - 經典美元 - 資本

(各稱為「該投資選擇」，統稱為「該等投資選擇」)

停止接受任何認購及轉入之申請，直至另行通知。

我們接獲法巴基金董事會通知，有關連繫至該等投資選擇的相連基金(各稱為「該相連基金」，統稱為「該等相連基金」)的以下更新。作為該等投資選擇的單位持有人，以下有關該等相連基金的更新對您的投資或會有所影響。變更將於2020年12月28日起生效，除非另行訂明。

I. 波幅定價

謹此提供波幅定價機制定義和模式的澄清，有關機制可能在若干情況下被採用，內容如下：

「若投資者購買、出售及／或轉入和轉出子基金，而有關價格並不反映該子基金投資經理為應對該等現金流入或流出而進行的投資組合交易之相關交易成本，子基金的資產淨值便可能減少。為減低有關影響及提升對現有單位持有人的保障，管理公司董事會可酌情採用『波幅定價』機制。

當個別子基金的整體資本活動（即認購及贖回淨額）超出預定的門檻（釐定為在指定估值日佔資產淨值某個百分比），可採用上述波幅定價機制。然後相關子基金的資產淨值便可根據一個金額（『波幅因子』）進行調整，以抵銷資本活動引致的預期交易成本。門檻水平（若適用）將根據若干參數而釐定，其可包括子基金的規模、相關子基金所投資的相關市場流動性、相關子基金的現金管理或用以管理資本活動的工具類型。波幅因子以（其中包括）相關子基金可投資的金融工具之估計交易成本為基礎。一般而言，當基金出現認購淨額時，有關調整將令資產淨值增加；當基金出現贖回淨額時，有關調整將令資產淨值減少。波幅定價並不針對每個個別投資者交易的具體情況。臨時內部委員會負責實行和定期檢視有關波幅定價的運作決定。該委員會負責有關波幅定價的決定和持續審批波幅因子，以作為預定常設指示的基礎。

原則上，波幅因子不會超過相關子基金資產淨值的1%。然而，如遇到特殊市場情況，有關限制可暫時提高至超過這個上限，以保障股東的權益。這些情況可能包括疫症全球大流行、金融危機、地緣政治危機或任何其他導致流動性嚴重惡化的特殊事件。

波幅定價機制可應用於本基金所有子基金。就部份單位類別而言，管理公司可能有權收取表現費。在適用的情況下，表現費將根據未經波幅調整的資產淨值計算。」

有關澄清對該等相連基金的管理方式並無影響。

II. 環境、社會及管治 (ESG)

可持續投資政策

請注意，法巴基金的可持續投資政策說明如下，並於2020年11月27日生效：

「法國巴黎資產管理的環球可持續策略規管可持續投資的方針，包括在每個子基金投資經理所採用的投資程序中實施ESG納入、負責任商業行為標準及盡責管理活動（定義見下文）。

ESG是指環境（**Environmental**）、社會（**Social**）及管治（**Governance**），這些準則常用於評估一項投資的可持續水平。

法國巴黎資產管理致力就投資採取可持續投資方針。然而，採用可持續投資方針的程度和方式取決於子基金類型、資產類別、地區及所使用工具。此外，部份子基金或會採用如第II冊所述的額外投資指引。因此，所有投資組合將會個別進行可持續投資方針的實施。

可持續投資方針獲納入每個子基金的每個投資程序，並包括以下元素：

- **負責任商業行為標準**：定義見法國巴黎資產管理的負責任商業行為政策。政策包括尊重：1) 規範為本的篩選，例如聯合國全球契約原則及經合組織跨國企業指引；以及2) 法國巴黎資產管理行業政策。
 - 1) 規範為本的篩選：聯合國全球契約（www.unglobalcompact.org）制定企業在人權、勞工標準、環境盡責管理及反貪腐範疇應遵守的十項原則。同樣地，經合組織跨國企業指引就企業的負責任商業行為制定原則。上述兩個共享框架獲得全球認可並適用於所有行業。違反一項或多項原則的公司將從子基金的投資中剔除，有違反風險的公司將受密切監察，亦有可能被剔除。
 - 2) 法國巴黎資產管理亦已制定一系列有關敏感行業投資的指引，並載列於負責任商業行為政策。不符合上述指引最低原則要求的敏感行業公司將從子基金的投資中剔除。有關行業包括但不限於棕櫚油、木漿、採礦活動、核能、燃煤發電、煙草、具爭議性的武器、非傳統油氣及石棉。
- **納入ESG**：這包括就子基金所投資公司評估以下三項非財務指標：
 - 環境：例如能源效益、減少溫室氣體排放、廢物處理；
 - 社會：例如尊重人權及勞工權益、人力資源管理（勞工健康及安全、多元化）；
 - 管治：例如董事會的獨立性、經理薪酬、尊重少數股東權益。

ESG評分（由內部專有框架制定）可用以協助進行證券發行人的ESG評估。所有投資策略均有系統地納入ESG。於投資決策程序納入和併入ESG因素的過程由正式的ESG納入指引提供指導。然而，在每個投資程序納入ESG（包括ESG評分）的方式及程度由投資經理釐定，其須全權負責有關事宜。

- **盡責管理**：旨在為客戶提升持股的長期價值和長期風險管理，這是法國巴黎資產管理擔任具效率而盡責的資產管理人之承諾。盡責管理活動應包括以下不同類型的積極參與：
 - 公司參與：目的是透過與公司對話，加強企業管治的最佳業務標準、社會責任及環境盡責管理。公司參與的重要部份是在股東週年大會上投票。法國巴黎資產管理就一系列ESG議題制定詳盡的代理投票指引。
 - 公共政策參與：法國巴黎資產管理旨在於其投資的市場及根據其公共政策盡責管理策略指導和規管公司行為的規則內，更全面地納入可持續發展考慮因素。更多有關法國巴黎資產管理環球可持續策略的資料及文件，可參閱以下網站：
<https://www.bnpparibas-am.com/en/our-approach-to-responsibility/as-a-responsible-investor/>。」

引致的分類

因此，該等相連基金可分類為「可持續」或「可持續Plus」：

- 「可持續」是指該等相連基金奉行上述可持續投資方針；
- 「可持續 Plus」是指除上述可持續投資方針外，這些該等相連基金亦設有下列及盧森堡基金章程第II冊所述更具體的可持續發展指引或限制。

法國巴黎資產管理已就「可持續Plus」該相連基金實施具體分類，詳情如下：

- 主題：連繫至法巴能源轉型基金 - 經典美元 - 資本(參考編號: 59BU)的該相連基金投資的公司提供產品及服務，為個別環境及 / 或社會挑戰提供具體解決方案，藉著這些範疇的預期未來增長而受惠，同時為轉型至低碳共融的經濟貢獻資本。

III. 有關連繫至法巴能源轉型基金 - 經典美元 - 資本(參考編號: 59BU)的該相連基金的變動

鑑於上述ESG可持續投資政策的更新，該相連基金的投資策略亦將予加強（加入以下粗體文字及刪除劃線文字），以提供更精確的該相連基金披露。這些投資政策的披露加強並不構成重大變動。

「投資經理亦採用法國巴黎資產管理的可持續投資政策（定義見基金章程），就子基金的投資考慮環境、社會及管治（ESG）標準及~~分析~~**納入**。ESG標準已納入子基金的投資程序，ESG標準包括1) 聯合國全球契約的十項原則及**經合組織跨國企業指引**及2) 法國巴黎資產管理的行業政策。

聯合國全球契約（www.unglobalcompact.org）是一個全球認可並適用於所有行業的共享框架。聯合國全球契約的十項原則中有關人權、勞工標準、環境盡責管理及反貪腐範疇已納入投資程序。**同樣地，經合組織跨國企業指引就企業的負責任商業行為制定原則。**

法國巴黎資產管理亦已制定一系列有關敏感行業投資的ESG指引，有關行業包括但不限於棕櫚油、木漿、採礦活動、~~油砂、焦油砂、核能、~~燃煤發電、煙草、具爭議性的武器、**非傳統油氣**及石棉。

~~法巴與投資經理就上述ESG標準進行溝通。~~

ESG~~分析~~**納入**涉及以下三項非財務指標的評估：

- 環境：例如能源效益、減少溫室氣體排放、廢物處理；
- 社會：例如尊重人權及勞工權益、人力資源管理（勞工健康及安全、多元化）；
- 管治：例如董事會的獨立性、經理薪酬、尊重少數股東權益。

上述ESG~~分析~~**納入**以ESG評分的方式~~納入~~**反映**於子基金的投資程序。

子基金將剔除以下投資(i) 違反聯合國全球契約任何原則**或經合組織跨國企業指引**的公司所發行的證券及(ii) 由上述不符合法國巴黎資產管理制定的ESG指引的敏感行業之公司所發行的證券。」

IV. 額外資料

盧森堡基金章程已作出了額外文字改動，以更新及加強一般措辭或遵從新的法律及法規。

上述變動將納入法巴基金下一個版本的香港銷售文件。

變更的影響

變動並不會改變管理該等相連基金的費用水平或成本。此外，該等相連基金的管理公司將會承擔與上述變動相關而招致的成本或開支。變動不會顯著改變該等相連基金的特點及整體風險範圍。該等相連基金的運作或管理方式並無改變。此外，變動不會導致該等相連基金的投資目標或政策出現重大改變，亦不會顯著損害現有投資者的權利或權益。

應採取的行動

若您欲在上述變動後繼續投資該等投資選擇，您毋須採取任何行動。否則，您可透過一般的申請程序，要求將在該等投資選擇的單位或日後的定期保費/供款(如適用)轉至其他投資選擇。根據您保單內之現時收費機制，投資選擇的轉換將不會被收取任何轉換費用。

投資涉及風險，有關保單計劃、於保單計劃內可供銷售的投資選擇及連繫至投資選擇的該等相連基金的詳細資料(包括但不限於任何投資選擇的投資目標及政策，風險因素及費用)，您可參閱保單計劃的最新銷售文件(尤其是名為「投資選擇刊物」的文件)及該等相連基金的銷售文件，這些文件可按要求向我們索取並不收取費用。亦可同時瀏覽我們的網頁www.hengansl.com.hk。

如有任何查詢，請與您的理財顧問聯絡。您亦可以致電我們的客戶服務熱線+852 2169 0300 或電郵至cs@hengansl.com.hk 與我們聯絡。

恒安標準人壽(亞洲)有限公司

客戶服務部

謹啟

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