BLACKROCK®

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Grand Duchy of Luxembourg

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If you are in any doubt about the action to be taken you should consult your stockbroker, bank manager, solicitor, accountant, relationship manager or other professional adviser immediately.

BLACKROCK GLOBAL FUNDS

Registered office: 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg
R.C.S. Luxembourg B6317

11 February 2019

Dear Shareholder

We, BlackRock Asset Management North Asia Limited, as Hong Kong Representative of BlackRock Global Funds (the "**Company**") are writing to advise you of changes that the board of directors (the "**Directors**") proposes to make to the Company and its sub-funds (the "**Funds**").

The changes set out in this letter will take effect from 25 March 2019 (the "**Effective Date**"), unless otherwise stated herein and this letter forms notice to shareholders of the facts set out below.

Terms not defined herein shall have the same meaning as set out in the prospectus dated 8 December 2017 currently in force (available at www.blackrock.com/hk) (the "**Prospectus**"). Investors should note that the website has not been authorised or reviewed by the Securities and Futures Commission ("**SFC**").

1. Changes to the Flexible Multi-Asset Fund ("FMA")

(a) Renaming and change to investment objective and policy

FMA will be renamed as the "ESG Multi-Asset Fund". Additional or amended disclosures will be included in its investment objective and policy, as further detailed in Appendix 1 to this letter, to reflect the decision of the Directors to take into account environmental, social and governance (or "**ESG**") characteristics when selecting FMA's investments. The Prospectus sets out a more detailed definition of "ESG".

As a result, the Investment Adviser intends to exclude, from FMA's portfolio, direct investment in securities of issuers including: issuers which have exposure to, or ties with controversial weapons (nuclear, cluster munitions, biological-chemical, landmines, blinding laser, depleted uranium, or incendiary weapons); issuers deriving over 30% of revenue from thermal coal extraction and generation; tobacco producers and issuers deriving over 15% of revenue from tobacco retailing, distribution and licensing; issuers which produce firearms intended for retail to civilians or deriving over 5% of revenue from the retail of firearms to civilians and issuers of securities that are deemed to have breached one or more of the ten United Nations Global Compact Principles ("**UNGC**"), which cover human rights, labour standards, the environment and anti-corruption. The UNGC is a United Nations initiative to implement universal sustainability principles.

The Investment Adviser also intends to limit direct investment in securities of issuers involved in the production, distribution or licensing of alcoholic products; the ownership or operation of gambling-related activities or facilities; production, supply and mining activities related to nuclear power and production of adult entertainment materials.

Once these changes are made, FMA may perform differently compared to similar funds that do not apply such ESG criteria, for example FMA might forego opportunities to buy certain securities when it might otherwise be advantageous to do so, or might sell securities due to ESG characteristics when it might otherwise be considered disadvantageous to do so. However, whilst these ESG-related exclusions may reduce the range of assets to which FMA may gain exposure, they are not expected to materially impact FMA's risk-return profile, given that FMA is managed as a global total return multi-asset fund (which provides the Investment Adviser with discretion to select FMA's investments).

The changes described above are not expected to materially affect the overall risk profile of FMA. It is intended that the changes to FMA will be beneficial to investors by providing a more ESG-focused investment strategy, adding governance to the existing investment process, and through the reduction of management fees and will not materially prejudice the rights or interests of the existing shareholders of FMA.

(b) Reduction of management fee

The proposed changes to FMA also include a reduction of the management fees for FMA, as set out in Appendix 1 to this letter.

(c) Update to expected level of leverage

Please refer to section 12 of this letter below for further details.

2. Changes to the Global Opportunities Fund ("GOF")

GOF will be renamed as the "Global Long-Horizon Equity Fund" to better reflect the strategy of the Fund. This change will have no other impact on the Fund or the way that it is currently managed.

3. Changes to the New Energy Fund ("NEF")

NEF will be renamed as the "Sustainable Energy Fund" and the words "new energy" in its investment policy will be changed to "sustainable energy", as set out in Appendix 2 to this letter. The new name will better reflect NEF's exposures to the power, transportation and built environment industries, as opposed to "new energy" which could be taken to mean purely wind and solar energy. This will not affect the way NEF is currently managed.

4. Changes to the World Agriculture Fund ("WAF")

(a) Renaming and change to investment policy

WAF will be renamed as the "Nutrition Fund" and its investment policy will be widened to permit WAF to invest in equity securities of both agriculture and food-related companies, as set out in Appendix 3 to this letter. This expansion to the range of available investments is expected to lead to WAF having access to a greater range of investment opportunities, and is expected to assist the Investment Adviser in managing WAF's volatility, through the ability to make investments throughout the food and agriculture value chain.

Following the changes, WAF will continue to be susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events affecting the agriculture industry. As a consequence of widening its investment policy to cover food-related companies, WAF will also be subject to the same range of risks as they apply to the food industry.

The changes described above are not expected to materially affect the overall risk profile of WAF or change its expected level of leverage. The changes will not materially prejudice the rights or interests of the existing shareholders of WAF.

(b) Reduction of management fee

The proposed changes to WAF also include a reduction of the management fees for WAF, as set out in Appendix 3 to this letter.

5. China Interbank Bond Market ("CIBM")

Each of the Dynamic High Income Fund and the Global Allocation Fund will be permitted to gain direct exposure to China onshore bonds via CIBM (in addition to the CIBM Funds already named in the Prospectus) for no more than 10% of its total assets.

Risks associated with investment via the CIBM include liquidity and volatility risks, counterparty and settlement risks and regulatory risks, etc. For the specific risks and other details associated with investment via the CIBM, please refer to the Prospectus.

6. Stock Connects

With effect from the Effective Date, the Dynamic High Income Fund will be permitted to invest in China A-Shares via the Stock Connects for no more than 10% of its total assets.

Investment via the Stock Connects involves regulatory risks as the relevant rules and regulations on the Stock Connects are subject to change which may have potential retrospective effect. The Stock Connects are subject to quota limitations. When a suspension in the trading through the Stock Connects is effected, a Stock Connect Fund's ability to invest in China A-Shares through the Stock Connects will be adversely affected. Please refer to the Prospectus for the specific risks and other details associated with investment via the Stock Connects.

Additional disclosures will be included in the Prospectus to provide further information relating to the use of the Stock Connects as a way of enabling Stock Connect Funds to invest in China A-Shares. Investors should read the relevant provisions in the Company's revised Prospectus reflecting the additional disclosures in force on the Effective Date. This clarification will not result in any change to the way any Fund is managed and will not have an adverse impact on the existing shareholders.

7. Review of Portfolio Management of the India Fund

The advisory agreement between DSP BlackRock Investment Managers ("**DSPBIM**") and BlackRock India Equities (Mauritius) Limited, described in the Prospectus, was recently terminated. This change does not involve any cost to shareholders, nor any change to the India Fund's strategy or the way in which it is managed.

Accordingly, DSPBIM no longer acts as a non-discretionary investment adviser to BlackRock India Equities (Mauritius) Limited. BlackRock Asset Management North Asia Limited continues to serve as a sub-adviser of this Fund and has acquired much expertise in this market, therefore the Directors do not consider it necessary to appoint a replacement non-discretionary investment adviser for the India Fund.

8. Investment in Contingent Convertible Bonds, Distressed Securities, Asset-backed Securities ("ABS") and Mortgage-backed Securities ("MBS")

The investment strategy of certain Funds in respect of contingent convertible bonds, distressed securities and/or ABS/MBS will be changed.

Contingent convertible bonds

In simple terms, contingent convertible bonds are fixed-income securities that are convertible into equities if a pre-specified trigger event occurs. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds.

Contingent convertible bonds' investors may suffer a loss of capital when equity holders do not. Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the relevant Fund to anticipate the trigger events that would require the debt to convert into equity. Furthermore, it might be difficult for the relevant Fund to assess how the securities will behave upon conversion.

Please refer to "**Contingent Convertible Bonds**" in the "**Risk Considerations**" section of the Prospectus for further information regarding the risks associated with investment in contingent convertible bonds.

Distressed securities

In simple terms, distressed securities are securities issued by a company that is either in default or in high risk of default, and investment in distressed securities therefore involves significant risk.

Please refer to "**Distressed Securities**" in the "**Risk Considerations**" section of the Prospectus for further information regarding the risks associated with investment in distressed securities.

ABS/MBS

In simple terms, ABS and MBS are debt securities backed or collateralised by the income stream from an underlying pool of assets or mortgage loans respectively. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. ABS and MBS are often exposed to extension risk (where obligations on the underlying assets are not paid on time) and prepayment risks (where obligations on the underlying assets are paid earlier than expected). Please refer to "**Asset-backed Securities ("ABS")**" and "**Mortgage-backed Securities ("MBS")**" in the "Risk Considerations" section of the Prospectus for further information regarding the risks associated with investment in ABS and MBS.

The investment policy of each relevant Fund will be changed as follows and, in light of the risks involved in these investments, and in order to provide shareholders with greater transparency regarding their use, be expanded with appropriate disclosure:

(a) The investment strategy of certain Funds will be changed to enable these Funds to invest in contingent convertible bonds, distressed securities and ABS/MBS. Please refer to the table in Appendix 4A to this letter for details of the relevant Funds and the changes.

(b) The disclosures relating to use of contingent convertible bonds and ABS/MBS relating to certain Funds will be revised from their current threshold levels. Please refer to the table in Appendix 4B to this letter for details of the relevant Funds and the changes.

These thresholds have been added or revised as discussed in paragraphs (a) and (b) above so that the investment policy of each relevant Fund will more clearly and accurately represent how the Investment Adviser wishes to manage the Fund in order to achieve its investment objective. The changes are intended to ensure that the investment characteristics and positioning of these Funds remain both relevant to and consistent with the current investment environment and expectations of shareholders. The Directors believe these changes will be in the best interests of shareholders as they will help create a wider investible universe in order to better manage risk and maximise the performance of the Funds.

There will be no material changes to the investment objectives, policies, strategy or overall risk profiles of these Funds or how these Funds are managed as a result of the changes described in this section 8 (although please note that the New Energy Fund and the World Agriculture Fund are being re-positioned as described in this letter).

9. Change to Name of the Risk Allocation Benchmark for the Global Allocation Fund

The Prospectus will be updated on 11 February 2019 to reflect changes to the names of two components of the risk management benchmark for the Global Allocation Fund, as set out in Appendix 5 to this letter. There is no change to the benchmark itself.

10. Change to Management Fee for the European High Yield Bond Fund A Share Class

With effect from the Effective Date, the Management Fee for the A Share Class of this Fund will be reduced from 1.25% to 1.00%. The Directors consider that investors will benefit, since their ongoing charges will decrease, based on current level of expenses.

11. Change of Depositary and Fund Accountant entity

Reference is made to the letter to Hong Kong shareholders dated 11 January 2019 in respect of the proposed change of the Depositary and Fund Accountant entity of the Company and the Funds.

We would like to advise you that the proposed entity change will take effect on 11 February 2019 and accordingly, with effect from 11 February 2019, the following entity will replace The Bank of New York Mellon (International) Limited, Luxembourg Branch as the Depositary and the Fund Accountant of the Company and the Funds:

The Bank of New York Mellon SA / NV, Luxembourg Branch
2-4, rue Eugène Ruppert
L-2453 Luxembourg
Grand Duchy of Luxembourg

The Bank of New York Mellon SA / NV, Luxembourg Branch was incorporated with limited liability in Belgium on 30 September 2008. Its ultimate holding company is The Bank of New York Mellon Corporation which was incorporated in the United States of America.

12. Changes to Expected Levels of Leverage

The Funds may use derivatives for the purposes of efficient portfolio management and, where relevant, investment purposes. Leverage is a Fund's investment exposure gained through the use of derivatives. Please refer to the "**Risk Management**" and "**Leverage**" sections in the Prospectus for further details of the Company's risk management policy and leverage calculation.

The expected level of leverage is not a limit and may vary over time. The expected levels of leverage of certain Funds will be revised from their current levels. Please refer to the table in Appendix 6 to this letter for details of the relevant Funds, the changes to the expected levels of leverage and the rationale for the changes. There will be no change to the investment objectives, policies, overall risk profiles or how the relevant Funds are managed as a result of these changes to the expected levels of leverage (although please note that FMA is being re-positioned as described in section 1 of this letter, above).

13. German Investment Tax Act – Change to Equity Threshold for Three Funds

The Management Company aims to manage certain Funds listed in the Prospectus in accordance with the so-called partial exemption regime for equity funds under Sec. 20 para. 1 of the German Investment Tax Act. From the Effective Date, the following Funds, which currently invest at least 51% of their Net Asset Value on a continuous basis directly into equities of corporations which are admitted for trading at a recognised stock exchange or are listed on an organised market, will invest at least 25% of their Net Asset Value on a continuous basis directly into equities of corporations which are admitted for trading at a recognised stock exchange or are listed on an organised market: the ASEAN Leaders Fund, the Asian Growth Leaders Fund and the Emerging Markets Fund. This change to equity thresholds described above will not result in any change to the way the ASEAN Leaders Fund, the Asian Growth Leaders Fund and the Emerging Markets Fund are managed.

14. Net Asset Value and Price Determination: Anti-Dilution

We have taken the opportunity to amend the wording in relation to dilution and the adjustment that is applied by the Directors to reduce the effect of such dilution on the relevant Fund, to reflect certain changes relating to adjustment thresholds and other clarifications, as set out in Appendix 7 to this letter.

Changes relating to adjustment thresholds

Wording will be included to the effect that the Directors may apply multiple thresholds, that is, they may adjust the Net Asset Value of a Fund if on any Dealing Day the value of the aggregate transactions in Shares of all Share Classes of that Fund results in a net increase or decrease which exceeds one or more thresholds that are set by the Directors for that Fund rather than a single threshold.

The magnitude of the adjustment will vary depending on which threshold is triggered. Specifically, each threshold set by the Directors for a Fund will have its own "swing factor", which is the magnitude of adjustment as triggered by the related threshold. Where multiple thresholds are set for a Fund, only the swing factor related to the highest threshold triggered on any Dealing Day will be applied. In any event, the swing factor will be subject to the maximum rate set out in the Prospectus.

The magnitude of such adjustment reflects the estimated costs of trading of a Fund, which vary with the size of net inflows/outflows of such Fund. Therefore, it is in the interests of Shareholders if different swing factors are applied depending on the level of net inflows/outflows of a Fund on any Dealing Day.

Equity Funds, particularly sector Funds and country/area specific Funds, tend to require more thresholds as the costs of trading generally increase with the size of the net inflows/outflows. In contrast, for fixed income Funds, the costs of trading frequently do not significantly change with the size of net inflows/outflows and therefore the number of thresholds required in respect of a fixed income Fund is expected to be fewer.

Furthermore, the wording will be broadened to provide the Directors with discretion and flexibility to decide not to make an adjustment to the Net Asset Value of a Fund where it would not be appropriate to do so. This discretion may include, but is not limited to, Funds that invest primarily in government bonds or money market instruments.

These changes are intended to provide greater investor protection, and aim to reduce the effect of dilution on existing investors within the relevant Fund. It would be in the interests of the shareholders of the relevant Funds to implement these changes.

Clarification relating to fiscal charges

The wording relating to fiscal charges will be clarified to explain that such charges are extraordinary and are distinct from typical duties and levies that are already considered as part of anticipated dealing costs.

Extraordinary fiscal charges are charges imposed by government authorities that are neither standard taxes (such as the European Union Financial Transaction Tax or sales tax) nor duties (such as stamp duties). These fiscal charges are generally temporary in nature and can be indirect. Given that the fiscal charges are imposed by individual countries, which in most cases form only part of a Fund's portfolio, the fiscal charges are not expected to exceed 2.5%.

There will be no change to the current mechanism of charging the fiscal charges and the fiscal charges imposed will be in addition to any adjustments that is applied to reduce the effect of dilution as set out in this section.

15. Consolidation of Rules Applicable to the Investment Policies of the Company's Funds

The rules applicable to some or all of the Company's Funds in relation to investments into China via the RQFII Quota, the Stock Connects and/or CIBM, as well as to investments into non-investment grade sovereign debt, have been incorporated into the investment policies of the relevant Funds.

These editorial amendments have been made for greater clarity and transparency. Save for the changes set out in this letter, there is no change to the applicable investment limits and these editorial amendments do not change the way in which the relevant Funds are managed. These editorial amendments will take effect on 11 February 2019, unless otherwise indicated in the updated Prospectus.

16. Securities Lending

The maximum and expected proportion of the Net Asset Value of certain Funds that can be subject to securities lending as disclosed in the Prospectus will be updated. Please refer to Appendix 8 to this letter for the relevant Funds and the updated figures.

The expected proportion of these Funds' Net Asset Value that may be subject to securities lending are not considered to be significant. Therefore, the updates would not result in a material change to the investment strategy of these Funds, or any change to their overall risk profiles.

The expected proportion is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions.

17. Clarification to the Investment Policy of the Dynamic High Income Fund ("DHI")

The investment policy of DHI in the Information for Residents of Hong Kong ("**IRHK**") and its Product Key Facts Statement ("**KFS**") has been clarified as set out in Appendix 9 to this letter to better reflect the investment strategy of the Fund. The clarification has no impact on DHI or the way that it is currently managed.

18. Corrections of Translation/Typeset Errors in IRHK and KFS

Upon review, certain translation and typesetting errors were noted in the KFS of DHI dated April 2018 and in the current Chinese versions, dated November 2018, of the IRHK and KFS of China A-Share Opportunities Fund, US Dollar Bond Fund, World Bond Fund and World Technology Fund. These clerical errors are set out in Appendix 10. The errors in respect of DHI have been rectified in the current KFS of DHI dated November 2018, while the remaining errors will, together with some minor editorial issues, be rectified when the IRHK and KFS are updated to reflect the changes described in this letter.

The translation and typesetting errors do not have any impact on how the Funds are being managed or the Net Asset Value of the Funds. Further, given the context and nature of these errors and that the disclosures in other parts of the Hong Kong offering documents of the relevant contents have been accurate, there are no material adverse impact on the investors and accordingly no compensation would be required. Please be assured that we have implemented certain enhancement to our translation review process to avoid similar incident from happening again. We sincerely apologise for these errors.

19. Change to the Investment Management Arrangement

We would like to advise you of a change to the investment management arrangement of the Funds authorised by the SFC* in Hong Kong (the "**HK Funds**") and its related shareholders notification arrangement, which will take effect on the Effective Date.

Background and existing practice

As disclosed in the section of the Prospectus headed "**Administrative Organisation – The Investment Advisers and Sub-Advisers**", the Management Company is entitled to delegate its investment management functions to any of its subsidiaries or associates and any other person. The section of the Prospectus headed "**Investment Management of the Funds – Investment Advisers and Sub-Advisers**" further discloses that the Management Company has delegated its investment management functions to the Investment Advisers and Sub-Advisers.

As at the date of this letter, the current list of Investment Advisers and Sub-Advisers who are eligible to exercise investment discretion on the HK Funds (the "**List of IA**"), as disclosed in the IRHK and the Prospectus, consists of the following BlackRock Group entities:

Current List of IA:	
BFM	BlackRock Financial Management, Inc.
BIMLLC	BlackRock Investment Management, LLC
BIMUK	BlackRock Investment Management (UK) Limited
BLKAus	BlackRock Investment Management (Australia) Limited
BAMNAL	BlackRock Asset Management North Asia Limited
BLKJ	BlackRock Japan Co. Limited
BLKS	BlackRock (Singapore) Limited

Currently, the IRHK and the KFS contain disclosure on the investment management arrangement for each HK Fund, i.e. the specific Investment Adviser(s) and Sub-Adviser(s) appointed for a particular HK Fund. Under the existing process, the approval of the SFC is sought and one month's prior notice to relevant Hong Kong shareholders is provided each time when there is a change to the investment management arrangement of an HK Fund, following which the disclosure in the IRHK and KFS would be updated to reflect such change.

From the Effective Date onwards

Following an internal review of the existing process as described above, it is considered to be beneficial to the HK Funds if the investment management responsibilities in respect of an HK Fund may be undertaken by different BlackRock Group entities from time to time, so as to utilise expertise globally across the BlackRock Group and to facilitate internal reorganisation of investment personnel in an efficient manner.

As such we hereby notify Hong Kong shareholders that, from the Effective Date onwards, the Company and the HK Funds will adopt a new investment management arrangement under which the Management Company can delegate its investment management functions of the HK Funds to one or more of the approved Investment Advisers and Sub-Advisers within the List of IA (the "**New Arrangement**"). Under the New Arrangement, the Investment Adviser(s) and Sub-Adviser(s) managing an HK Fund may be changed from time to time, without prior notice to the relevant Hong Kong shareholders, provided that such Investment Adviser(s) and Sub-Adviser(s) are from the current List of IA.

Upon the New Arrangement taking effect, the Management Company shall continue to have ongoing supervision and regular monitoring of the competence of its delegates to ensure that its accountability to investors is not diminished. Although the investment management function of the Management Company may be delegated to the Investment Advisers and Sub-Advisers, its responsibilities and obligations may not be delegated.

From the Effective Date onwards, the relevant Investment Adviser(s) and Sub-Adviser(s) responsible for a particular HK Fund will no longer be disclosed in the IRHK and KFS. However, the List of IA will continue to be disclosed in the IRHK. Details of the relevant Investment Adviser(s) and Sub-Adviser(s) responsible for a particular HK Fund will be listed in the interim report and annual report of the Company and will be available from the Hong Kong Representative upon request.

The current List of IA will remain unchanged following the Effective Date. Prior approval will be sought from the SFC and at least one month notification will be given to Hong Kong shareholders should there be any addition of Investment Adviser or Sub-Adviser to the List of IA. For removal of Investment Adviser or Sub-Adviser from the List of IA, prior approval from the SFC will be sought and notice will be given to Hong Kong shareholders as soon as reasonably practicable.

* The SFC's authorisation is not a recommendation or endorsement of the Company or the HK Funds nor does it guarantee the commercial merits of the Company or the HK Funds or their performance. It does not mean the Company or the HK Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

The above change will not result in any change in the fees and expenses borne by the HK Funds and/or their shareholders. The investment objective and policy, risk profile and operations of each of the HK Funds remain unchanged. The change will not materially prejudice the rights or interests of the shareholders of the HK Funds.

Action to be taken by you

Shareholders are not required to take any action in relation to the changes described in this letter. If, however, you do not agree with the changes described in this letter you may redeem your Shares free of any redemption charges at any time prior to the Effective Date, in accordance with the provisions of the Prospectus. If you have any questions regarding the redemption process please contact your local representative or the Hong Kong Representative (see details below).

Redemption proceeds will be paid to shareholders within three Business Days of the relevant Dealing Day, provided that the relevant documents (as described in the Prospectus) have been received.

General Information

The fee and expenses associated with these changes will be paid by the Management Company out of the Administration Fee charged to the Funds. Save as set out in this letter, there is no change in the level of fees payable by the Funds or the shareholders.

The IRHK and KFS of DHI have been updated to reflect the clarification in section 17 of this letter above. Updated versions of the Prospectus, IRHK and KFS of the relevant Funds reflecting the other changes will be available in due course free of charge upon request from your local representative on +852 3903-2688 or at the office of the Hong Kong Representative at the address stated below. Copies of the Company’s Articles of Incorporation, annual and semi-annual reports are also available free of charge upon request from your local representative or the Hong Kong Representative.

The Directors accept responsibility for the contents of this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the impact of such information. The current Hong Kong offering documents are available, free of charge, at the office of the Hong Kong Representative.

If you would like any further information or have any questions regarding this letter, please contact the Company's Hong Kong Representative, BlackRock Asset Management North Asia Limited, at 16/F Champion Tower, 3 Garden Road, Central, Hong Kong or by telephone on +852 3903-2688.

Yours faithfully

BlackRock Asset Management North Asia Limited
Hong Kong Representative

Appendix 1 – Flexible Multi-Asset Fund changes

The amendments made pursuant to the consolidation of rules applicable to the investment policies of the Fund as described in section 15 of this letter are *italicised* below for ease of reference.

Investment Objectives and Policies	
Flexible Multi-Asset Fund (Prior to the Effective Date)	**ESG Multi-Asset Fund** (From the Effective Date)
The ***Flexible Multi-Asset Fund*** follows an asset allocation policy that seeks to maximise total return. The Fund invests globally in the full spectrum of permitted investments including equities, fixed income transferable securities (which may include some high yield fixed income transferable securities), units of undertakings for collective investment, cash, deposits and money market instruments. The Fund has a flexible approach to asset allocation (which includes taking indirect exposure to commodities through permitted investments, principally through derivatives on commodity indices and exchange traded funds). The Fund may invest without limitation in securities denominated in currencies other than the reference currency (euro). The currency exposure of the Fund is flexibly managed. *The Fund is a Stock Connect Fund and may invest directly up to 10% of its total assets in the PRC by investing via the Stock Connects.* *The Fund is a CIBM Fund and may gain direct exposure for no more than 10% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.* As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. For the purpose of Hong Kong-specific disclosure requirements, the Fund may use derivatives for hedging and extensively for investment purposes. Derivatives such as government bond futures and interest rate swaps may be used for hedging and mitigating interest rate risk. Foreign exchange forwards and futures may be used to minimize currency exposure. In addition to using derivatives for hedging and risk mitigation, the Fund may use derivatives such as futures, foreign exchange derivatives, swaps and options extensively for investment purposes but it is not limited to a particular strategy regarding the derivatives usage. This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations". Risk management measure used: Relative VaR using 50% MSCI World Index / 50% Citigroup World Government Bond Euro Hedged Index as the appropriate benchmark. Expected level of leverage of the Fund: **200**% of Net Asset Value.	The ***ESG Multi-Asset Fund*** follows an asset allocation policy that seeks to maximise total **return in a manner consistent with the principles of environmental, social and governance "ESG"-focussed investing**. The Fund invests globally in the full spectrum of permitted investments including equities, fixed income transferable securities (which may include some high yield fixed income transferable securities), units of undertakings for collective investment, cash, deposits and money market instruments. **The Investment Adviser will, in addition to the investment criteria set out above, take into account ESG characteristics when selecting the securities to be held directly by the Fund (rather than any securities held through undertakings for collective investment). The Investment Adviser intends to exclude direct investment in securities of issuers including: issuers which have exposure to, or ties with controversial weapons (nuclear, cluster munitions, biological-chemical, landmines, blinding laser, depleted uranium, or incendiary weapons); issuers deriving over 30% of revenue from thermal coal extraction and generation; tobacco producers and issuers deriving over 15% of revenue from tobacco retailing, distribution and licensing; issuers which produce firearms intended for retail to civilians or deriving over 5% of revenue from the retail of firearms to civilians and issuers of securities that are deemed to have breached one or more of the ten United Nations Global Compact Principles ("UNGC"), which cover human rights, labour standards, the environment and anti-corruption. The UNGC is a United Nations initiative to implement universal sustainability principles.** **The Investment Adviser also intends to limit direct investment in securities of issuers involved in the production, distribution or licensing of alcoholic products; the ownership or operation of gambling-related activities or facilities; production, supply and mining activities related to nuclear power and production of adult entertainment materials.** **To undertake this analysis and exclusion, the Investment Adviser intends to use data provided by external ESG research providers, proprietary models and local intelligence. The Investment Adviser will exclude any issuer with a MSCI ESG rating below BBB.** The Fund has a flexible approach to asset allocation (which includes taking indirect exposure to commodities through permitted investments, principally through derivatives on commodity indices and exchange traded funds). The Fund may invest without limitation in securities denominated in currencies other than the reference currency (Euro). The currency exposure of the Fund is flexibly managed. *The Fund is a Stock Connect Fund and may invest directly up to 10% of its total assets in the PRC by investing via the Stock Connects.* *The Fund is a CIBM Fund and may gain direct exposure for no more than 10% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.* As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

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<tr><td></td><td>
The Fund’s exposure to contingent convertible bonds is limited to 20% of total assets.

For the purpose of Hong Kong-specific disclosure requirements, the Fund may use derivatives for hedging and extensively for investment purposes. Derivatives such as government bond futures and interest rate swaps may be used for hedging and mitigating interest rate risk. Foreign exchange forwards and futures may be used to minimize currency exposure. In addition to using derivatives for hedging and risk mitigation, the Fund may use derivatives such as futures, foreign exchange derivatives, swaps and options extensively for investment purposes but it is not limited to a particular strategy regarding the derivatives usage.

This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section “Specific Risk Considerations”.

Risk management measure used: Relative VaR using 50% MSCI World Index / 50% Citigroup World Government Bond Euro Hedged Index as the appropriate benchmark.

Expected level of leverage of the Fund: <u>300</u>% of Net Asset Value.
</td></tr>
<tr><th colspan="2">Changes to Management Fee for FMA, as repositioned to the ESG Multi-Asset Fund</th></tr>
<tr><td>Current Management Fee applicable to FMA

Class A 1.50%
Class C 1.50%
Class D 0.75%</td><td>Management Fee from the Effective Date

Class A 1.20%
Class C 1.20%
Class D 0.65%</td></tr>
</table>

Appendix 2 – New Energy Fund changes

The amendments made pursuant to the consolidation of rules applicable to the investment policies of the Fund as described in section 15 of this letter are *italicised* below for ease of reference.

Investment Objectives and Policies	
New Energy Fund (Prior to the Effective Date)	**Sustainable Energy Fund** (From the Effective Date)
The ***New Energy Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of **new energy** companies. **New energy** companies are those which are engaged in alternative energy and energy technologies including: renewable energy technology; renewable energy developers; alternative fuels; energy efficiency; enabling energy and infrastructure. The Fund will not invest in companies that are classified in the following sectors (as defined by Global Industry Classification Standard): coal and consumables; oil and gas exploration and production; and integrated oil and gas. *The Fund is a Stock Connect Fund and may invest directly up to 10% of its total assets in the PRC by investing via the Stock Connects.* The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.	The ***Sustainable Energy Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of **sustainable energy** companies. **Sustainable energy** companies are those which are engaged in alternative energy and energy technologies including: renewable energy technology; renewable energy developers; alternative fuels; energy efficiency; enabling energy and infrastructure. The Fund will not invest in companies that are classified in the following sectors (as defined by Global Industry Classification Standard): coal and consumables; oil and gas exploration and production; and integrated oil and gas. *The Fund is a Stock Connect Fund and may invest directly up to 10% of its total assets in the PRC by investing via the Stock Connects.* **The Fund's exposure to contingent convertible bonds is limited to 5% of total assets.** The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

Appendix 3 – World Agriculture Fund changes

The amendments made pursuant to the consolidation of rules applicable to the investment policies of the Fund as described in section 15 of this letter are *italicised* below for ease of reference.

Investment Objectives and Policies	
World Agriculture Fund (Prior to the Effective Date)	**Nutrition Fund** (From the Effective Date)
The ***World Agriculture Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of **agricultural companies**. **Agricultural companies are those which are engaged in agriculture, agricultural chemicals, equipment and infrastructure, agricultural commodities and food, bio-fuels, crop sciences, farm land and forestry.** *The Fund is a Stock Connect Fund and may invest directly up to 10% of its total assets in the PRC by investing via the Stock Connects.* The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Risk management measure used: Commitment Approach.	The ***Nutrition Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of companies **engaged in any activity forming part of the food and agriculture value chain, including packaging, processing, distribution, technology, food- and agriculture-related services, seeds, agricultural or food-grade chemicals and food producers.** *The Fund is a Stock Connect Fund and may invest directly up to 10% of its total assets in the PRC by investing via the Stock Connects.* **The Fund's exposure to contingent convertible bonds is limited to 5% of total assets.** The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Risk management measure used: Commitment Approach.
Changes to Management Fee for WAF, as repositioned to the Nutrition Fund	
Current Management Fee applicable to WAF Class A 1.75% Class C 1.75% Class D 1.00%	Management Fee from the Effective Date Class A 1.50% Class C 1.50% Class D 0.68%

Appendix 4A – Changes to the investment policies of the Funds

The investment policies of the following Funds will be changed from the Effective Date to reflect that these Funds may invest in contingent convertible bonds, distressed securities and ABS/MBS and the relevant maximum exposures (% of total assets of the relevant Fund) are set out below:

Contingent convertible bonds

Applicable Fund	Maximum exposures (% of total assets)
Continental European Flexible Fund	5%
Emerging Markets Bond Fund	10%
Emerging Markets Corporate Bond Fund	20%
Emerging Markets Local Currency Bond Fund	5%
Euro-Markets Fund	5%
European Equity Income Fund	5%
European Fund	5%
European Special Situations Fund	5%
European Value Fund	5%
Natural Resources Growth & Income Fund	5%
New Energy Fund (to be renamed as the Sustainable Energy Fund)	5%
Swiss Small & MidCap Opportunities Fund	5%
United Kingdom Fund	5%
US Dollar Bond Fund	10%
US Dollar Short Duration Bond Fund	5%
World Agriculture Fund (to be renamed as the Nutrition Fund)	5%
World Energy Fund	5%
World Gold Fund	5%
World Mining Fund	5%

Distressed securities

Applicable Fund	Maximum exposures (% of total assets)
Asian Tiger Bond Fund	10%
Emerging Markets Local Currency Bond Fund	10%
Fixed Income Global Opportunities Fund	10%
Global Allocation Fund	10%
Global Corporate Bond Fund	10%
Global Dynamic Equity Fund	5%
Global Government Bond Fund	10%
Global Multi-Asset Income Fund	10%
US Dollar Bond Fund	10%
World Bond Fund	10%

ABS/MBS

Please also refer to the disclosures set out in section 8 of this letter. The new disclosure in the Prospectus for the US Dollar Reserve Fund will also state the following:

"*The ABS and MBS will generally be issued in the U.S., the securitised assets will be rated investment grade by at least one of the leading credit rating agencies and agency ABS and MBS will carry the same credit rating as the US Government.*"

Applicable Fund	Maximum exposures (% of total assets)
Euro Reserve Fund	15%
US Dollar Reserve Fund	15%

Appendix 4B – Changes to the investment policies of the Funds

The investment policies of the following Funds will be revised from the Effective Date to reflect that the Funds' use of contingent convertible bonds and ABS/MBS will be revised from their current threshold levels and the relevant maximum exposures (% of total assets of the relevant Fund) are set out below:

Contingent convertible bonds

Applicable Fund	Current maximum exposure (% of total assets)	New maximum exposure (% of total assets)
Asian Multi-Asset Growth Fund	20%	10%

ABS/MBS

For the purposes of this Appendix 4B, the relevant full text of the ABS/MBS disclosure in the Prospectus is as follows:

"*As part of its investment objective the Fund may invest up to [X]% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.*"

Applicable Fund	Current maximum exposures (% of total assets)	New maximum exposures (% of total assets)
Asian Multi-Asset Growth Fund	20%	10%
Emerging Markets Bond Fund	20%	0% (i.e. investment in ABS/MBS will no longer be permitted)
Emerging Markets Corporate Bond Fund	20%	0% (i.e. investment in ABS/MBS will no longer be permitted)

Appendix 5 – Changes to the name of risk allocation benchmark for Global Allocation Fund

Investment Objectives and Policies	
Current language (Prior to 11 February 2019)	**Revised language** (From 11 February 2019)
Risk management measure used: Relative VaR using 36% S&P 500 Index, 24% FTSE World Index (Ex-US), **24% 5Yr US Treasury Note, 16% Citigroup Non-USD World Govt Bond Index** as the appropriate benchmark.	Risk management measure used: Relative VaR using 36% S&P 500 Index, 24% FTSE World Index (Ex-US), **24% ICE BofAML Current 5Yr US Treasury Index, 16% FTSE Non-USD World Govt Bond Index** as the appropriate benchmark.

Appendix 6 – Changes to expected leverage levels

Fund	Current expected level of leverage	New expected level of leverage	Rationale for change
Global Corporate Bond Fund	140%	200%	The typical leverage for this Fund has been consistently higher than the currently quoted value. We expect this to continue to be the case due to higher volatility.
Global Government Bond Fund	180%	300%	The typical leverage for this Fund has been consistently higher than the currently quoted value. We expect this to continue to be the case due to higher volatility.
Flexible Multi-Asset Fund (changing to ESG Multi-Asset Fund, as described above)	200%	300%	The Investment Adviser would like to use a greater range of diversifying strategies as permitted by the Fund's existing investment policy, and which will continue to be permitted once ESG screens are added. The current lower expected leverage level means that the Fund may be overly constrained in certain areas such as fixed income and volatility strategies. By increasing the expected leverage, the Investment Adviser aims to increase the range of strategic opportunities for the Fund, increase the opportunity to maximise the return on your investment and reduce risk.
World Bond Fund	150%	250%	The typical leverage for this Fund has been consistently higher than the currently quoted value. We expect this to continue to be the case due to higher volatility.

Appendix 7 – Anti-dilution language changes

Current language (Prior to the Effective Date)	**Revised language** (From the Effective Date)
The Directors may adjust the Net Asset Value per Share for a Fund in order to reduce the effect of "dilution" on that Fund. Dilution occurs when the actual cost of purchasing or selling the underlying assets of a Fund, deviates from the carrying value of these assets in the Fund's valuation **due to dealing charges, taxes and any spread between the buying and selling prices of the underlying assets**. Dilution may have an adverse effect on the value of a Fund and therefore impact Shareholders. By adjusting the Net Asset Value per Share this effect can be reduced or prevented and Shareholders can be protected from the impact of dilution. The Directors may adjust the Net Asset Value of a Fund if on any Dealing Day the aggregate transactions in Shares of all Classes of that Fund result in a net increase or decrease of Shares which exceeds **a threshold** set by the Directors from time to time for that Fund (relating to the cost of market dealing for that Fund). In such circumstances the Net Asset Value of the relevant Fund may be adjusted by an amount (not exceeding 1.50%, or 3% in the case of fixed income Funds, of that Net Asset Value) which reflects the dealing costs that may be incurred by the Fund and the estimated bid/offer spread of the assets in which the Fund invests. In addition, the Directors may agree to include **anticipated** fiscal charges in the amount of the adjustment. These fiscal charges vary from market to market and are currently expected not to exceed 2.5% of that Net Asset Value. The adjustment will be an addition when the net movement results in an increase of all Shares of the Fund and a deduction when it results in a decrease. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, the resulting adjustment may be different for net inflows than for net outflows. **Where a Fund invests substantially in government bonds or money market securities**, the Directors may decide that it is not appropriate to make such an adjustment. Shareholders should note that due to adjustments being made to the Net Asset Value per Share, the volatility of a Fund's Net Asset Value per Share may not fully reflect the true performance of the Fund's underlying assets.	The Directors may adjust the Net Asset Value per Share for a Fund in order to reduce the effect of "dilution" on that Fund. Dilution occurs when the actual cost of purchasing or selling the underlying assets of a Fund deviates from the carrying value of these assets in the Fund's valuation**, due to factors such as dealing and brokerage charges, taxes and duties, market movement and any spread between the buying and selling prices of the underlying assets**. Dilution may have an adverse effect on the value of a Fund and therefore impact shareholders. By adjusting the Net Asset Value per Share this effect can be reduced or prevented and shareholders can be protected from the impact of dilution. The Directors may adjust the Net Asset Value of a Fund if on any Dealing Day **the value of the** aggregate transactions in Shares of all **Share** Classes of that Fund results in a net increase or decrease which exceeds **one or more thresholds** that are set by the Directors **for that Fund. The amount by which the Net Asset Value of a Fund may be adjusted on any given Dealing Day is related to the anticipated** cost of market dealing for that Fund. In such circumstances the Net Asset Value of the relevant Fund may be adjusted by an amount not exceeding 1.50%, or 3% in the case of fixed income Funds, of that Net Asset Value. The adjustment will be an addition when the net movement results in an increase **in the value** of all Shares of the Fund and a deduction when it results in a decrease. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, **particularly in relation to duties and taxes**, the resulting adjustment may be different for net inflows than for net outflows. In addition, the Directors may also agree to include **extraordinary** fiscal charges in the amount of the adjustment. These **extraordinary** fiscal charges vary from market to market and are currently expected not to exceed 2.5% of that Net Asset Value. **Where a Fund invests primarily in certain asset types, such as government bonds or money market securities**, the Directors may decide that it is not appropriate to make such an adjustment. Shareholders should note that due to adjustments being made to the Net Asset Value per Share, the volatility of a Fund's Net Asset Value per Share may not fully reflect the true performance of the Fund's underlying assets.

Appendix 8 – Securities lending

No.	Fund	Securities lending* Maximum/Expected proportion of the NAV (%)	
		Current proportion (Prior to the Effective Date)	Revised proportion (From the Effective Date)
1.	ASEAN Leaders Fund	100/0-40	**75/0-10**
2.	Asia Pacific Equity Income Fund	100/0-40	**49/0-10**
3.	Asian Dragon Fund	100/0-40	**49/0-11**
4.	Asian Growth Leaders Fund	100/0-40	**75/0-7**
5.	Asian High Yield Bond Fund	100/0-40	100/0-40
6.	Asian Multi-Asset Growth Fund	100/0-40	100/0-40
7.	Asian Tiger Bond Fund	100/0-40	100/0-40
8.	China A-Share Opportunities Fund	100/0-40	**49/0-10**
9.	China Flexible Equity Fund	100/0-40	**49/0-12**
10.	China Fund	100/0-40	**49/0-12**
11.	Continental European Flexible Fund	100/0-40	**49/0-11**
12.	Dynamic High Income Fund	100/0-40	100/0-40
13.	Emerging Europe Fund	100/0-40	100/0-40
14.	Emerging Markets Bond Fund	100/0-40	100/0-40
15.	Emerging Markets Corporate Bond Fund	100/0-40	100/0-40
16.	Emerging Markets Equity Income Fund	100/0-40	**49/0-10**
17.	Emerging Markets Fund	100/0-40	**75/0-15**
18.	Emerging Markets Local Currency Bond Fund	100/0-40	100/0-40
19.	Euro Bond Fund	100/0-40	100/0-40
20.	Euro Corporate Bond Fund	100/0-40	100/0-40
21.	Euro Reserve Fund	100/0-40	100/0-40
22.	Euro Short Duration Bond Fund	100/0-40	100/0-40
23.	Euro-Markets Fund	100/0-40	**49/0-15**
24.	European Equity Income Fund	100/0-40	**49/0-16**
25.	European Fund	100/0-40	**49/0-11**
26.	European High Yield Bond Fund	100/0-40	100/0-40
27.	European Special Situations Fund	100/0-40	**49/0-15**
28.	European Value Fund	100/0-40	**49/0-12**
29.	Fixed Income Global Opportunities Fund	100/0-40	100/0-40
30.	Flexible Multi-Asset Fund (Fund name will change to “ESG Multi-Asset Fund” from the Effective Date and changes will be made as set out in section 1 of this letter)	100/0-40	100/0-40
31.	Global Allocation Fund	100/0-40	100/0-40
32.	Global Corporate Bond Fund	100/0-40	100/0-40
33.	Global Dynamic Equity Fund	100/0-40	**49/0-15**
34.	Global Enhanced Equity Yield Fund	100/0-40	**49/0-16**
35.	Global Equity Income Fund	100/0-40	**49/0-14**
36.	Global Government Bond Fund	100/0-40	100/0-40
37.	Global High Yield Bond Fund	100/0-40	100/0-40
38.	Global Inflation Linked Bond Fund	100/0-40	100/0-40
39.	Global Multi-Asset Income Fund	100/0-40	100/0-40
40.	Global Opportunities Fund (Fund name will change to “Global Long-Horizon Equity Fund” from the Effective Date)	100/0-40	**49/0-17**
41.	Global SmallCap Fund	100/0-40	**49/0-29**
42.	India Fund	100/0-40	100/0-40
43.	Japan Flexible Equity Fund	100/0-40	**49/0-35**
44.	Japan Small & MidCap Opportunities Fund	100/0-40	**49/0-27**
45.	Latin American Fund	100/0-40	100/0-40
46.	Natural Resources Growth & Income Fund	100/0-40	**49/0-22**
47.	New Energy Fund (Fund name will change to “Sustainable Energy Fund” from the Effective Date and changes will be made as set out in section 3 of this letter)	100/0-40	**49/0-22**
48.	North American Equity Income Fund	100/0-40	**49/0-10**
49.	Pacific Equity Fund	100/0-40	**49/0-20**
50.	Swiss Small & MidCap Opportunities Fund	100/0-40	**49/0-20**
51.	United Kingdom Fund	100/0-40	**49/0-17**
52.	US Basic Value Fund	100/0-40	**49/0-14**
53.	US Dollar Bond Fund	100/0-40	100/0-40
54.	US Dollar High Yield Bond Fund	100/0-40	100/0-40
55.	US Dollar Reserve Fund	100/0-40	100/0-40
56.	US Dollar Short Duration Bond Fund	100/0-40	100/0-40
57.	US Flexible Equity Fund	100/0-40	**49/0-10**
58.	US Government Mortgage Fund	100/0-40	100/0-40
59.	US Growth Fund	100/0-40	**49/0-17**
60.	US Small & MidCap Opportunities Fund	100/0-40	**49/0-23**
61.	World Agriculture Fund (Fund name will change to “Nutrition Fund” from the Effective Date and changes will be made as set out in section 4 of this letter)	100/0-40	**49/0-24**

No.	Fund	Securities lending* Maximum/Expected proportion of the NAV (%)	
		Current proportion (Prior to the Effective Date)	Revised proportion (From the Effective Date)
62.	World Bond Fund	100/0-40	100/0-40
63.	World Energy Fund	100/0-40	**49/0-25**
64.	World Financials Fund	100/0-40	**49/0-20**
65.	World Gold Fund	100/0-40	**49/0-12**
66.	World Healthscience Fund	100/0-40	**49/0-16**
67.	World Mining Fund	100/0-40	**49/0-10**
68.	World Real Estate Securities Fund	100/0-40	100/0-40
69.	World Technology Fund	100/0-40	**49/0-19**

* The maximum proportion of the Net Asset Value of the Funds that can be subject to securities lending is no more than 100%. The demand to borrow securities is a significant driver for the amount that is actually lent from a Fund at a given time. Borrowing demand fluctuates over time and depends to a large extent on market factors that cannot be forecasted precisely. Due to fluctuations in borrowing demand in the market, future lending volumes could fall outside of this range.

Appendix 9 – Dynamic High Income Fund changes

Investment Objectives and Policies	
Previous language in the Information for Residents of Hong Kong	**Revised language in the Information for Residents of Hong Kong**
To follow a flexible asset allocation policy that seeks to provide a high level of income. In order to generate high levels of income the Dynamic High Income Fund will seek diversified income sources across a variety of asset classes, investing at least 70% of the Fund's assets in income producing assets such as fixed income securities**, covered call options and preference shares.** **The Fund may also invest up to 100% of its Net Asset Value in fixed income securities (which may be investment grade or non-investment grade). These may include the full range of fixed income securities which may be fixed and floating such as bonds, bills and notes of all maturities, money market instruments, certificates of deposit and commercial paper, issued by companies, governments, government agencies or multi-national/supra-national organisations, as well as contingent convertible bonds.** It is not anticipated that the Fund will invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade. **The Fund may invest up to 100% of its Net Asset Value in equities. In respect of the investment in equities, the Fund has no particular focus in terms of industry/sector, geographical region or market capitalization.** **The Fund adopts a flexible approach to asset allocation and provides a diversified multi-asset portfolio. The Fund takes into account macro-economic, country and sector views in determining its equity allocations and macro-economic, credit and interest rate views in determining its fixed income allocation.**	To follow a flexible asset allocation policy that seeks to provide a high level of income. In order to generate high levels of income the Dynamic High Income Fund will seek diversified income sources across a variety of asset classes, investing at least 70% of the Fund's assets in income producing assets such as fixed income securities **(which may from time to time comprise up to 100% of the Fund's Net Asset Value and include the full range of fixed income securities, which may be fixed and floating and may be investment grade, non-investment grade or unrated, such as bonds, bills and notes of all maturities, money market instruments, certificates of deposit and commercial paper, issued by companies, governments, government agencies or multi-national/supra-national organisations, as well as asset-backed securities, mortgage-backed securities and contingent convertible bonds), equities (which may from time to time comprise up to 100% of the Fund's Net Asset Value and include the full range of equity securities, such as preference shares and equity-related securities), units of collective investment schemes, covered call options and cash deposits.** **The Fund will use a variety of investment strategies and may invest globally in the full spectrum of permitted investments. The Fund adopts a flexible approach to asset allocation and provides a diversified multi-asset portfolio. The Fund takes into account macro-economic, country and sector views in determining its equity allocations and macro-economic, credit and interest rate views in determining its fixed income allocation. The Fund has no particular focus in terms of industry/sector, geographical region or market capitalisation in the selection of any of its investments.** It is not anticipated that the Fund will invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade **or unrated**.

Investment Objectives and Policies	
Previous language in the Product Key Facts Statement	**Revised language in the Product Key Facts Statement**
To follow a flexible asset allocation policy that seeks to provide a high level of income. In order to generate high levels of income the Fund will seek diversified income sources across a variety of asset classes, investing at least 70% of the Fund's assets in income producing assets such as fixed income securities**, covered call options.** **The Fund may invest globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income securities, units of undertakings for collective investment schemes, cash, deposits and money market instruments.** **The Fund may also invest up to 100% of its net asset value in fixed income securities (which may be investment grade or non-investment grade or unrated*). These may include the full range of fixed income securities which may be fixed and floating such as bonds, bills and notes of all maturities, money market instruments, certificates of deposit and commercial paper, issued by companies, governments, government agencies or multi-national/supra-national organisations, as well as contingent convertible bonds.** As part of its investment objective the Fund may invest up to 50% of its total assets in **asset-backed securities ("ABS") and mortgage-backed securities ("MBS")** whether investment grade* or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. It is not anticipated that the Fund will invest more than 10% of its net asset value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade or unrated*. **The Fund may invest up to 100% of its net asset value in equities. In respect of the investment in equities, the Fund has no particular focus in terms of industry/sector, geographical region or market capitalization.** **The Fund adopts a flexible approach to asset allocation and provides a diversified multi-asset portfolio. The Fund takes into account macro-economic, country and sector views in determining its equity allocations and macro-economic, credit and interest rate views in determining its fixed income allocation.** The Fund may use derivatives for hedging, efficient portfolio management and investment purposes. However, derivatives will not be extensively or primarily used for investment purposes. The Fund may employ currency management and hedging techniques which may include hedging the currency exposure on the Fund's portfolio and/or using more active currency management techniques such as currency overlays. Any active management techniques implemented by the Fund through the currency derivatives such as forward exchange contracts, currency futures and options may not be correlated with the primary underlying securities held by the Fund. The proportion of the Fund's net asset value that is expected to be subject to securities lending transactions from time to time ranges from 0% to 40% and will be consistent with the overall investment policy of the Fund. * Debt securities which are unrated or rated at the time of purchase BB+ or lower (Standard & Poor's rating) or equivalent rating by at least one recognised rating agency such as Moody's or Fitch.	To follow a flexible asset allocation policy that seeks to provide a high level of income. In order to generate high levels of income the Fund will seek diversified income sources across a variety of asset classes, investing at least 70% of the Fund's assets in income producing assets such as fixed income securities **(which may from time to time comprise up to 100% of the Fund's net asset value and include the full range of fixed income securities, which may be fixed and floating and may be investment grade, non-investment grade or unrated*, such as bonds, bills and notes of all maturities, money market instruments, certificates of deposit and commercial paper, issued by companies, governments, government agencies or multi-national/supra-national organisations, as well as asset-backed securities ("ABS"), mortgage-backed securities ("MBS") and contingent convertible bonds), equities (which may from time to time comprise up to 100% of the Fund's net asset value and include the full range of equity securities, such as preference shares and equity-related securities), units of collective investment schemes, covered call options and cash deposits.** **The Fund will use a variety of investment strategies and may invest globally in the full spectrum of permitted investments. The Fund adopts a flexible approach to asset allocation and provides a diversified multi-asset portfolio. The Fund takes into account macro-economic, country and sector views in determining its equity allocations and macro-economic, credit and interest rate views in determining its fixed income allocation. The Fund has no particular focus in terms of industry/sector, geographical region or market capitalisation in the selection of any of its investments.** As part of its investment objective the Fund may invest up to 50% of its total assets in **ABS and MBS** whether investment grade or not*. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. It is not anticipated that the Fund will invest more than 10% of its net asset value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade or unrated*. The Fund may use derivatives for hedging, efficient portfolio management and investment purposes. However, derivatives will not be extensively or primarily used for investment purposes. The Fund may employ currency management and hedging techniques which may include hedging the currency exposure on the Fund's portfolio and/or using more active currency management techniques such as currency overlays. Any active management techniques implemented by the Fund through the currency derivatives such as forward exchange contracts, currency futures and options may not be correlated with the primary underlying securities held by the Fund. The proportion of the Fund's net asset value that is expected to be subject to securities lending transactions from time to time ranges from 0% to 40% and will be consistent with the overall investment policy of the Fund. * Debt securities which are unrated or rated at the time of purchase BB+ or lower (Standard & Poor's rating) or equivalent rating by at least one recognised rating agency such as Moody's or Fitch.

Appendix 10 – Translation/Typeset errors in IRHK and KFS

We set out below the translation and typesetting errors noted in the KFS of DHI dated April 2018 and the current Chinese version of the IRHK dated November 2018 and Chinese versions of the KFS of certain Funds dated November 2018:

Affected Fund(s) & Affected Period	Affected Document & Section Reference	Translation/Typeset Error
Errors rectified in version dated November 2018		
Dynamic High Income Fund (April 2018 to November 2018)	English version of KFS – the section headed "Objectives and Investment Strategy"	There was an omission of the words "and preference shares" as an example of income producing assets in the first paragraph.
	Chinese version of KFS – the "Investment Adviser" row under the section headed "Quick Facts"	While the English KFS showed "BlackRock Financial Management, Inc." as the Investment Adviser, there was a typeset error in the Chinese KFS (which showed "BlackRock Investment Management (UK) Limited" instead).
	Chinese version of KFS – the "Depository" row under the section headed "Quick Facts"	A reference to an irrelevant entity ("BlackRock Investment Management, LLC") was stated in the row "Depositary" in addition to the correct depositary entity.
Errors to be rectified in upcoming version		
All Funds (June 2012 to present)	Chinese version of IRHK – the section headed "DIVIDENDS"	The last three paragraphs under the section should read as follows (with amendments marked-up): "過去十二個月最近期股息的組成（即從(i)可分派**淨**收入及(ii)資本派付的相對款額）可向香港代表辦事處索取及於 www.blackrock.com/hk 查閱。**投資者應注意，該網站並未經證監會認可或審閱。** 所有其他派息股份均在~~**未**~~扣除開支之下派付股息，意思是從**收入**~~**資本**~~扣除費用。 董事會可修改派息政策，但須經證監會事先批准，並發出至少一個月書面通知。"
China A-Share Opportunities Fund (April 2018 to present)	Chinese version of KFS – the risk factor headed "10. Risks relating to RMB Currency and its Conversion" under the section headed "What are the key risks?"	The third paragraph in the risk factor should read as follows (with amendments underlined): "在非常情況下，由於適用於人民幣的外匯管制及限制，以人民幣支付變現所得款項及／或支付股息（若有）**及從相關投資向本基金支付人民幣**均可能受到延誤。"
US Dollar Bond Fund and World Bond Fund (December 2017 to present)	Chinese version of KFS – the risk factor headed "2. Credit Risks" under the section headed "What are the key risks?"	The second paragraph in the risk factor should read as follows (with amendments underlined): "債務證券**或其發行人**評級的實際或預期下降或會減低其價值及流通性，可能對基金產生不利的影響，但基金可能繼續持有該債券以避免廉價出售。"
World Technology Fund (December 2017 to present)	Chinese version of KFS – the "Investment Advisers" and "Depository" rows under the section headed "Quick Facts"	The reference to one of the Investment Advisers (BlackRock Investment Management, LLC), has been misplaced in the "Depositary" row.