

**Key Investor Information**

# Manulife Strategic Fixed Income Fund

Class X GBP Accumulating IE00BY04562 A sub-fund of Manulife Investment Management II ICAV (“the ICAV”)

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## Objectives and Investment Policy

**Investment Objective:** The Fund seeks to generate income with an emphasis on preserving your investment over the long term. The Fund employs an actively managed investment strategy.

The Fund uses the Bloomberg Multiverse Index as a benchmark for performance comparison purposes and does not track the performance of the benchmark.

**Investment Policies:** The Fund invests primarily in fixed and floating interest rate Debt Securities of both investment and below investment grade credit rating (its minimum average credit quality will be BBB-/Baa3 but individual securities may be lower). The Fund’s investments may be from issuers located in developed and emerging markets and may be denominated in any currency. The Fund may also invest in units of other UCITS and exchange traded funds (up to 10% of Net Asset Value); Equities and ERS.

In seeking to achieve its objective, the Fund will use FDIs to take long positions (benefitting the Fund when the security rises in value) and short positions (using FDIs to benefit the Fund when the security falls in value). The Fund may also use FDI for hedging or efficient portfolio management and stock lending contracts for efficient portfolio management only. The use of FDIs may introduce leverage into the Fund.

The sub-investment manager seeks to analyse debt sectors (e.g. government, corporate, investment grade, below investment grade, etc.) to identify securities that are viewed as having potential for providing attractive returns. The Fund pursues an actively managed investment strategy and may deviate significantly from the benchmark from time to time. While this deviation may result in performance that is meaningfully different than that of the Bloomberg Multiverse Index, the Fund’s investment strategy will tend to invest in a universe of securities that are similar to that of the constituents of the benchmark.

**Definitions:**

**Debt Securities:** may include but are not limited to various types of bonds (e.g. fixed-income bonds, zero interest rate bonds and municipal bonds), notes

and debentures, asset and mortgage-backed securities and securities convertible at the option of the Fund in to common stock (or other equity) (“**Convertibles**”), including up to 10% of Net Asset Value in contingent convertible securities (“**CoCos**”). For US issuers, some securities are not registered for retail sale with the US authorities and can only be traded between qualified institutions or foreign institutions.

**Equities:** common stocks, preferred stocks (shares with no voting rights that usually pay fixed dividends) and real estate investment trusts.

**ERS:** equity related securities including Warrants and Rights and those that allow investors to have equity exposure to a company in another jurisdiction through a securities market outside of that jurisdiction.

**FDIs:** a contract between two or more parties whose value depends on the rise and fall of the underlying asset.

**Warrants and Rights:** right to purchase securities (usually shares) from the issuer at a specific price within a certain time frame.

**Distribution Policy:** For Accumulating Classes, any income less expenses realised will be accumulated and reinvested into the net assets of the Fund. For Distributing Classes, any income less expenses earned will be distributed in accordance with the distribution policy in the prospectus.

**Fund Currency:** The base currency of the Fund is USD.

**Share Class Currency:** The currency of this class is GBP. This is an unhedged share class.

**Dealing Frequency:** You may buy and sell shares on any day on which Euronext Dublin and New York Stock Exchange are open for regular business. This Fund is intended as a long-term investment, and therefore may not be appropriate for investors who plan to withdraw their money within the short to medium term.

## Risk and Reward Profile



This indicator is calculated in line with EU regulations based on historical data for the Fund and is not a reliable indication of the future risk profile. The risk category shown is not guaranteed and may change over time. This indicator is a measure of the share class price movement (volatility) over time. The lowest category does not mean a risk-free investment. The Fund is exposed to additional risks not captured by this indicator including, without limitation:

**CoCos Risk:** CoCos are generally issued in connection with regulatory capital requirements where the principal may be written down or converted into equity or the coupon suspended under some circumstances by the issuer or its regulator. As a result, holdings in CoCos may expose the Fund to equity related risks following a conversion to equity or loss of capital associated with principal write-down features. These types of securities may be less liquid than others.

**Convertibles Risk:** Convertibles include Counterparty Risk related to the debt portion of the Convertible and the equity securities risk related to the common stock into which it can be converted.

**Credit/Counterparty Risk:** a party with whom the Fund contracts for securities may fail to meet its obligations (e.g. fail to pay principal or interest or to settle FDI) or become bankrupt, which may expose the Fund to a financial loss.

**Currency Risk:** changes in exchange rates may reduce or increase the value of non-U.S. Dollar denominated assets held by the Fund. There can be no guarantee that currency hedging will be successful in mitigating such effects.

**Debt Securities Risk:** Debt Securities are affected by changes in interest rates, and credit quality. When interest rates rise, bond prices may fall because investors may be able to obtain a more attractive rate of interest elsewhere. The Fund will be more sensitive to interest rates depending on the average maturity or average duration of its bond investments. Below investment grade securities are more sensitive to economic, regulatory and social developments and are subject to heightened Liquidity Risk.

**Emerging Markets Risk:** emerging markets are more sensitive to economic and political conditions than developed markets. They present additional market, credit, currency, liquidity, legal, and other risks as compared with developed markets.

**FDI and Leverage Risk:** FDI may fluctuate in value rapidly and leverage through FDI may cause losses that are greater than the original amount paid for the relevant FDI.

**Liquidity Risk:** this Fund will invest a portion of its assets in comparatively illiquid assets/securities. During certain times, the Fund’s investments may become difficult to sell which may result in delays when you sell your shares.

**Operational Risk:** material losses to the Fund may arise as a result of human error, system and/or process failures, and/or inadequate procedures or controls.

**Share Class Currency Risk:** (Hedged Classes) there can be no guarantee that currency hedging will be successful in mitigating the effects of currency fluctuations on non-USD classes. (Unhedged Classes) performance of unhedged classes may be affected by changes in exchange rates between the class currency and the US Dollar.

For more information on these and other applicable risks see the sections "Investment Risks and Special Considerations" and "Investment Risks Applicable to each Fund" in the prospectus.

## Charges

The charges you pay are used to pay the cost of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

Entry charge	None
Exit charge	Up to 3.00%

*This is the maximum that might be taken out of your money before it is invested and before the proceeds of your investment are paid out.*

### Charges taken from the fund over a financial period

Ongoing charge	0.15%
----------------	-------

### Charges taken from the Fund under certain specific conditions

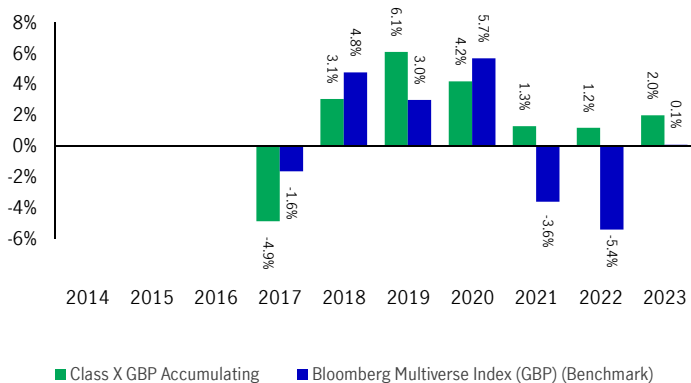
Performance fee	None
-----------------	------

The entry and exit charges shown are maximum figures and in some cases you may pay less. The actual amount to be charged can be found from your financial advisor or distributor.

The ongoing charges figure shown is based on a commitment by the Manager to limit the ongoing charges of the share class during the year. This commitment may be lifted at any time upon prior notice to shareholders. It excludes performance fees and portfolio transaction costs. This figure will likely vary from year to year. The exact charges will be included in the financial statements for each year.

For more information about fees and expenses please see the section entitled "Fees and Expenses" of the ICAV's prospectus available from Citibank Europe plc (the "Administrator").

## Past Performance



Please be aware that past performance is not a reliable indicator of future results. Performance is shown only where full calendar-year performance history is available.

Any past performance is shown after deduction of ongoing charges but without deduction for any shareholder entry or exit fees. Where shown, past performance has been calculated in the share class currency and is expressed as a percentage change of the share class net asset value at each year end.

The Fund launched on 8 September 2015. The share class launched on 12 April 2016.

The Fund does not track the performance of the benchmark.

## Practical Information

**Depository:** Citi Depository Services Ireland Designated Activity Company

**Manager:** Manulife Investment Management (Ireland) Limited

**Further Information:** The current share price and further information on the Fund (including the current prospectus and the most recent financial statements), as well as information on other share classes of the Fund and other sub-funds of the ICAV, are available at [ucits.manulifeim.com](http://ucits.manulifeim.com) or from the Administrator in English free of charge.

**Umbrella Fund:** The Fund is a sub-fund of the ICAV, an umbrella fund with segregated liability between sub-funds, established under the laws of Ireland. This means that the assets and liabilities of each sub-fund are segregated by law and cannot be used to pay the liabilities of other sub-funds of the ICAV.

**Tax Legislation:** The Fund is subject to Irish taxation legislation, which may have an impact on your personal tax position as an investor in the Fund. Investors should consult their own tax advisers before investing in the Fund.

**Liability Statement:** The Manager may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund's prospectus.

**Switching Shares:** Shares in the Fund or in a class of the Fund may be switched for shares of another sub-fund of the ICAV or another class in the Fund, subject to certain conditions and meeting the requirements for investment in such other classes or sub-funds. See the section entitled "Conversion of Shares" in the Fund's prospectus for further information.

**Remuneration Policy:** Details of the Manager's remuneration policy are available on the Manager's website listed above and a paper copy is available free of charge on request.