

# The Next Chapter of our Growth Story

Investor Day 2024: Asia

Phil Witherington  
President and CEO, Manulife Asia  
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# Delivering high-quality *sustainable growth*

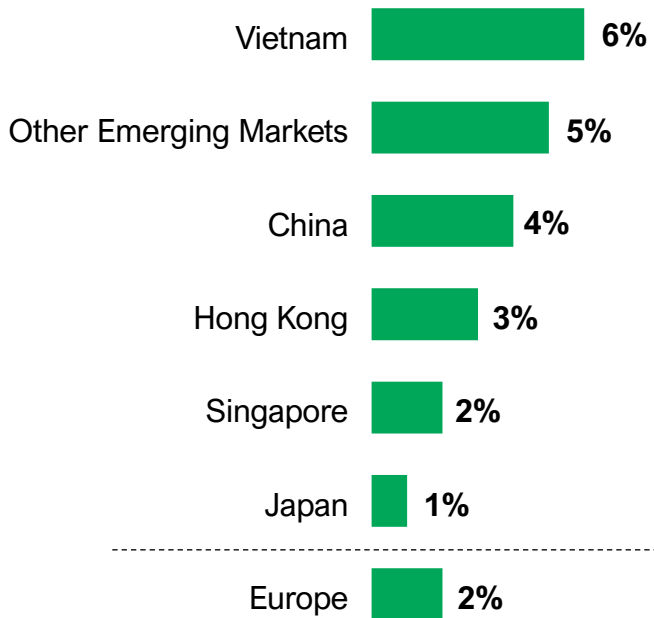
**Looking back:**  
*Top takeaways*

- Megatrends in Asia fuel the significant insurance opportunity in the region
- Excellent track record executing on our strategic priorities, outpacing our peers
- Unique platform with scale, a diverse distribution platform, customer-centric propositions, and global synergies

# Asia megatrends continue to give us confidence

## Fast growing economies

(2023-2029 GDP forecast, CAGR<sup>1</sup>)

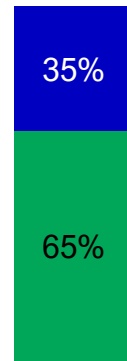


## Rising middle class and millionaire population

(millions, unless otherwise noted)

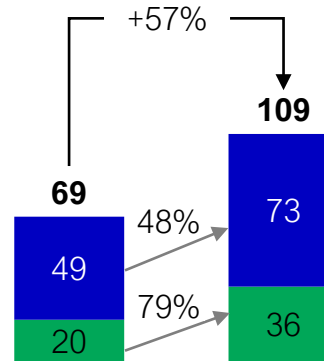
■ Asia Pacific  
■ Others

Middle class<sup>2</sup>



2030

Millionaires<sup>3</sup>



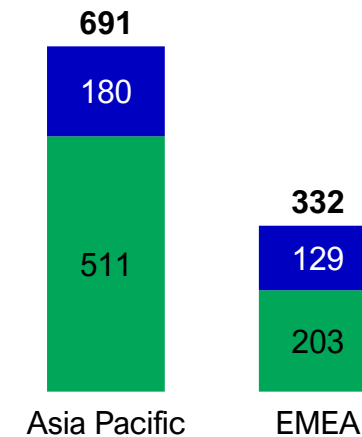
2022

2027

## Significant protection gaps in Asia Pacific

(US\$ billions, 2022<sup>4</sup>)

■ Health protection gap  
■ Mortality protection gap

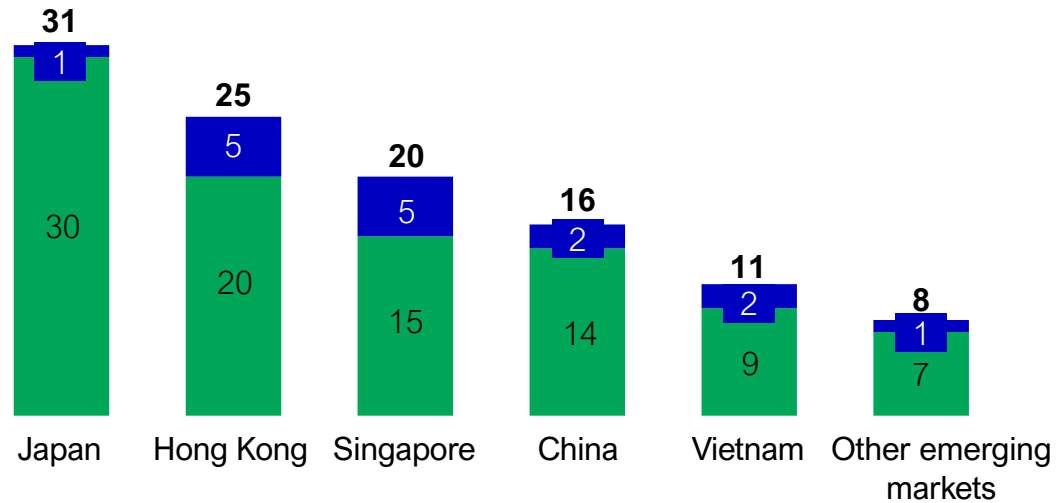


## *Uniquely positioned to address changing customer needs*

### Rapidly aging population

Changing Asia demographics  
(% of population aged at or above 65<sup>1</sup>)

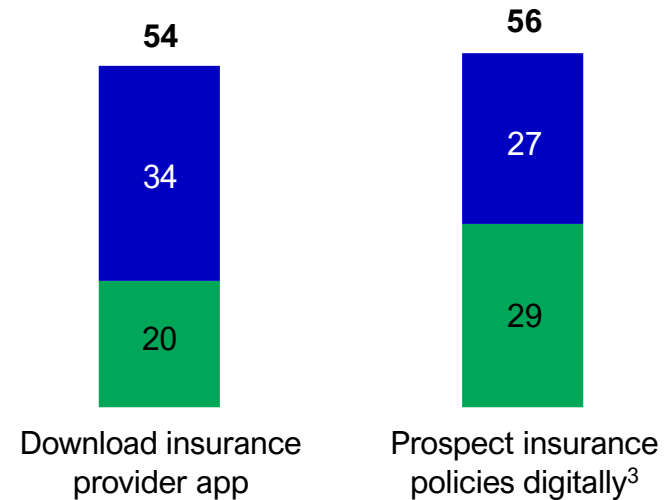
■ 2022 ■ 2022-2027 growth



### Changing consumer attitudes post-pandemic

Accelerated digitalization  
(% of respondents<sup>2</sup>)

■ 2022 ■ Expected future increase



**Top 3 Pan-Asian player**  
*with deep roots across the region<sup>1</sup>*

**Business operations**

■ Insurance and WAM businesses

■ Insurance business only

■ WAM business only



**Strong presence**

**12**  
insurance markets<sup>2</sup>

**>125**  
years in Asia

**Diverse distribution**

**10**  
exclusive banca partners

**US\$26k**  
NBV per active agent

**Customer-centric**

**13M**  
customers

**51**  
NPS

## *Market highlights:* **Hong Kong, Japan**

### **Hong Kong**

Capturing structural opportunities from domestic and Mainland Chinese Visitors (“MCV”) demand

#### **Business highlights:**

- **Increased MCV market share<sup>1</sup>**  
**6.3%** (+2.6pps vs. 2019)
- **Holistic product offering**  
in MPF<sup>2</sup>  
**Top 3** in ILAS<sup>3</sup> total new premium  
in VHIS inforce policies<sup>4</sup>

### **Japan**

Driving value as a wealth and retirement specialist

#### **Business highlights:**

- **Product mix shift away from COLI**  
**+25%** NBV, 2021-2023 CAGR
- **Improved NBV margin**  
**+17.5pps** NBV margin, 2017-2023

## Market highlights: IHNW<sup>1</sup>, mainland China, Singapore

### International High Net Worth (“IHNW”)<sup>1</sup>

Further addressing the HNW opportunity with the inclusion of IHNW in Asia on January 1, 2023

#### Business highlights:

- **Realized synergies** with the setup of Global High-Net-Worth (“GHNW”)<sup>1</sup>, through one integrated distribution team and globalized operations

<b>+33%</b>	<b>+29%</b>
GHNW APE	GHNW NBV
2022-2023 YoY	2022-2023 YoY

### Mainland China

Enhancing productivity and optimizing our branch presence

#### Business highlights:

- **Improved agency productivity**  
**+15%** #MDRT agents<sup>2</sup>, 2017-2023
- **Strong banca partnerships**  
**+67%** APE sales in banca channel, 2017-2023 CAGR



### Singapore

Growing through value propositions and established distribution capabilities

#### Business highlights:

- **Transformational growth**  
**+95%** NBV, 2017-2023    **+120%** CE, 2017-2023<sup>3</sup>
- **Exclusive banca partner**





*Market highlights:*  
**Vietnam, Other Emerging Markets**

**Vietnam**

Revitalizing long-term growth with a focus on quality

**Business highlights:**

- **Market leading life insurer<sup>1</sup>**

**13%** Market share, 2023

- **Well established distribution**

**Manulife Pro**

Agency productivity program<sup>2</sup>



Top-tier banca partners

**Other Emerging Markets**

Delivering long-term sustainable growth by offering differentiated propositions

**Business highlights:**

- **Indonesia**

**#1**

**US\$217M**

Asset manager<sup>3</sup> 2023

Cumulative NBV, 2017-2023

- **Philippines**

**#4**

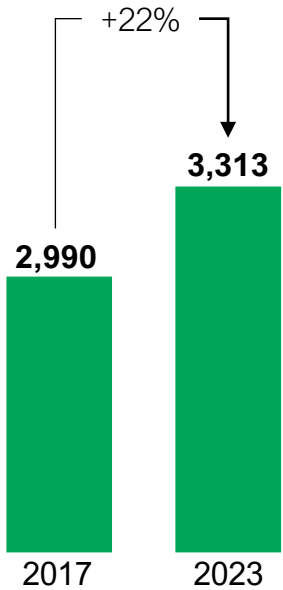
**US\$224M**

Life insurer<sup>4</sup> 2023

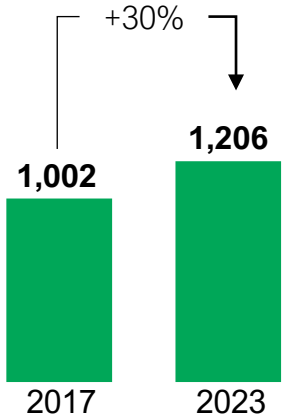
Cumulative NBV, 2017-2023

# Resilient during COVID *and robust post-pandemic performance*

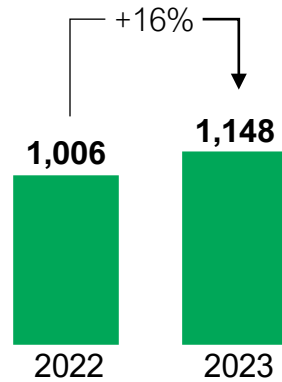
**APE sales<sup>1</sup>**  
(US\$ millions)



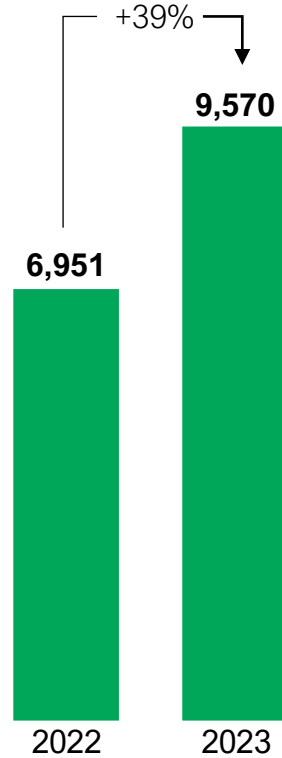
**New business value<sup>1</sup>**  
(US\$ millions)



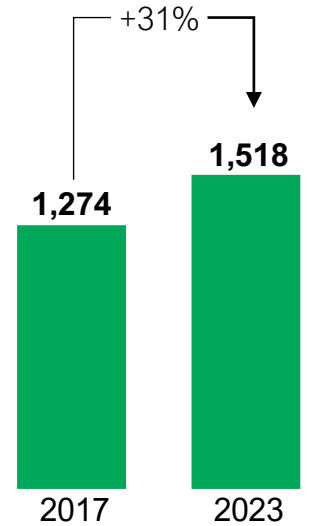
**New business CSM<sup>1</sup>**  
(US\$ millions)



**CSM<sup>1</sup>**  
(US\$ millions)



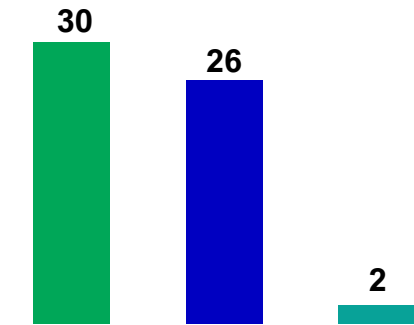
**Core earnings<sup>1,2</sup>**  
(US\$ millions)



# Outpacing our peers in new business and IFRS 17 metrics

## NBV growth<sup>1</sup>

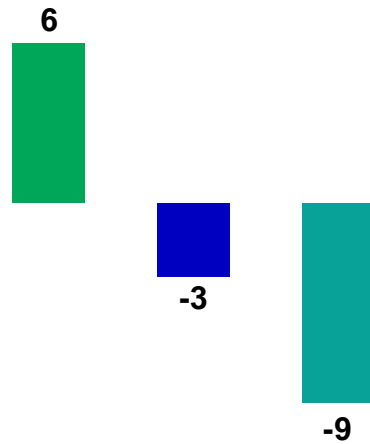
(%, 2017-2023)



Manulife Peer A Peer B

## NBV margin growth<sup>1</sup>

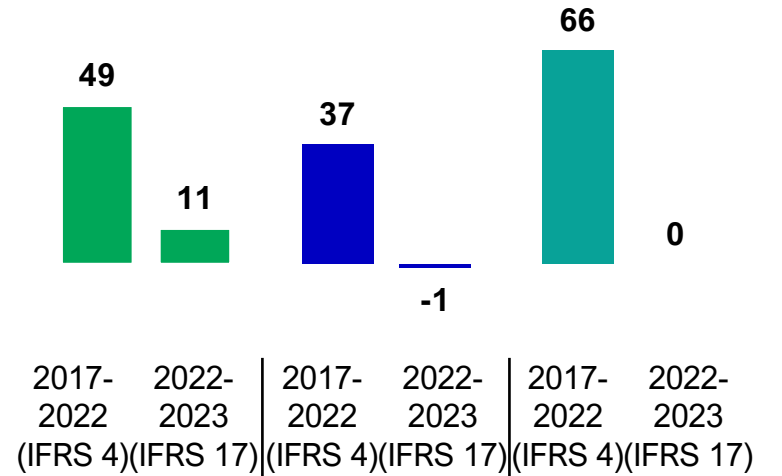
(pps, 2017-2023)



Manulife Peer A Peer B

## Core earnings growth<sup>1,2</sup>

(%)



Manulife Peer A Peer B

## **We have a clear *right to win***

### **Trusted brand and scale**

- Top 3 Pan-Asian life insurer with over 125 years of history
- Well diversified footprint with deep local roots across 12 markets in Asia
- Inforce regional scale and capital generation

### **Diversified distribution platform**

- High-quality agency platform with 4.7 thousand MDRT<sup>1</sup> in 2023
- Leading banca capability with 10 exclusive banca partners
- Complemented by a broad network of brokers and 3rd party channels

### **Unique synergies**

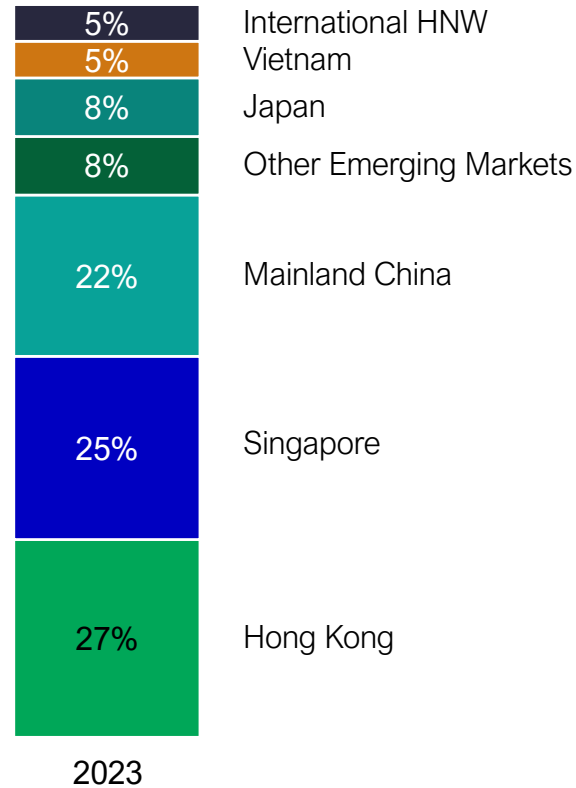
- Backed by a global franchise, headquartered in Canada
- Only insurer in Asia with a scaled wealth and asset management business for total customer solutions
- Leading HNW operations

### **Digital, customer leader**

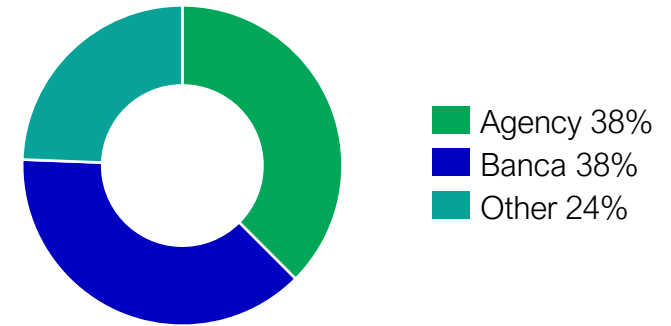
- Highly digitized customer journeys with omni-channel servicing
- Best-in-class digitally integrated banca
- Leading data, digital, and analytics capabilities

# A well-diversified business...

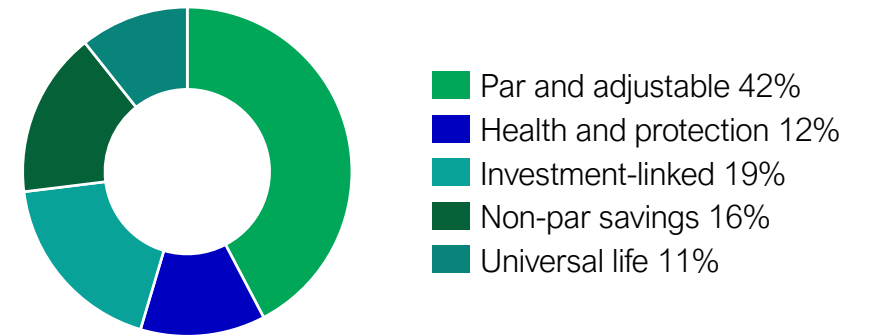
**Asia insurance geographic mix**  
(APE sales<sup>1,2</sup>)



**Distribution mix**  
(APE sales<sup>1,2</sup>)



**Product mix**  
(APE sales<sup>1,2</sup>)



...with a *high-quality* distribution platform

Agency	Banca
<p data-bbox="1116 304 1472 347">Contracted agents</p> <p data-bbox="1192 415 1396 518"><b>98k</b></p>	<p data-bbox="1918 304 2198 347">Bank partners</p> <p data-bbox="1905 415 2211 518"><b>&gt;100</b></p>
<p data-bbox="1065 661 1536 704">MDRT company ranking<sup>1</sup></p> <p data-bbox="1217 772 1370 875"><b>#3</b></p>	<p data-bbox="1765 661 2351 746">Regional exclusive partnership with DBS</p> <p data-bbox="1982 782 2109 885"><b>#1</b></p> <p data-bbox="1893 918 2224 946">Southeast Asian bank<sup>3</sup></p>
<p data-bbox="1090 1046 1510 1089">Top 5 agency ranking<sup>2</sup></p> <p data-bbox="1268 1146 1345 1249"><b>5</b></p> <p data-bbox="1230 1282 1358 1310">markets</p>	<p data-bbox="1893 1046 2224 1089">Customer access<sup>4</sup></p> <p data-bbox="1918 1160 2198 1263"><b>&gt;35M</b></p>

*Leveraging synergies* **across our global franchise**

- Robust risk management and **global governance standards**
- **Capital strength and fungibility**, enabling prioritization of high return opportunities
- **Trusted global brand** with aligned strategy to define our market positioning
- **Global resources and expertise**

**Regional synergies**

- Setup of GHNW business leveraging our global footprint and expertise
- Regional partnership with DBS
- Cross-pollination of successes

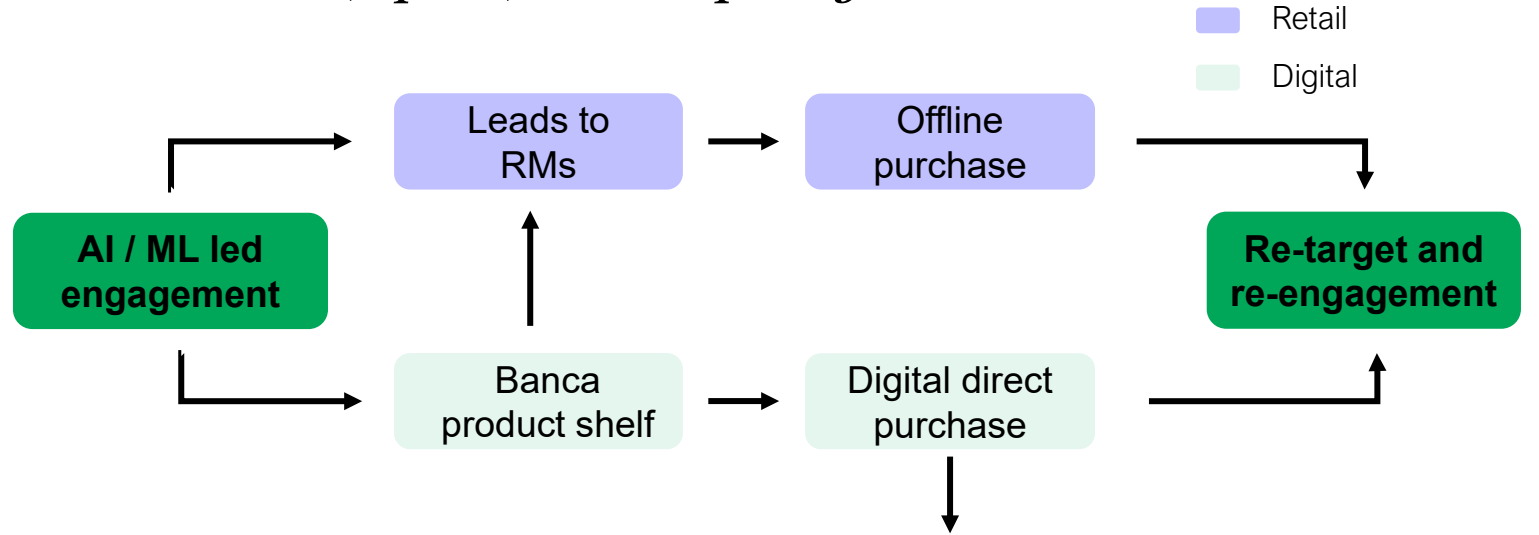
**Wealth and Asset Management synergies**

- Mutual fund tech platform for ILP sales
- Global asset management strategies for insurance customers
- Enhanced agent product solutions with MPF and mutual fund options

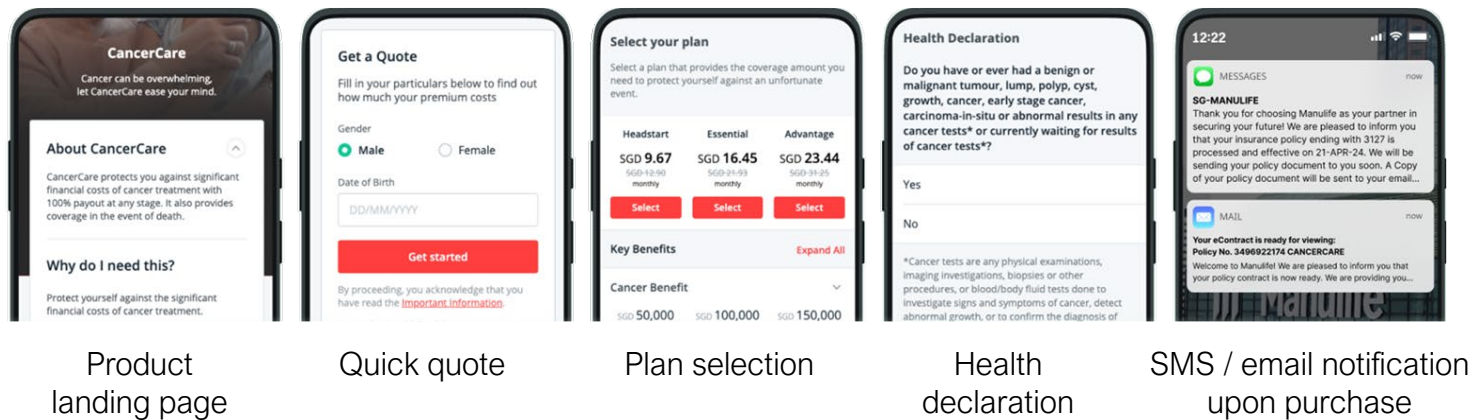
# Success story: Leading banca in Singapore

- High-performing and sustainable business built on **an economic construct based on value**
- With a reimagined customer journey,
  - Fast track client acquisition through digital direct, 86% straight-through cases<sup>1</sup>
  - Generate insights and adapting to customer needs leading to **higher conversions**
  - **>50%** total retail sales were **digitally originated**
- Streamlined fulfilment process leading to better **customer satisfaction** (sustained uplift of +15pts for banca NPS<sup>2</sup>)

## Seamless integration between digital and retail<sup>3</sup> *Convenience, speed, and simplicity*



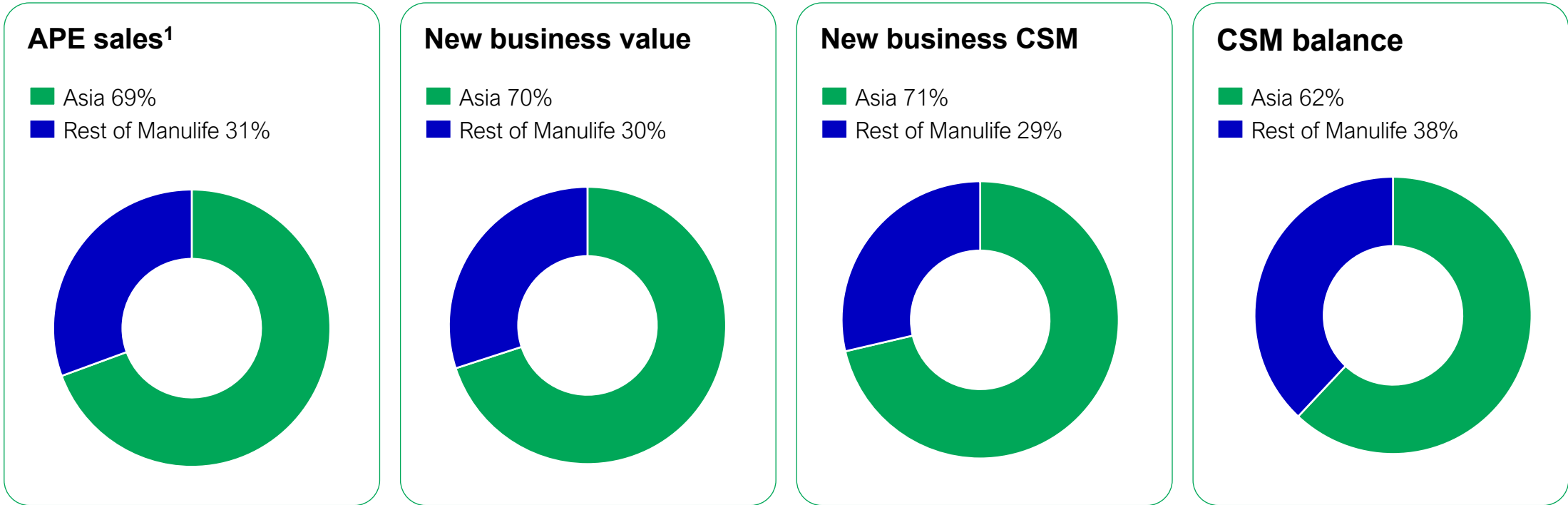
**Digital direct purchase**  
<5 mins from application to issuance



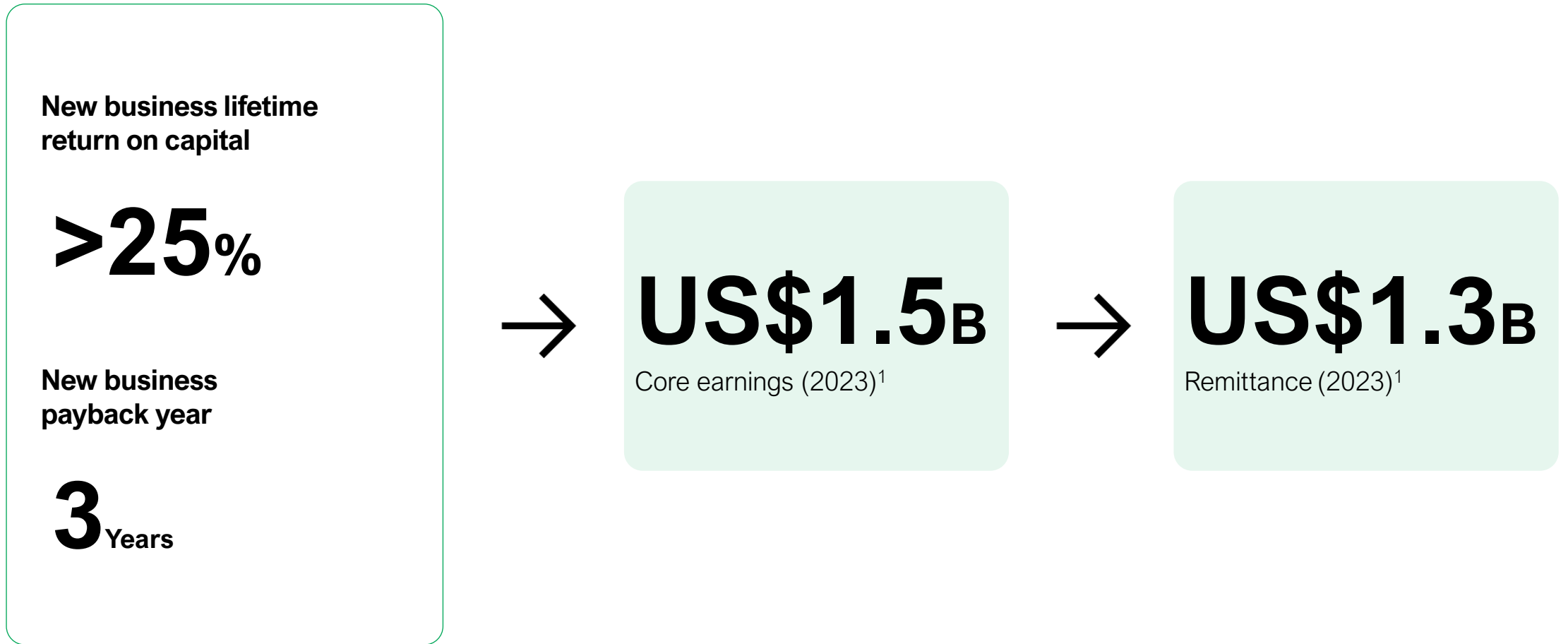


# Asia is a *key driver* of future earnings...

## Asia as a % of Manulife (2023)



**...and a *material value generator* for our shareholders**



## Looking back: *Summary*

- Megatrends fuel the significant insurance opportunity
- Excellent track record, outpacing our peers
- Clear right to win

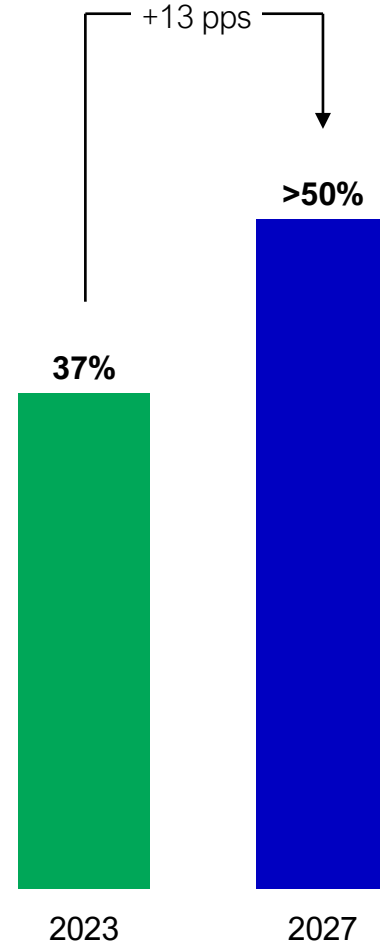
# Embarking *on the next chapter of growth*

**Looking ahead:**  
*Top takeaways*

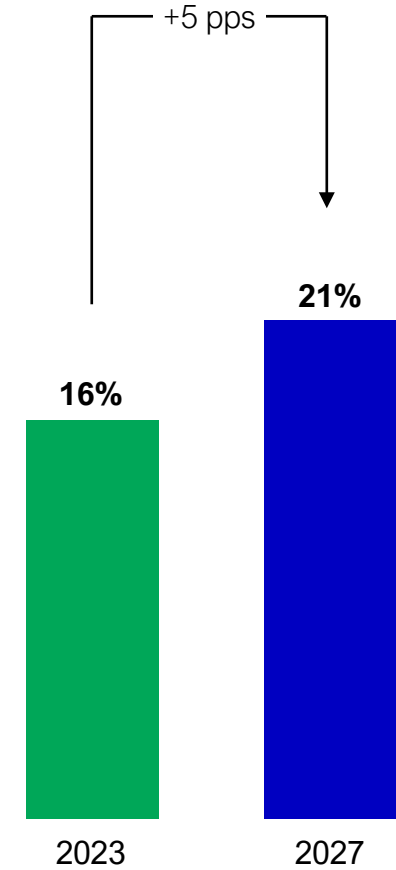
- Clear Asia ambition: Delivering high-quality sustainable growth by being the #1 choice for customers
- Generate >50% of Manulife's core earnings<sup>1</sup> and 21% core ROE by 2027
- Well defined path to reach our ambition and conviction in our ability to execute
- Diversified portfolio with tailored strategy to capture growth in each market

**Our ambition:**  
**Delivering high-**  
**quality sustainable**  
**growth by being**  
**the #1 choice for**  
*customers*

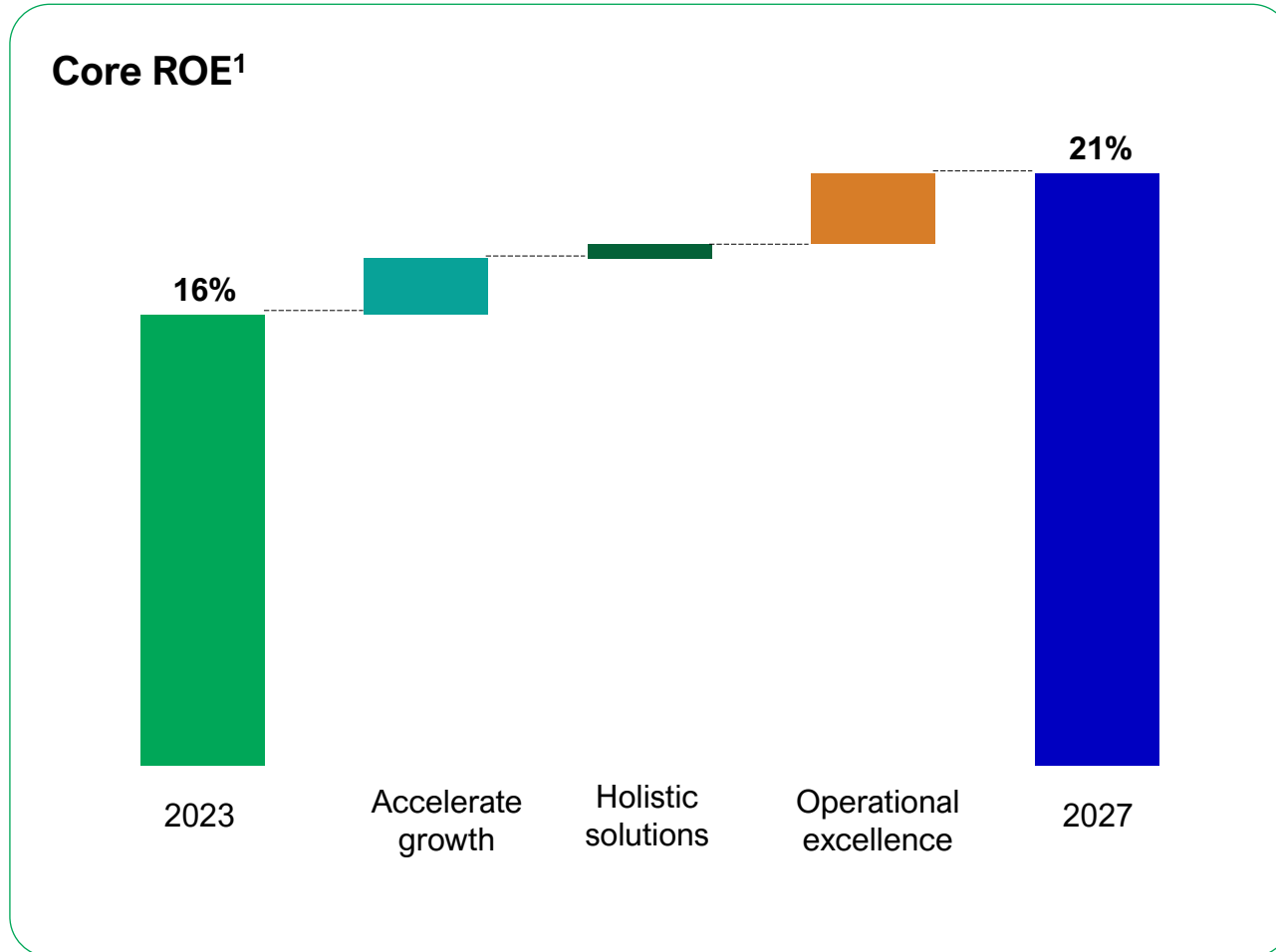
Asia region core earnings<sup>1</sup> as a % of Manulife



Asia core ROE<sup>2</sup>



## Focused on achieving 21% core ROE through execution of our strategy



**+2.0 pps**  
**Accelerate growth**

Accelerate growth through our diversified distribution platform

**+0.5 pps**  
**Holistic solutions**

Deliver sustainable margin expansion with our holistic solutions

**+2.5 pps**  
**Operational excellence**

Drive expense efficiency and further enhance customer experience through digital and analytics

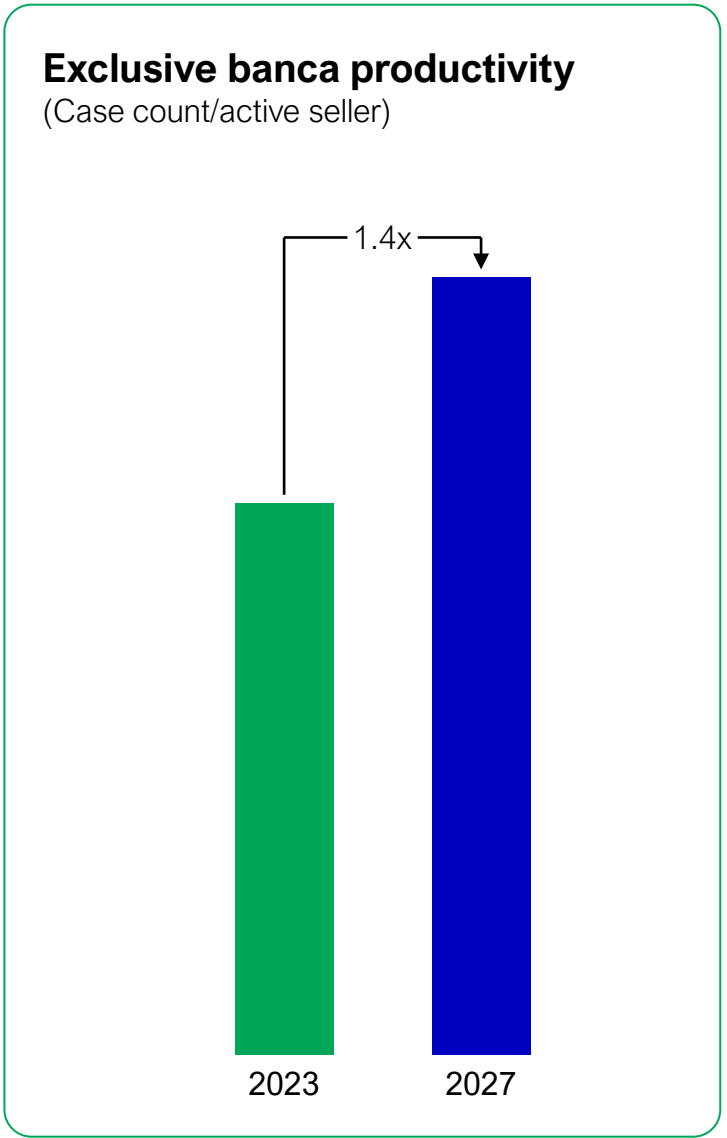
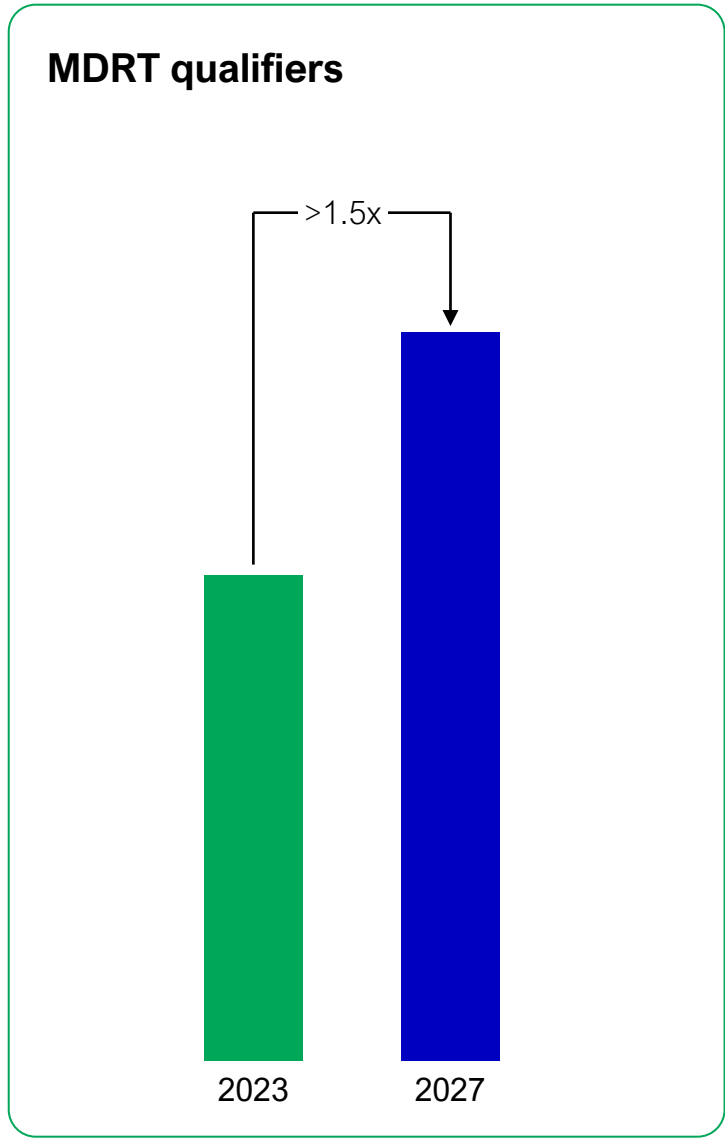
# Accelerate growth through our *diversified distribution platform*

## Accelerate agency

- Enhance **quality recruitment** and develop top-tier agents
- **Uplift productivity** through digital tools and analytics
- **Continued rollout** of Manulife Pro

## Grow banca

- **Deepen penetration** with analytics and embedded insurance
- **Create customer value** via segment-specific propositions





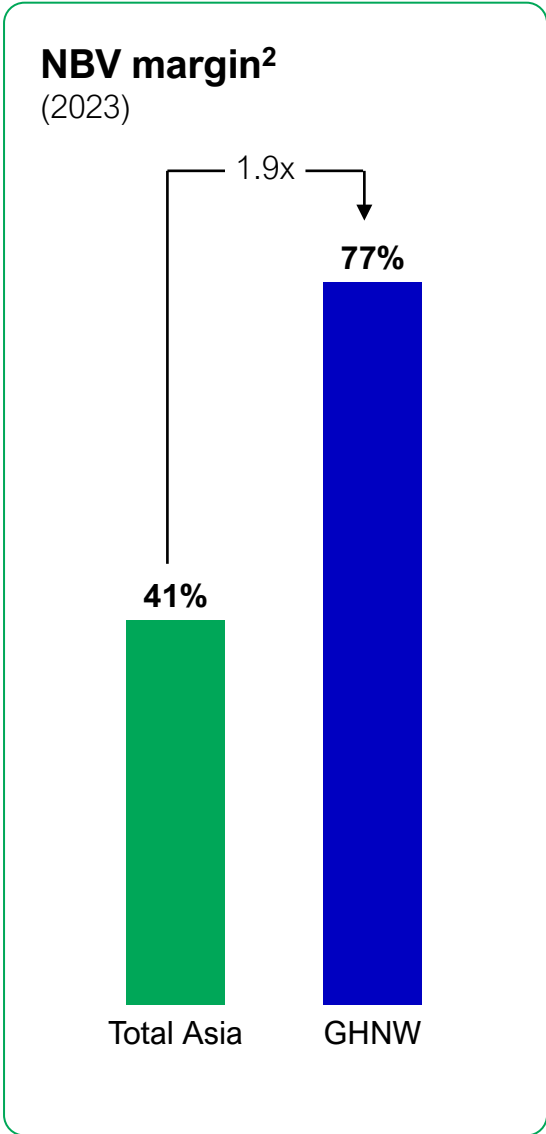
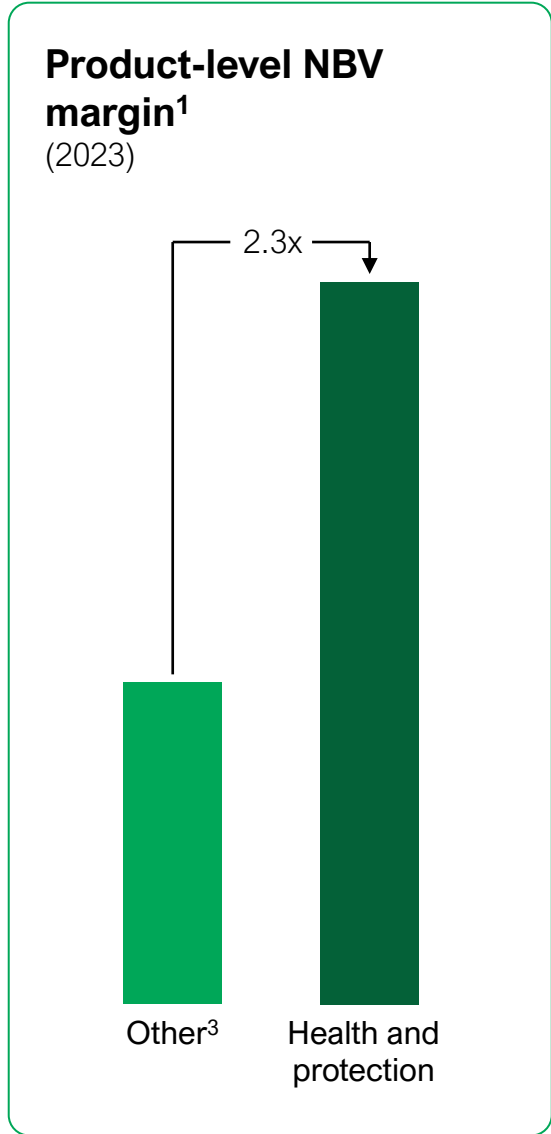
# Deliver sustainable margin expansion with our holistic solutions

## Improve health and protection product mix

- **Transform CI** offerings to address customer needs
- **Enhance the health sales process**, expand **provider management**, and deliver a **one-stop** customer experience

## Scale our Global HNW business

- **Elevate customer experience** through coordinated yet customized HNW propositions
- **Innovate** and expand product portfolio



## NBV margin goal²

→ **>50%**  
Asia segment

## Drive operational excellence *and further enhance customer experience*

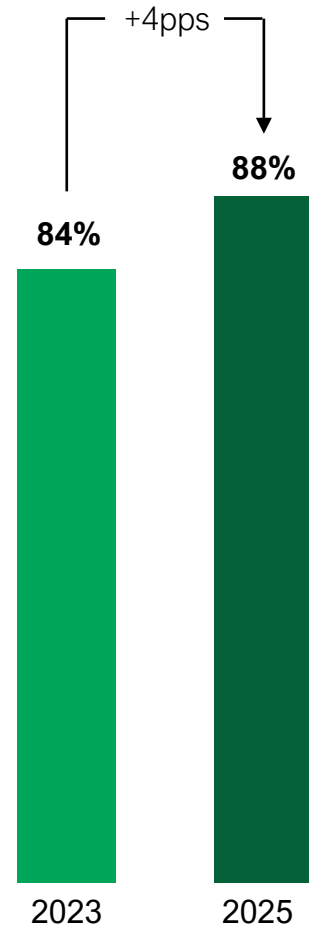
### Drive expense efficiency

- Leverage **Asia and global scale**, and continuing to sustain a **culture of efficiency**
- Further **automation** to achieve a frictionless operational environment

### Leverage digital tools to better serve customer needs

- Enable **higher leads generation and conversions** by leveraging Gen AI and digital and analytics capabilities
- Deliver a **unified customer platform** to enable further opportunities in addressing customer needs

### Straight-through-processing



### Digital, customer leader

**US\$100M**

**2024 cumulative revenue growth<sup>1</sup>**

**Looking ahead:**  
*Summary*

- Clear Asia ambition with strong focus on execution
- To achieve ambition by being the #1 choice for customers
- Confidence in our market-level strategies in capturing future growth opportunities



**Manulife**

*Raising the Bar*

## Appendix

- Spotlight on Japan
- Spotlight on mainland China
- Footnotes
- Caution regarding forward-looking statements
- Non-GAAP and other financial measures

## *Spotlight on Japan:* **Execute on value maximization strategy by positioning as a wealth and retirement specialist**

### **Market opportunities**

- Rapidly **aging** population<sup>1</sup>
- Growing **retirement funding gap**<sup>2</sup>
- **Public policy support**<sup>3</sup>



### **Future strategy**

- Capture growing **asset accumulation and retirement needs**
- **Optimize value creation** and inforce management
- Improve expense efficiency through **digitalization and automation**
- Enhance and **simplify customer journeys**

## *Spotlight on mainland China:* **Quality distribution and optimizing our branch presence to grow sustainably**

### Market opportunities

- Attractive long-term **market outlook**

**#2**

World insurance market<sup>1</sup>

**2%**

Life insurance penetration rate<sup>2</sup>

- Rapidly **aging** population

**30%**

Aged 60 and over by 2035<sup>3</sup>



### Future strategy

- Capture growth opportunity from **branch footprint covering 15 provinces and 52 cities**
- Deepen and expand banca **partnerships with HNW focus**
- Innovate and **differentiate product mix** and offerings

## Footnotes

Slide	Footnote
4	<p><sup>1</sup> Real GDP. Source: IMF World Economic Outlook.</p> <p><sup>2</sup> Source: Brookings, the unprecedented expansion of the global middle class (2017), middle class is defined as household with incomes between \$11-\$110 per person/day (“PPP”).</p> <p><sup>3</sup> Source: Knight Frank 2023 wealth report, Asia Pacific refers to Asia and Australasia.</p> <p><sup>4</sup> Source: Swiss Re, Restoring resilience: the need to reload shock-absorbing capacity, 2023. EMEA refers to Europe, Middle East and Africa, defined by Swiss Re, includes Advanced EMEA, Emerging Europe and Central Asia, Middle East and Africa.</p>
5	<p><sup>1</sup> Source: World Bank Population estimates and projections.</p> <p><sup>2</sup> In response to survey question “Since living with the pandemic, which of the following digital activities have you done? How likely are you to use or continue using the following services for you or your family’s medical needs?”; Source: Swiss Re 2022 Consumer Survey.</p> <p><sup>3</sup> In “Prospect insurance politics digitally”, “prospect” means “researching new or additional insurance.”</p>
6	<p><sup>1</sup> Figures are as of 2023.</p> <p><sup>2</sup> Hong Kong includes Macao; Bermuda part of Asia segment effective January 1, 2023.</p>
7	<p><sup>1</sup> HK Insurance Authority 4Q23 statistics, MCV market share based on offshore annualized premium equivalent (“APE”) sales.</p> <p><sup>2</sup> Mandatory Provident Fund. Source: Mercer MPF Market Share Report as at FY23, MPF market share is measured by share of assets under management and estimated fund net inflows by scheme sponsor.</p> <p><sup>3</sup> FY23 Investment-Linked Assurance Scheme ranking. Source: HK Insurance Authority 4Q23 statistics.</p> <p><sup>4</sup> VHIS represents Voluntary Health Insurance Scheme, a tax incentivized medical reimbursement insurance product, of which policyholders would get tax benefit upon subscribing such government regulated products. Source: HK Health Bureau, data as at 3Q22.</p>
8	<p><sup>1</sup> IHNW was reclassified from the U.S. segment to Asia on January 1, 2023, setting up as Global High Net Worth with Singapore and Hong Kong by bringing together teams that support the international brokerage channel in Manulife Bermuda, Singapore and Hong Kong.</p> <p><sup>2</sup> Source: MDRT organization.</p> <p><sup>3</sup> Percentage changes in APE sales and new business value (“NBV”) are stated on a constant exchange rate basis. Percentage change in core earnings stated on a constant exchange rate basis is a non-GAAP ratio.</p>
9	<p><sup>1</sup> Insurance supervisory authority of Vietnam.</p> <p><sup>2</sup> Agents who qualify to be part of a comprehensive premier program based on productivity, with financial and non-financial incentive and support from the company.</p> <p><sup>3</sup> Source: Otoritas Jasa Keuangan (“OJK”), ranking is MIM only. December 2023 ranking.</p> <p><sup>4</sup> Source: Philippines Insurance Commission, 2023 ranking.</p>



## Footnotes

Slide	Footnote
10	<p><sup>1</sup> Percentage changes in APE sales and NBV are stated on a constant exchange rate basis. APE sales includes non-controlling interests. Unless otherwise specified, all items are net of non-controlling interests. 2017 and 2022 figures include International HNW (IHNW) for comparative purpose. IHNW was reclassified from the U.S. segment to the Asia segment on January 1, 2023.</p> <p><sup>2</sup> Percentage changes in new business contractual service margin ("CSM"), CSM and core earnings stated on a constant exchange rate basis are non-GAAP ratios. Core earnings is a non-GAAP financial measure (2017 and 2023 Asia net income (loss) attributed to shareholders are US\$1,410 million and US\$995 million, respectively). For more information, see "Non-GAAP and Other Financial Measures" below.</p>
11	<p><sup>1</sup> Source: Company annual statements and internal peer estimate. Manulife 2017 and 2022 figures include International HNW (IHNW) for comparative purpose. IHNW was reclassified from the U.S. segment to the Asia segment on January 1, 2023. Percentage change in NBV is stated on a constant exchange rate basis. Past performance is not a reliable indicator of future performance.</p> <p><sup>2</sup> Percentage change in core earnings on a constant exchange rate basis is a non-GAAP ratio. Core earning calculations for our peers are approximate due to alternative accounting regimes; assumed Peer B has 15% corporate tax rate.</p>
12	<p><sup>1</sup> Source: MDRT organization.</p>
13	<p><sup>1</sup> APE sales includes non-controlling interests.</p> <p><sup>2</sup> Figures are as of FY23.</p>
14	<p><sup>1</sup> 2023 ranking of Manulife Asia.</p> <p><sup>2</sup> Ranking by foreign insurers only for China.</p> <p><sup>3</sup> Source: S&amp;P Global. Ranking by total assets as of April 18, 2023. DBS, headquartered in Singapore, is the largest Southeast Asia bank.</p> <p><sup>4</sup> Customers from exclusive bancassurance partnerships.</p>
16	<p><sup>1</sup> By case submissions; straight-through cases with zero human intervention.</p> <p><sup>2</sup> From 2020 to 2023.</p> <p><sup>3</sup> Applies to journey with DBS Bank.</p>

# Footnotes

Slide	Footnote
17	<sup>1</sup> APE sales includes non-controlling interests. Unless otherwise specified, all items are net of non-controlling interests.
18	<sup>1</sup> Core earnings is a non-GAAP financial measure (2023 Asia net income attributed to shareholders is US\$995 million). For more information, see "Non-GAAP and Other Financial Measures" below. Asia net remittances includes WAM and Regional Office.
21	<sup>1</sup> Core earnings includes Asia WAM.
22	<sup>1</sup> Core Earnings includes Asia WAM. <sup>2</sup> Asia core return on common shareholders' equity ("core ROE") is a non-GAAP ratio (2023 Manulife ROE is 11.9%).
23	<sup>1</sup> Core ROE is a non-GAAP ratio (2023 Manulife ROE is 11.9%).
25	<sup>1</sup> NBV excludes acquisition expense gap. <sup>2</sup> NBV includes acquisition expense gap. <sup>3</sup> Other products include par and adjustable, Unit-Linked (ILP), Universal Life, and Non par Savings.
26	<sup>1</sup> Cumulative revenue growth from FY23 to FY24.
30	<sup>1</sup> Source: World Bank data bank population estimates and projections. <sup>2</sup> Source: OECD, pension eligibility and life expectancy in 2010 and 2030. <sup>3</sup> Source: Cabinet Secretariat of Japan. "Policy Plan for Promoting Japan as a Leading Asset Management Center", December 2023.
31	<sup>1</sup> China is the world's second largest insurance market. Source: Swiss Re Sigma World Insurance Report 2023. <sup>2</sup> Source: Swiss Re, World Insurance: Stirred, and not shaken, 2023. <sup>3</sup> Source: China's National Bureau of Statistics 2023.

## Caution regarding forward-looking statements

From time to time, Manulife makes written and/or oral forward-looking statements, including in this presentation. In addition, our representatives may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbour” provisions of Canadian provincial securities laws and the U.S. Private Securities Litigation Reform Act of 1995.

The forward-looking statements in this presentation include, but are not limited to, statements with respect to the Company’s strategic priorities and targets; and also relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as “will”, “expect”, “estimate”, “believe”, “plan”, “objective”, “continue”, and “goal”, (or the negative thereof) and words and expressions of similar import, and include statements concerning possible or assumed future results. Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements and they should not be interpreted as confirming market or analysts’ expectations in any way.

Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: general business and economic conditions (including but not limited to the performance, volatility and correlation of equity markets, interest rates, credit and swap spreads, currency rates, investment losses and defaults, market liquidity and creditworthiness of guarantors, reinsurers and counterparties); the severity, duration and spread of the COVID-19 outbreak, as well as actions that may be taken by governmental authorities to contain COVID-19 or to treat its impact; changes in laws and regulations; changes in accounting standards applicable in any of the territories in which we operate; changes in regulatory capital requirements applicable in any of the territories in which we operate; our ability to execute strategic plans and changes to strategic plans; downgrades in our financial strength or credit ratings; our ability to maintain our reputation; impairments of goodwill or intangible assets or the establishment of provisions against future tax assets; the accuracy of estimates relating to morbidity, mortality and policyholder behaviour; the accuracy of other estimates used in applying accounting policies, actuarial methods and embedded value methods; our ability to implement effective hedging strategies and unforeseen consequences arising from such strategies; our ability to source appropriate assets to back our long-dated liabilities; level of competition and consolidation; our ability to market and distribute products through current and future distribution channels; unforeseen liabilities or asset impairments arising from acquisitions and dispositions of businesses; the realization of losses arising from the sale of investments classified as available-for-sale; our liquidity, including the availability of financing to satisfy existing financial liabilities on expected maturity dates when required; obligations to pledge additional collateral; the availability of letters of credit to provide capital management flexibility; accuracy of information received from counterparties and the ability of

counterparties to meet their obligations; the availability, affordability and adequacy of reinsurance; legal and regulatory proceedings, including tax audits, tax litigation or similar proceedings; our ability to adapt products and services to the changing market; our ability to attract and retain key executives, employees and agents; the appropriate use and interpretation of complex models or deficiencies in models used; political, legal, operational and other risks associated with our non-North American operations; acquisitions or divestitures, and our ability to complete transactions; environmental concerns; our ability to protect our intellectual property and exposure to claims of infringement; and our inability to withdraw cash from subsidiaries.

Additional information about material risk factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in our 2023 Management’s Discussion and Analysis under “Risk Factors and Risk Management” and “Critical Actuarial and Accounting Policies” and in the “Risk Management” note to the Consolidated Financial Statements for the year ended December 31, 2023 as well as elsewhere in our filings with Canadian and U.S. securities regulators. The forward-looking statements in this presentation are, unless otherwise indicated, stated as of the date hereof and are presented for the purpose of assisting investors and others in understanding our financial position and results of operations, our future operations, as well as our objectives and strategic priorities, and may not be appropriate for other purposes. We do not undertake to update any forward-looking statements, except as required by law.

# Non-GAAP and other financial measures

Manulife prepares its Consolidated Financial Statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. We use a number of non-GAAP and other financial measures to evaluate overall performance and to assess each of our businesses. This section includes information required by National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure in respect of “specified financial measures” (as defined therein).

**Non-GAAP financial measures** include core earnings (loss).

**Non-GAAP ratios** include core ROE; and expense efficiency ratio. In addition, non-GAAP ratios include the percentage growth/decline on a constant exchange rate (“CER”) basis in any of the above non-GAAP financial measures, new business contractual service margin (“CSM”) and CSM.

**Other specified financial measures** include new business value (“NBV”); annualized premium equivalent (“APE”) sales; NBV margin; average common shareholders’ allocated equity; any of the foregoing specified financial measures stated on a CER basis; and percentage growth/decline in any of the foregoing specified financial measures on a CER basis.

## **Core ROE for operating segments**

Core ROE for Manulife’s operating segments is a non-GAAP ratio which measures profitability of those segments and is calculated as core earnings available to common shareholders as a percentage of the average common shareholders’ allocated equity. The methodology used to allocate total Manulife average common shareholders’ equity to operating segments considers a number of factors including the level of equity and capital consumption of the segments.

## **2022 Comparative Results under IFRS 17 and IFRS 9**

Manulife adopted IFRS 17 “Insurance Contracts” and IFRS 9 “Financial Instruments” effective for years beginning on January 1, 2023, to be applied retrospectively. Our quarterly and year-to-date 2022 results have been restated in accordance with IFRS 17 and IFRS 9.

The comparative restated 2022 results may not be fully representative of our market risk profile, as the transition of our general fund portfolio for asset-liability matching purposes under IFRS 17 and IFRS 9 was not completed until early 2023. Consequently, year-over-year variations between our 2023 results compared to the restated 2022 results should be viewed in this context. In addition, our restated 2022 results are also not directly comparable to 2023 results because IFRS 9 hedge accounting and expected credit loss (“ECL”) principles are applied prospectively effective January 1, 2023. Accordingly, we have presented comparative quarterly and year-to-date 2022 results as if IFRS had allowed such principles to be implemented for 2022. Such results are denoted as being “transitional” throughout this document and include transitional net income attributed to shareholders and transitional ROE.

For more information on the non-GAAP and other financial measures in this document and a complete list of transitional financial measures, please see “Implementation of IFRS 17 and IFRS 9” and “Non-GAAP and other financial measures” of the 2023 MD&A which are incorporated by reference and available on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

## Reconciliation: *Core earnings*, CER basis

	2017					
(\$ millions, post-tax and based on actual foreign exchange rates in effect in the applicable reporting period, unless otherwise stated)	Asia	Canada	U.S.	Global WAM	Corporate and Other	Total
<b>Core earnings (post-tax)</b>	<b>1,453</b>	<b>1,209</b>	<b>1,609</b>	<b>816</b>	<b>(522)</b>	<b>4,565</b>
CER adjustment <sup>1</sup>	(101)	-	80	25	(15)	(11)
<b>Core earnings, CER basis (post-tax)</b>	<b>1,352</b>	<b>1,209</b>	<b>1,689</b>	<b>841</b>	<b>(537)</b>	<b>4,554</b>
Income tax on core earnings, CER basis <sup>1</sup>	(335)	(249)	(644)	(169)	244	(1,153)
<b>Core earnings, CER basis (pre-tax)</b>	<b>1,017</b>	<b>960</b>	<b>1,045</b>	<b>672</b>	<b>(293)</b>	<b>3,401</b>
<b>Asia segment core earnings (post-tax), US\$</b>	<b>1,121</b>					
Add: core earnings (post-tax) from International High Net Worth, US\$	154					
<b>Asia segment core earnings (post-tax) including International High Net Worth, US\$</b>	<b>1,275</b>					

## Reconciliation: *Expenses*

(\$ millions, and based on actual foreign exchange rates in effect in the applicable reporting period, unless otherwise stated)	2023
Asia	1,138
Canada	1,329
U.S.	703
Global WAM	2,865
Corporate and Other	515
<b>Core expenses</b>	<b>6,550</b>
<b>Amounts per financial statements</b>	
General expenses	4,330
Directly attributable acquisition expense for contracts measured using the PAA method <sup>1</sup>	147
Directly attributable maintenance expense <sup>1</sup>	2,205
<b>Total expenses</b>	<b>6,682</b>
Less: General expenses included in items excluded from core earnings	
Restructuring charge	46
Integration and acquisition	8
Legal provisions and Other expenses	78
<b>Core expenses</b>	<b>6,550</b>