Manulife

Raising the Bar

Investor Day 2024: CFO Presentation

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CFO
June 25, 2024

Looking back:
Top takeaways

- Improved returns and delivered superior earnings growth
- Strengthened our foundation and capital position
- Reshaped portfolio to low risk and high ROE
- Built a culture of expense efficiency
- Global footprint creates cost and revenue synergies
- Unique profile of earnings growth and cash generation

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Delivered *superior financial results*

	2017	2023	Change
Core EPS[1] (C$)	2.22	3.47	▲ **8% CAGR**
Core ROE[1] (%)	11.3	15.9	▲ **4.6 pps**
Expense efficiency ratio[1] (%)	55.4	45.5	▼ **9.9 pps**
Adjusted book value[1,2] (C$ per common share)	18.93	32.19	▲ **9% CAGR**

Note: All footnotes are on slide 24, including the nearest comparable GAAP financial measures, where applicable.

Achieved significant milestones, *strengthening our foundation*

Global technology optimization

- Completed the standardization and modernization of operations, technology and data platforms
- Provides go-forward scale benefits, and delivering a robust digital experience for our stakeholders

Reinsurance transactions

- Closed the largest-ever LTC reinsurance transaction
- Closed the largest-ever Canadian universal life reinsurance transaction
- Reinsured over 80% of our U.S. variable annuities

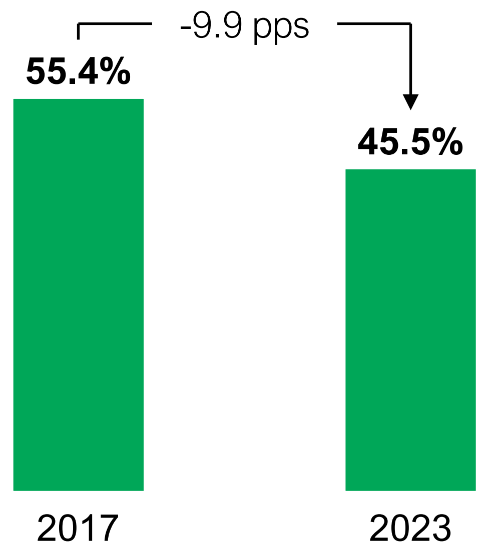
Adoption of IFRS 17 and IFRS 9

- Projected to improve the stability of Manulife's core earnings, net income, book value and LICAT[1]
- Transition impacts on core earnings and equity were in-line with our guidance

Note: All footnotes are on slide 24.

Built a culture of *expense efficiency*

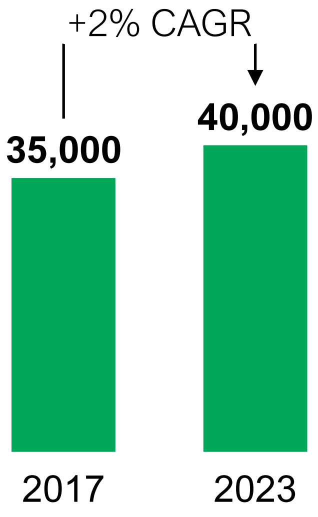
Improved expense efficiency[1]…



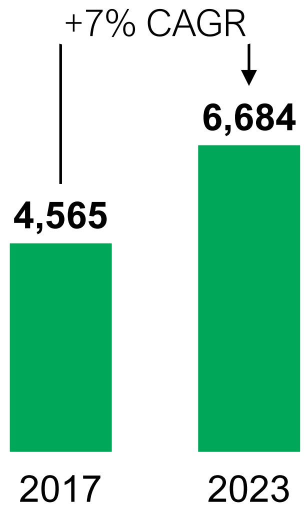
General expense growth improvement:
9% CAGR[2] (2011-2016) to 3% CAGR[3] (2017-2023)

…supported by higher productivity

Total FTE[4]



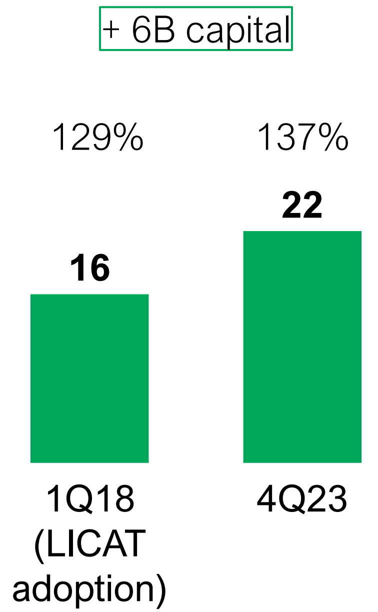
Core earnings[5]



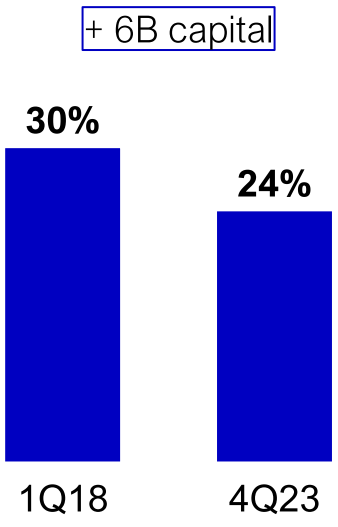
Note: All footnotes are on slide 24, including the nearest comparable GAAP financial measures, where applicable.

$12 billion increase in *capital flexibility*

Capital over supervisory target and LICAT ratio[1]
(C$ billions)



Financial leverage ratio[2]



$12 billion incremental capital flexibility

Supervisory target ratio

100%

Upper internal operating target ratio

~120%

Excess capital over supervisory minimum

$22B

Excess capital over internal operating target

~$10B

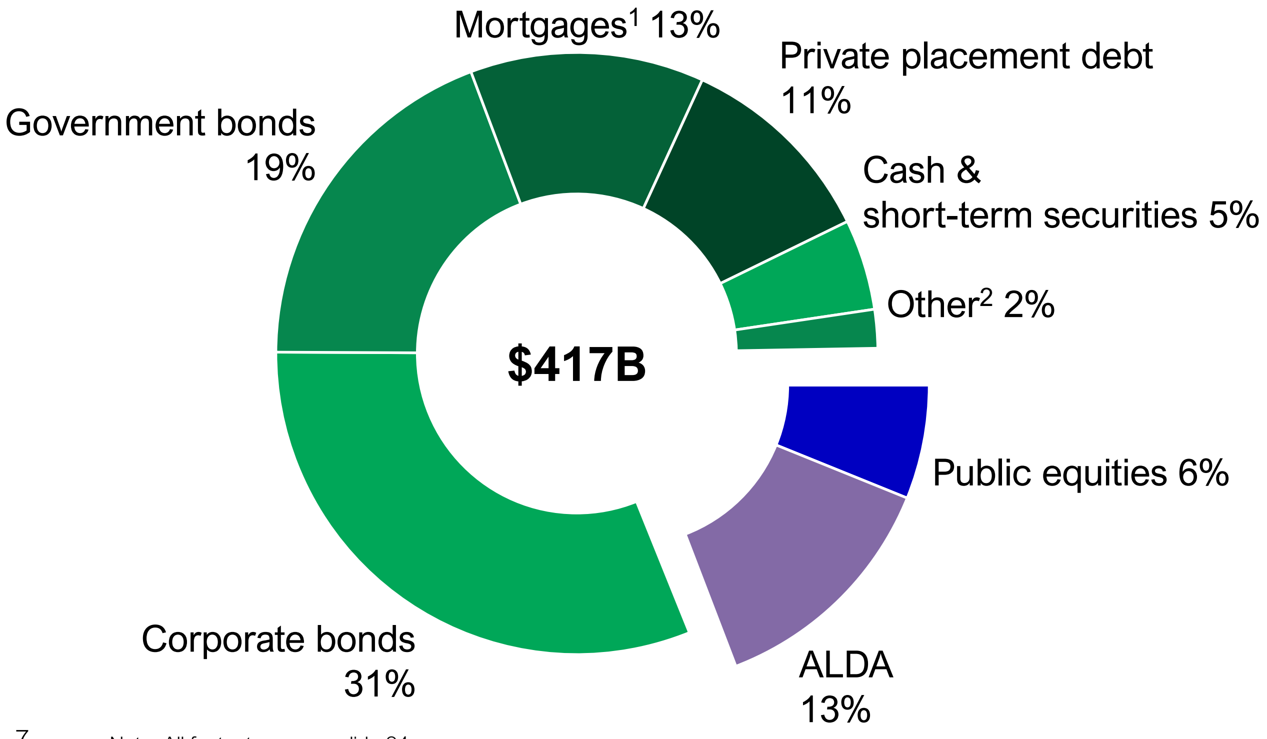
Note: All footnotes are on slide 24.

Diversified high-quality asset mix is a *competitive advantage*

Total invested assets

(carrying values as of December 31, 2023)

- Fixed income & other
- Public equities
- Alternative Long-Duration Assets ("ALDA")



High-quality and diverse asset mix

- 96% of bonds are investment grade; 71% rated A or higher
- Large holdings in defensive government and utility bonds

ALDA portfolio is diversified and generates enhanced yield; mitigates need for riskier fixed income strategy

- Decades of investment experience
- Commercialized our strong capabilities for third-party investors via Global WAM
- High degree of confidence in our long-term return assumptions

Robust risk management framework

- Supports our underwriting and favourable credit quality

Note: All footnotes are on slide 24.

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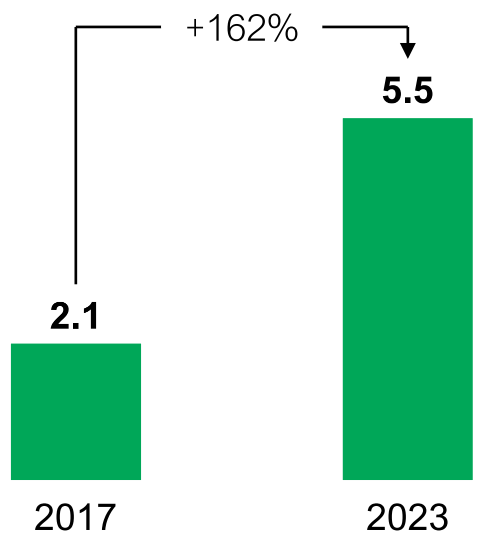
Attractive *cash generation* profile

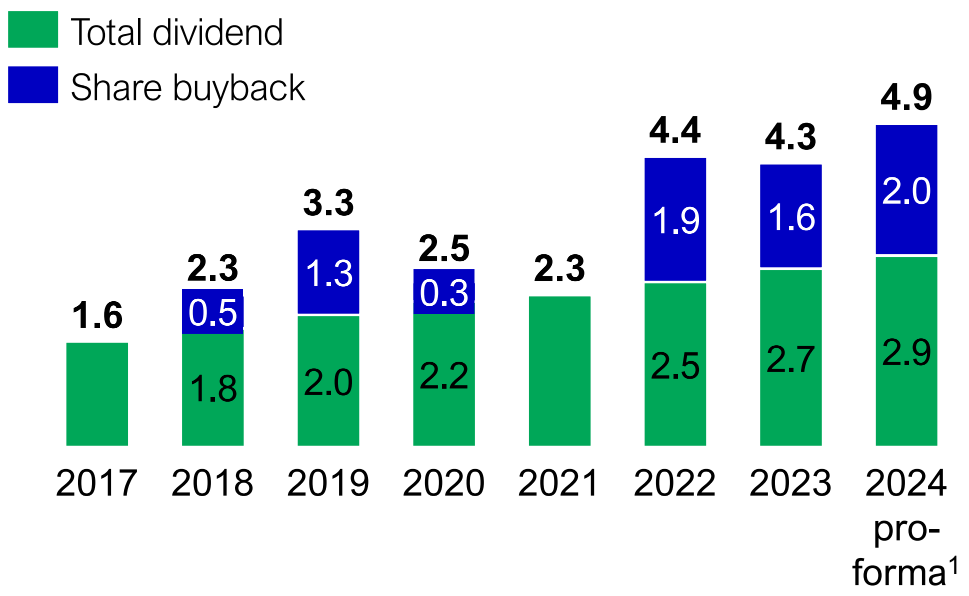
Generated $27 billion of remittances since 2017

(C$ billions)



Returned $21 billion of capital to shareholders since 2017

(C$ billions)



Note: See "Caution regarding forward-looking statements" below. All footnotes are on slide 24.

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Global presence provides *unique synergies and efficiencies*

>$800M

Annual core earnings impact

Revenue synergies

~$500M

- Cross-selling products through agency force
- Leveraging distribution relationships
- Commercializing private market capabilities
- Contribution from strategies established through seed capital

Cost efficiencies

~$300M

- Centralized procurement function
- Workforce location strategy
- IT infrastructure management
- Lower cost of external funding

Additional scale synergies

- Talent mobility across global operations
- Unique relationships and solutions, including bancassurance and reinsurance partnerships
- Global brand recognition

Note: See “Caution regarding forward-looking statements” below.

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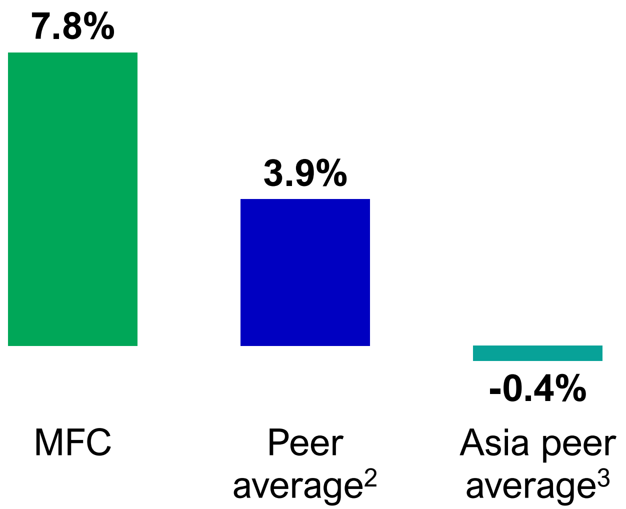
Unique profile: growth and cash generation

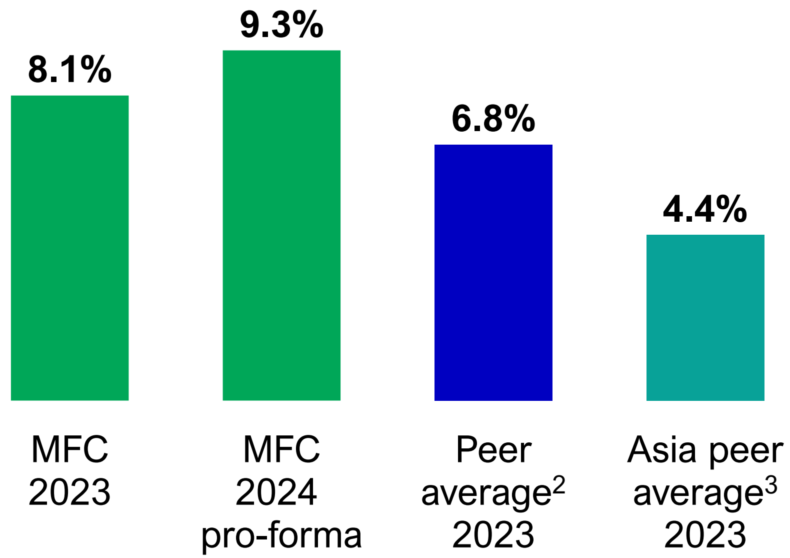
Core EPS growth outpaced peers

2017-2023 core EPS CAGR[1]



Returning significant capital to shareholders

Capital returned to shareholders (common share dividends and buybacks) in 2023 as a percentage of December 31, 2023 market capitalization[4]



Note: See "Caution regarding forward-looking statements" below. Peer data sourced from company websites, where applicable. All footnotes are on slide 24.

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Looking back:
Summary

- Focused strategy and prioritization
- Demonstrated strong execution capabilities
- An efficient driver of growth
- Unique growth and cash generation profile

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Looking ahead:
Top takeaways

- Raising the bar on our performance
- Clear roadmap to deliver on financial targets
- Strong remittances supported by robust capital generation
- Substantial growth prospects across our attractive portfolio
- Value generation from organic and inorganic optimization activities

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Raising the bar on the value we deliver for shareholders

	Previous targets	2027 targets
Core ROE	15%+	**18%+**
Cumulative remittances[1]	n/a	**$22B+**
		Medium-term targets
New business CSM growth	15%	15%
CSM balance growth	8-10%	8-10%
Core EPS growth	10-12%	10-12%
Expense efficiency ratio	<50%	**<45%**
Financial leverage ratio	25%	25%
Core dividend payout ratio	35-45%	35-45%

Note: See “Caution regarding forward-looking statements” below. All footnotes are on slide 24.

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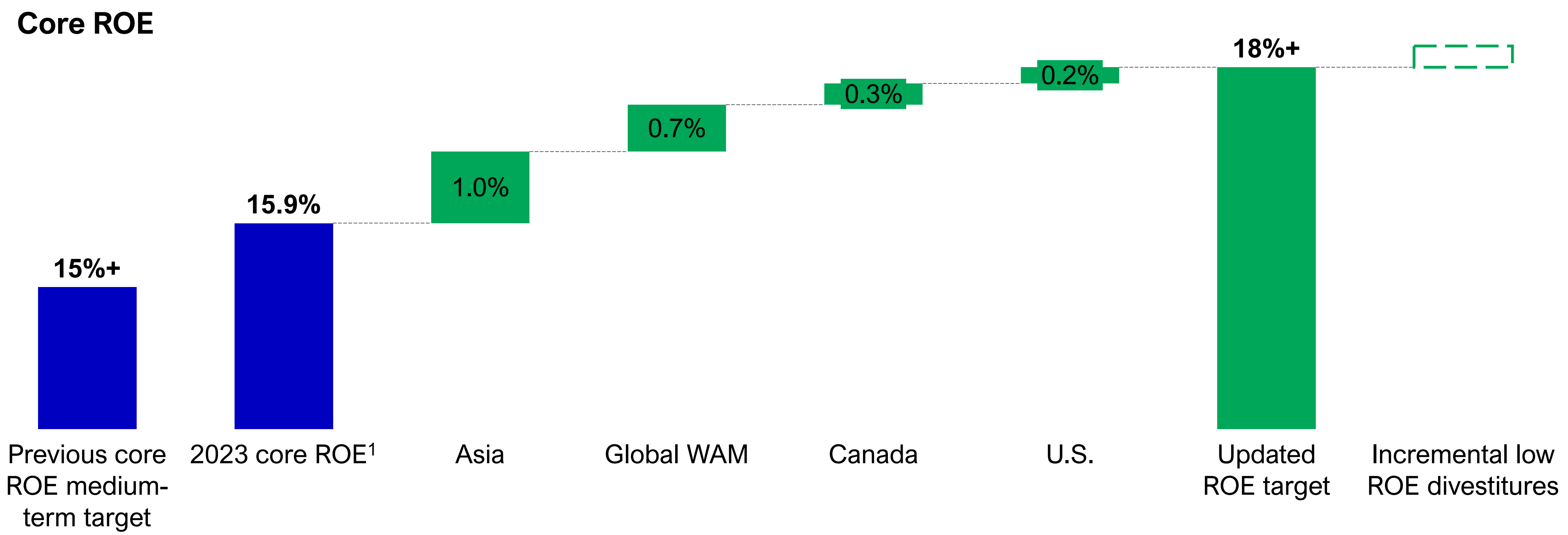
Path to *18%+ ROE* by 2027



	Asia	Global WAM	Canada	U.S.
2023 core ROE[1]	16%	25%	14%	16%
2027 core ROE	**21%**	**28%**	**16%**	**17%**

Note: See “Caution regarding forward-looking statements” below. All footnotes are on slide 24, including the nearest comparable GAAP financial measures, where applicable.

Momentum to reach our growth targets

	2023 reported	2023 illustrative	1Q24 reported	Target
Core EPS growth[1]	8% 2017-2023 CAGR	9% 2017-2023 CAGR	**20% YoY**	**10 – 12% Medium-term**
Core earnings from highest potential businesses[2]	60%	62%	**67%**	**75% by 2025**
Core earnings from Asia (Insurance + WAM)	37%	39%	**44%**	**50% by 2027**

The "2023 illustrative" column reflects 2023 results calculated by applying the actual growth rate from 2022 to 2023 under the new IFRS 17/9 accounting standard to 2022 IFRS 4 results.

Note: See "Caution regarding forward-looking statements" below. All footnotes are on slide 25.

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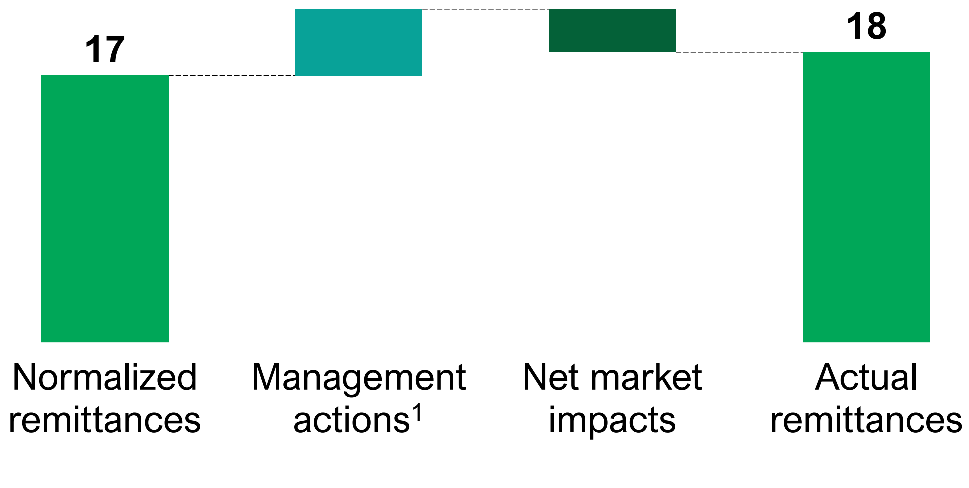
Strong remittances funded by robust organic capital generation

Strong historical remittances

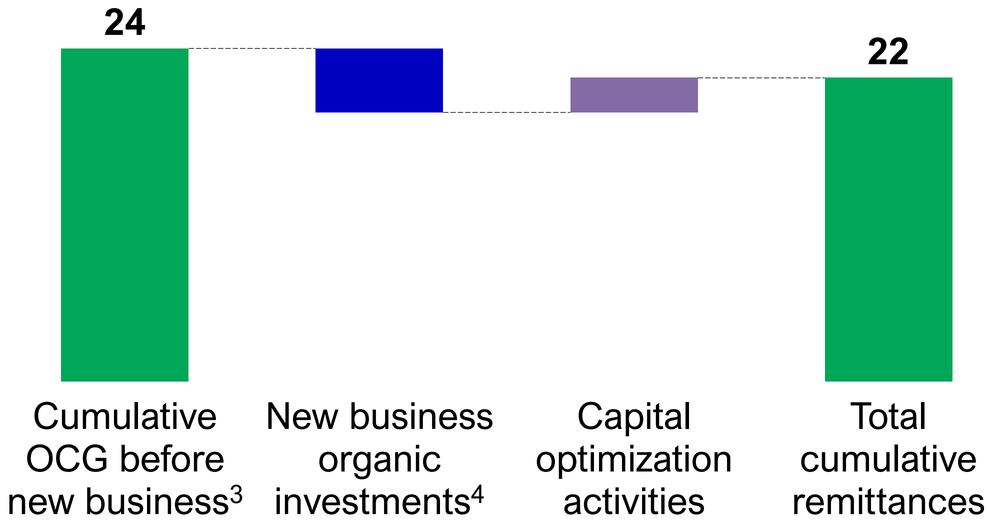
(C$ billions, 2020-2023)



Normalized[2] remittances within 60-70% of core earnings

Expected cumulative remittances

(C$ billions, 2024-2027)



Remittances expected to remain 60-70% of core earnings from 2028 onwards

Note: See "Caution regarding forward-looking statements" below. All footnotes are on slide 25.

Capital deployment efforts focus on *key priorities*

1
Organic growth

Deploy capital to continue to grow our priority businesses

2
Dividend growth

Delivering steady, sustainable dividend increases

3
Share buybacks / M&A

Tactical buybacks based on our capital position

Accretive M&A transactions that meet disciplined criteria

Plan to organically invest ~15% of core earnings annually from 2024-2027

Plan to **generate $22 billion of remittances** from 2024 to 2027

Provides significant opportunities for our deployment priorities

Note: See “Caution regarding forward-looking statements” below.

Portfolio is *diverse* with *substantial growth* prospects

Large opportunities in our markets…
Market size by region and type[1]

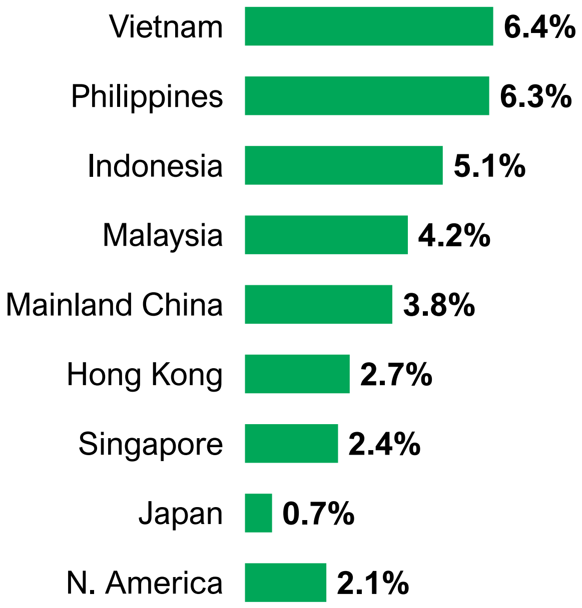
$126B
Asia Insurance

$46T
Asia WAM

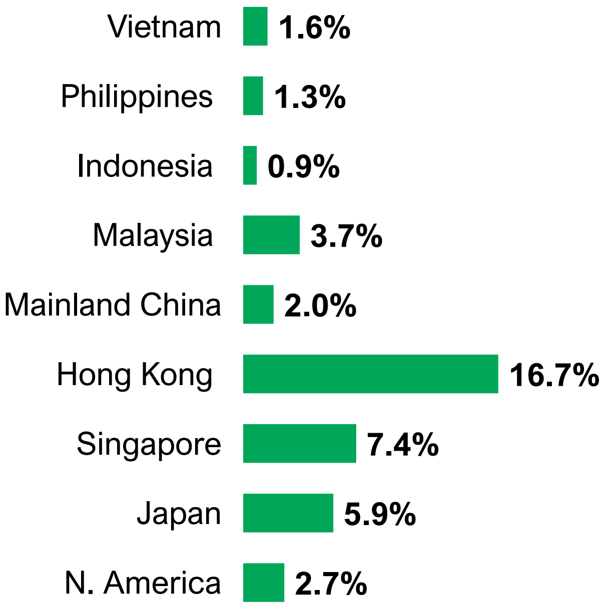
$25B
N. America Insurance

$116T
N. America WAM

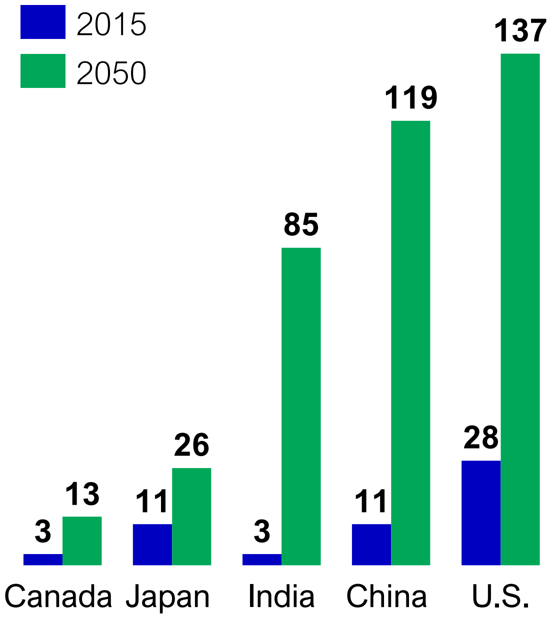
…with unprecedented growth rates…
GDP growth rate, 2023-2029 CAGR forecast[2]



…opportunities to increase penetration…
Life premiums as a % of GDP in 2022[3]



…and expanding retirement gaps
Retirement gap, US$ trillions[4]

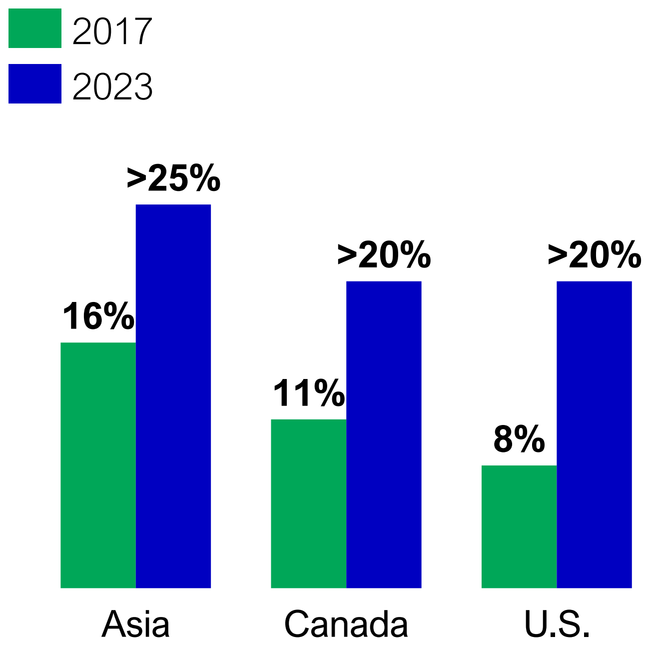


Note: All footnotes are on slide 25.

Attractive opportunities across businesses for deploying capital

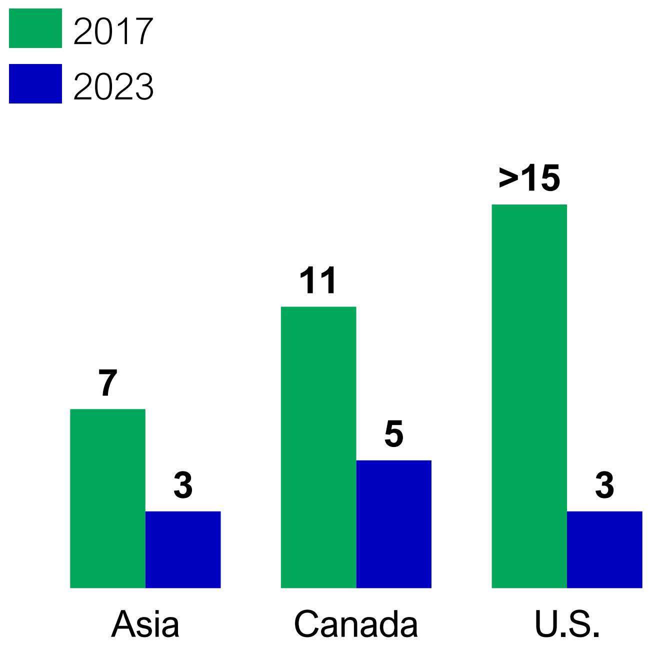
LROC by segment

New business lifetime return on capital ("LROC")[1]



Capital payback by segment

New business capital payback year ("CPY")
Reported on a local capital basis, including reinsurance



- Enhanced mix towards higher margin and/or less capital-intensive products, including health, participating and pass-through
- Expanded margins on protection business and scaling up of behavioural insurance
- Higher rate environment have generally improved product margins

Note: All footnotes are on slide 25.

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Creating value through inforce management actions

Inforce organic

- Managing adjustable product features
- Improving persistency by enhancing the customer experience
- Renegotiating/recapturing existing reinsurance agreements
- Offering product exchanges and buyouts to meet customer needs
- Digitizing the claims process to improve claims management
- Offering health and prevention interventions

Inforce inorganic

- Divest low ROE blocks at attractive earnings multiples
- Opportunistically pursue share buy backs
- Maintain appetite for strategically relevant M&A opportunities that satisfy our gating criteria

Releasing capital

Reducing risk and improving ROE

Note: See "Caution regarding forward-looking statements" below.

Looking ahead:
Summary

- Raising the bar on financial targets
- Path to 18%+ ROE is clear and achievable
- A high return, growth and cash generator
- Committed to driving TSR

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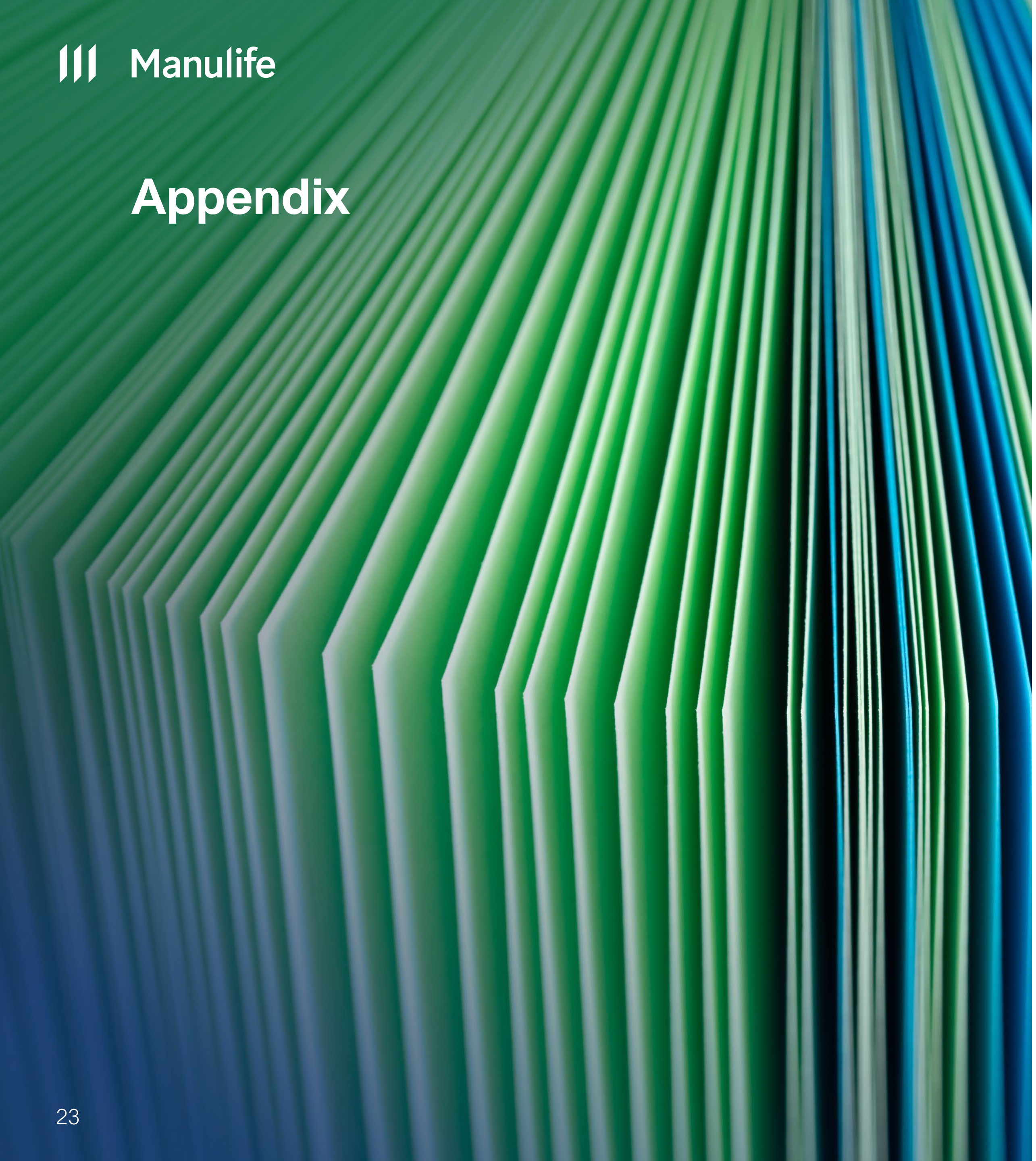
Raising the Bar



Appendix

- Footnotes
- Caution regarding forward-looking statements
- Non-GAAP and other financial measures

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Footnotes

Slide	Footnote
3	[1] Diluted core earnings per common share ("core EPS") (2017 and 2023 EPS are C$0.98/sh and C$2.61/sh, respectively), core return on common shareholders' equity ("core ROE") (2017 and 2023 ROE are 5.0% and 11.9%, respectively), expense efficiency ratio and adjusted book value per common share value (2023 book value per common share is C$22.36/sh) are non-GAAP ratios. The compound annual growth rate ("CAGR") for core EPS stated on a constant exchange rate basis is a non-GAAP ratio. [2] 2017 adjusted book value per common share represents the book value per common share (IFRS 4) as at December 31, 2017.
4	[1] Life Insurance Capital Adequacy Test ("LICAT") ratio of The Manufacturers Life Insurance Company ("MLI"). LICAT ratio is disclosed under the Office of the Superintendent of Financial Institutions Canada's ("OSFI's") Life Insurance Capital Adequacy Test Public Disclosure Requirements guideline.
5	[1] Expense efficiency ratio is a non-GAAP financial ratio. [2] The CAGR between 2011 and 2016 relates to general expenses. The CAGR for general expenses stated on a constant exchange rate basis is a non-GAAP ratio. [3] The CAGR between 2017 and 2023 relates to core general expenses, except for 2023, which reflects core expenditures for comparability purposes. The CAGR stated on a constant exchange rate basis is a non-GAAP ratio. [4] Full-time employees ("FTE"). Includes contingent workers. [5] Core earnings is a non-GAAP financial measure (2017 and 2023 net income attributed to shareholders are C$2,104 million and C$5,103 million, respectively). For more information, see "Non-GAAP and Other Financial Measures" below.
6	[1] LICAT ratio of MLI as at December 31, 2023. [2] Financial leverage ratio is a non-GAAP financial ratio. The $6 billion of capital flexibility represents additional debt capacity if the financial leverage ratio returned to 1Q18 levels.
7	[1] Includes government insured mortgages ($7.5 billion or 14% of total mortgages). [2] Other includes loans to bank clients, securitized MBS/ABS and leveraged leases.
8	[1] Share buyback amount reflects the expected full amount of capital release from our reinsurance transactions with Global Atlantic and RGA that we intend to return to shareholders in 2024. Common share dividend amount reflects the annualized impact of the announced 9.6% increase in our dividend per common share effective March 2024, based on the number of common shares outstanding as of December 31, 2023, and not adjusted for the potential impacts from share buybacks.
10	[1] Core EPS and its CAGR for Manulife stated on a constant exchange rate basis are non-GAAP ratios. [2] Consists of 15 peers, per Manulife's global performance proxy peer group as disclosed in our 2024 Management Information Circular. [3] Consists of AIA, Prudential PLC and Dai-ichi Life Holdings, Inc. [4] Dai-ichi's market capitalization as of March 31, 2024, consistent with their 2023 fiscal year end.
13	[1] Reflects cumulative target for 2024-2027.
14	[1] 2023 core ROE is a non-GAAP ratio (2023 ROE is 11.9%).

Footnotes

Slide	Footnote
15	[1] "2023 reported" represents CAGR between 2017 core EPS (IFRS 4) and 2023 core EPS (IFRS 17/9). The "2023 illustrative" column represents CAGR between 2017 core EPS (IFRS 4) and 2023 core EPS (as defined on the slide). 1Q24 reported represents year-over-year core EPS growth compared with 1Q23. The CAGR for core EPS stated on a constant exchange rate basis is a non-GAAP ratio. [2] Highest potential businesses include Asia, Global WAM, Canada group benefits, and behavioural insurance products.
16	[1] For example, the U.S. variable annuity reinsurance transaction. [2] Normalized remittances exclude the impacts from markets (including injections to Asia during the pandemic) and material management actions (e.g. remittances related to the U.S. variable annuity reinsurance transaction). [3] Organic capital generation ("OCG") is defined as the local capital generated in excess of our operating range in our foreign subsidiaries. OCG is the same as remittances for our Canadian operations. [4] New business organic investment is defined as the initial OCG impact from the new business.
18	[1] Insurance market size is based on APE sales; WAM market size is based on estimated US$254T in global financial assets (BCG Global Wealth Report 2023: Resetting the Course). Assumes exposure to global investment institutions, and retail investors in North America, Europe, and Asia based on appropriate footprint exposure. [2] Source: IMF, Real GDP Growth (2024) [3] Source: Swiss Re, Sigma – World Insurance: stirred, and not shaken (2023). [4] Source: WEF, Investing in (and for) Our Future (2019).
19	[1] Bermuda business figures excluded from 2023 data.

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

From time to 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); and adjusted book value.

Non-GAAP ratios include core return on common shareholders' equity ("core ROE"); diluted core earnings per common share ("core EPS"); financial leverage ratio; adjusted book value per common share; contractual service margin ("CSM") per common share; 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, and new business CSM.

Other specified financial measures include current cash flow yield; and average common shareholders' allocated equity.

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.

For more information on the non-GAAP and other financial measures in this document, 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.

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
Core earnings (post-tax)	**1,453**	**1,209**	**1,609**	**816**	**(522)**	**4,565**
CER adjustment[1]	(101)	-	80	25	(15)	(11)
Core earnings, CER basis (post-tax)	**1,352**	**1,209**	**1,689**	**841**	**(537)**	**4,554**
Income tax on core earnings, CER basis[1]	(335)	(249)	(644)	(169)	244	(1,153)
Core earnings, CER basis (pre-tax)	**1,017**	**960**	**1,045**	**672**	**(293)**	**3,401**

Note: For additional reconciliations, please refer to the section "Non-GAAP and Other Financial Measures" in our 2018 and 2023 MD&A. [1] The impact of updating foreign exchange rates to that which was used in 4Q23.

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Reconciliation: *Core ROE*

($ millions, unless otherwise stated)	2017
Core earnings	4,565
Less: Preferred share dividends	159
Core earnings available to common shareholders	**4,406**
Average common shareholders’ equity (see below)	**38,919**
Core ROE (%)	**11.3%**

Average common shareholders’ equity	
Total shareholders' and other equity	41,013
Less: Preferred shares and other equity	3,577
Common shareholders' equity	**37,436**
Average common shareholders’ equity	**38,919**

Note: For additional reconciliations, please refer to the section "Non-GAAP and Other Financial Measures" in our 2022 and 2023 MD&A.

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Reconciliation: *Core EPS*

($ millions, post-tax and based on actual foreign exchange rates in effect in the applicable reporting period, unless otherwise stated)	2017
Core earnings	4,565
Less: Preferred share dividends	159
Core earnings available to common shareholders	**4,406**
CER adjustment[1]	(11)
Core earnings available to common shareholders, CER basis	**4,395**
Diluted weighted average common shares outstanding (millions)	**1,986**
Diluted core EPS	**2.22**
Diluted core EPS - CER	**2.21**

Note: For additional reconciliations, please refer to the section "Non-GAAP and Other Financial Measures" in our 2022 and 2023 MD&A. [1] The impact of updating foreign exchange rates to that which was used in 4Q23.

Reconciliation: Core earnings from *Asia*

($ millions and post-tax, unless otherwise stated)	1Q24
Core earnings of Asia region[1]	764
Core earnings - all other businesses	990
Core earnings	**1,754**
Items excluded from core earnings	(888)
Net income (loss) attributed to shareholders	**866**
Asia region core earnings contribution	**44%**

Note: For additional reconciliations, please refer to the section "Non-GAAP and Other Financial Measures" in our 2023 MD&A. [1] Asia region including WAM.

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Reconciliation: *General expenses*

($ millions, and based on actual foreign exchange rates in effect in the applicable reporting period, unless otherwise stated)	2017	2016	2011
General expenses - financial statements	**7,233**	**6,995**	**4,039**
Less: General expenses included in items excluded from core earnings			
Restructuring charge	-	-	-
Integration and acquisition	81	102	-
Legal provisions and other expenses	61	117	-
Core general expenses	7,091	6,776	4,039
CER adjustment[1]	169	(5)	620
Core general expenses, CER basis	7,260	6,771	4,659
General expenses - financial statements	**7,233**	**6,995**	**4,039**
CER adjustment[1]	164	(1)	620
General expenses - financial statements, CER basis	**7,397**	**6,994**	**4,659**

Note: For additional reconciliations, please refer to the section "Non-GAAP and Other Financial Measures" in our 2023 MD&A. [1] The impact of updating foreign exchange rates to that which was used in 4Q23.