

# Third Quarter 2024

Financial & Operating Results

November 7, 2024

## 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 document include, but are not limited to, the Company’s strategic priorities and targets for its highest potential businesses, net promoter score, straight-through-processing, ongoing expense efficiency, portfolio optimization, employee engagement, expected long-term returns on alternative long-duration assets (“ALDA”), its medium-term financial and operating 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 “may”, “will”, “could”, “should”, “would”, “likely”, “suspect”, “outlook”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “forecast”, “objective”, “seek”, “aim”, “continue”, “goal”, “restore”, “embark” and “endeavour” (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, inflation rates, currency rates, investment losses and defaults, market liquidity and creditworthiness of guarantors, reinsurers and counterparties); the ongoing prevalence of COVID-19, including any variants, as well as actions that have been, or may be taken by governmental authorities in response to COVID-19, including the impact of any variants; changes in laws and regulations; changes in accounting standards applicable in any of the territories in which we operate; changes in regulatory capital requirements; our ability to obtain premium rate increases on in-force policies; 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 amount of contractual service margin recognized for service provided; 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 fair value through other comprehensive income; 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; geopolitical uncertainty, including international conflicts, acquisitions or divestitures, and our ability to complete transactions; environmental concerns, including climate change; 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 3Q24 Management’s Discussion and Analysis under “Risk Management and Risk Factors Update” and “Critical Actuarial and Accounting Policies”, in our 2023 Management’s Discussion and Analysis under “Risk Management and Risk Factors” and “Critical Actuarial and Accounting Policies”, and in the “Risk Management” note to the Consolidated Financial Statements in our most recent annual and interim reports and 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.

## Conference call participants

### **Roy Gori**

President & Chief Executive Officer

### **Marc Costantini**

Global Head of Strategy & Inforce Management

### **Steve Finch**

Chief Actuary

### **Naveed Irshad**

President & CEO, Manulife Canada

### **Trevor Kreel**

Chief Investment Officer

### **Paul Lorentz**

President & CEO, Global Wealth and Asset Management

### **Colin Simpson**

Chief Financial Officer

### **Brooks Tingle**

President & CEO, John Hancock

### **Halina von dem Hagen**

Chief Risk Officer

### **Phil Witherington**

President & CEO, Manulife Asia



## Agenda

- **Overview and strategic update**  
Roy Gori, President & Chief Executive Officer
- **Financial and operating results**  
Colin Simpson, Chief Financial Officer
- **Question & Answer session**

## Overview and strategic update

**Roy Gori**

President & Chief Executive Officer



## Continued to deliver *strong* results in 3Q24

### *Growth*

APE sales<sup>1</sup>

▲ 40%

New business CSM<sup>1</sup>

▲ 47%

New business value<sup>1</sup>

▲ 39%

Global WAM net flows<sup>2</sup>

\$5.2B

### *Profitability*

Core EPS<sup>1,3</sup>

▲ 7%

Core EPS  
excl. GMT impact<sup>1</sup>

▲ 11%

EPS<sup>1</sup>

▲ 91%

Core ROE<sup>3</sup>

16.6%

ROE

16.6%

### *Balance sheet*

Adjusted book value per share<sup>3</sup>

▲ 14%

Book value per share

▲ 9%

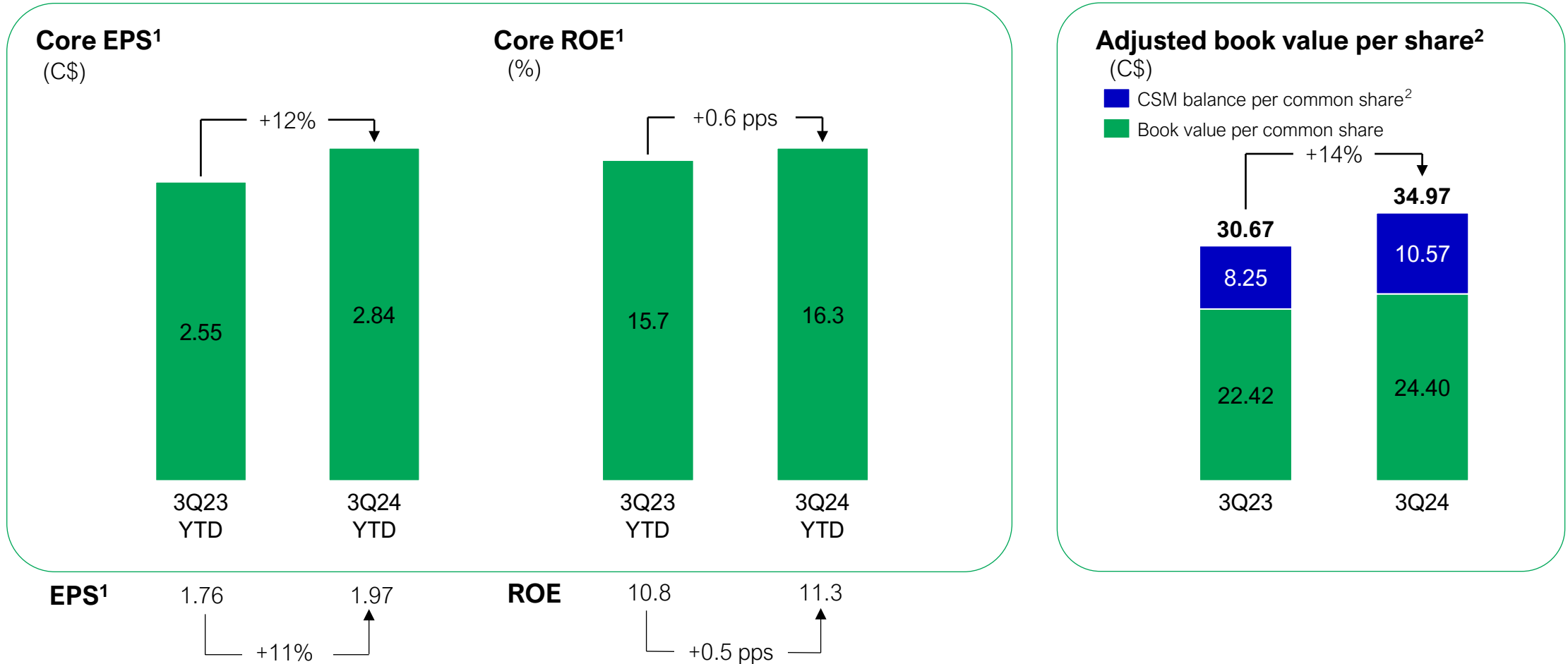
Financial leverage ratio<sup>3</sup>

23.5%

MLI's LICAT ratio<sup>4</sup>

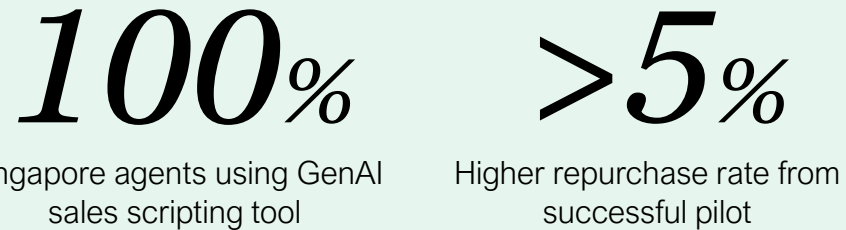
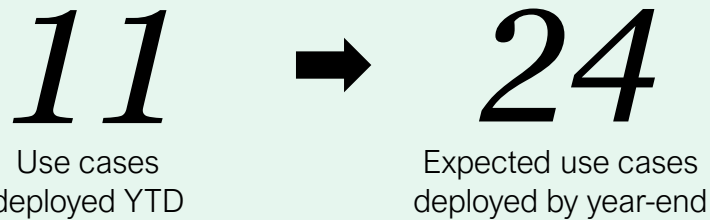
137%

# Strong execution is driving *growth* and generating *value* for shareholders

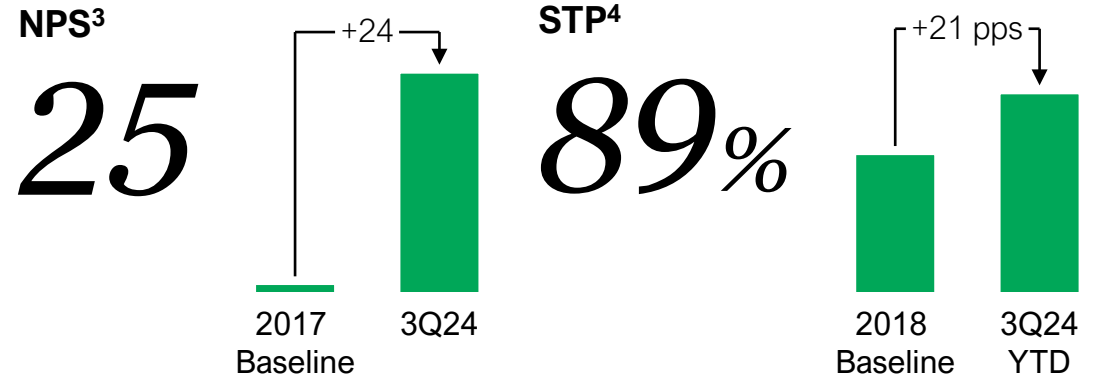


# Making *strong progress* on our digital priorities

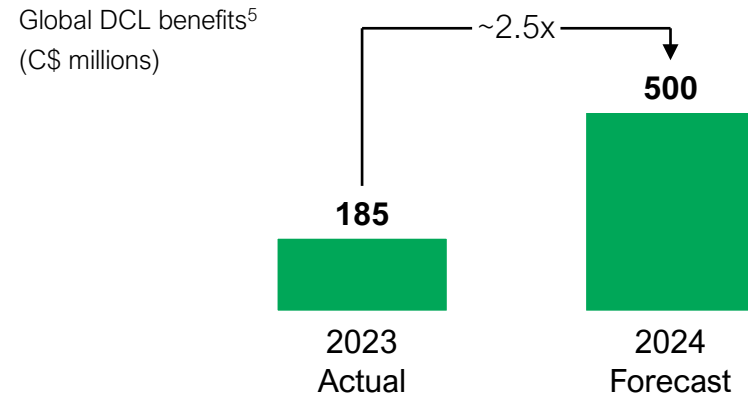
## Scaling and driving impact with GenAI



## Delivering record high customer experience



## Generating significant value from Digital, Customer Leadership (“DCL”)





## Financial and operating results

**Colin Simpson**  
Chief Financial Officer

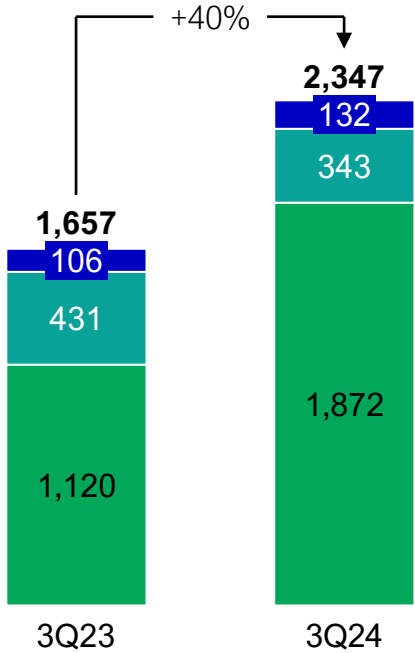


# Asia and Global WAM driving strong *momentum*

## APE sales<sup>1</sup>

(C\$ millions)

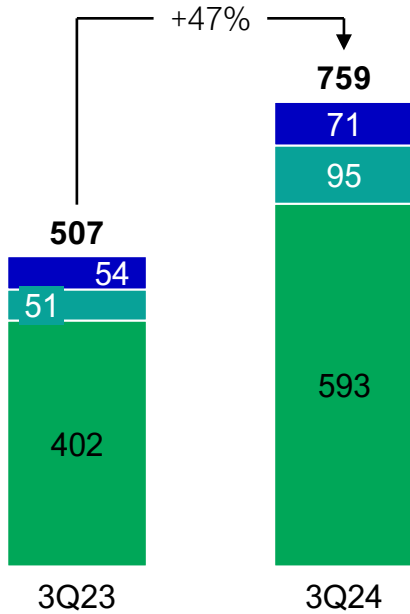
■ U.S. ■ Canada ■ Asia



## New business CSM<sup>2</sup>

(C\$ millions)

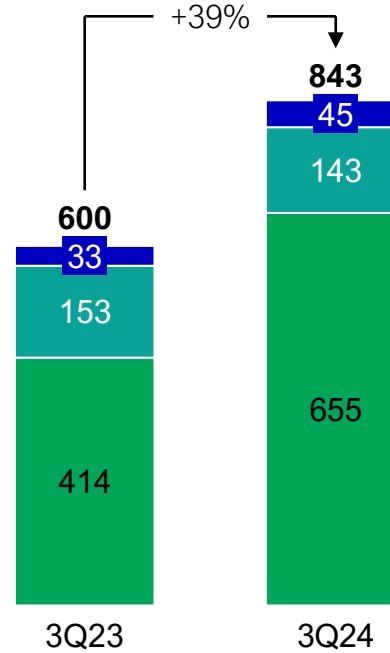
■ U.S. ■ Canada ■ Asia



## New business value<sup>1</sup>

(C\$ millions)

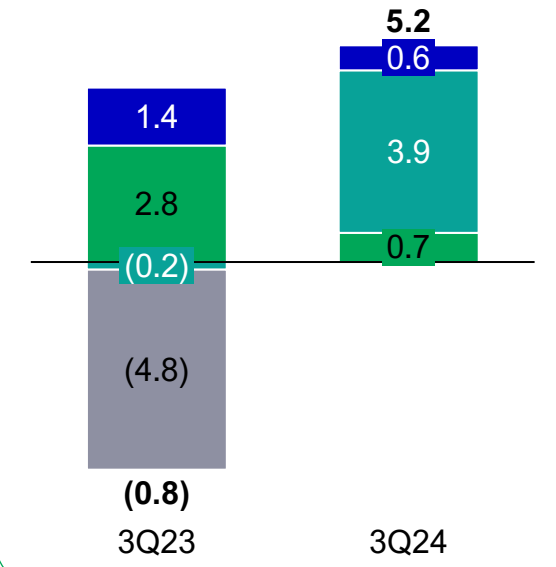
■ U.S. ■ Canada ■ Asia



## Global WAM net flows<sup>1</sup>

(C\$ billions)

■ Retirement excl. large client redemption  
 ■ Retail  
 ■ Institutional  
 ■ Retirement large client redemption



# Core earnings growth supported by strong *insurance* and *Global WAM* results

## Drivers of earnings<sup>1</sup>

(C\$ millions)	3Q23	3Q24
Risk adjustment release	276	205
CSM recognized for service provided	415	507
Expected earnings on short-term insurance business	220	246
Impact of new insurance business	(43)	(13)
Insurance experience gains (losses)	38	51
Other	39	34
<b>Core net insurance service result</b>	<b>945</b>	<b>1,030</b>
Expected investment earnings	727	684
Change in expected credit loss	(110)	(55)
Expected earnings on surplus	266	247
Other	7	17
<b>Core net investment result</b>	<b>890</b>	<b>893</b>
Core Global Wealth and Asset Management	420	505
Core Manulife Bank	66	57
Other core earnings	(285)	(342)
<b>Total core earnings (pre-tax)</b>	<b>2,036</b>	<b>2,143</b>
Core income tax (expense) recovery	(293)	(315)
<b>Total core earnings</b>	<b>1,743</b>	<b>1,828</b>
Items excluded from core earnings	(730)	11
<b>Net income attributed to shareholders</b>	<b>1,013</b>	<b>1,839</b>

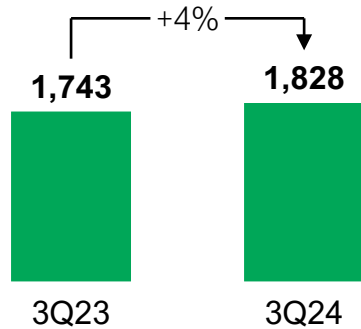
**3Q24 core earnings increased 4%<sup>2</sup>** from the prior year quarter:

- Strong **business growth** in our insurance businesses
- Lower net charge in the provision for ECL was partially offset by lower investment spreads
- Growth in Global WAM earnings supported by **AUMA growth and disciplined expense management**
- Favourable tax true-ups and tax benefits in Global WAM of \$70 million were mostly offset by the **Global Minimum Tax Act** which resulted in a \$61 million charge<sup>3</sup> and moderated core earnings growth by 3 pts
- Global Atlantic and RGA reinsurance transactions that closed earlier this year reduced core earnings by \$23 million<sup>4</sup> compared with prior year quarter

# Solid core EPS growth of 7%<sup>1</sup>, or 11% excluding the impact of GMT

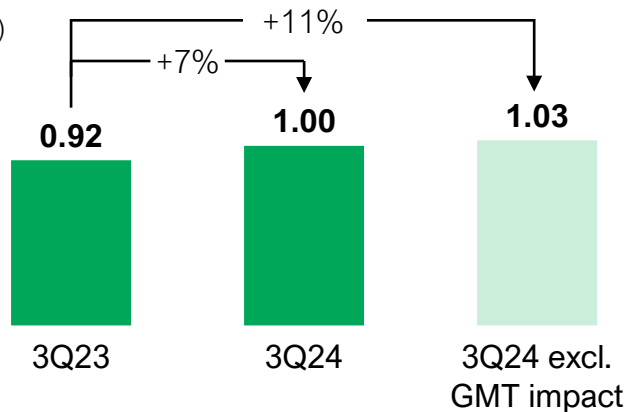
## Core earnings<sup>1</sup>

(C\$ millions)



## Core EPS<sup>1</sup>

(C\$)



## Earnings for the third quarter 2024

(C\$ millions, except per share amounts)

	3Q24 Post-tax	3Q24 Per share
<b>Core earnings<sup>1</sup></b>	<b>1,828</b>	<b>1.00</b>
<b>Items excluded from core earnings:</b>		
Realized gains (losses) on debt instruments	101	0.06
Derivatives and hedge accounting ineffectiveness	(9)	(0.01)
Actual less expected long-term returns on public equity	198	0.11
Actual less expected long-term returns on ALDA	(167)	(0.09)
Other investment results	63	0.03
Total market experience gains (losses)	186	0.10
Changes in actuarial methods and assumptions that flow directly through income	(199)	(0.11)
Restructuring charge	(20)	(0.01)
Reinsurance transactions, tax-related items and other	44	0.02
<b>Net income attributed to shareholders</b>	<b>1,839</b>	<b>1.00</b>



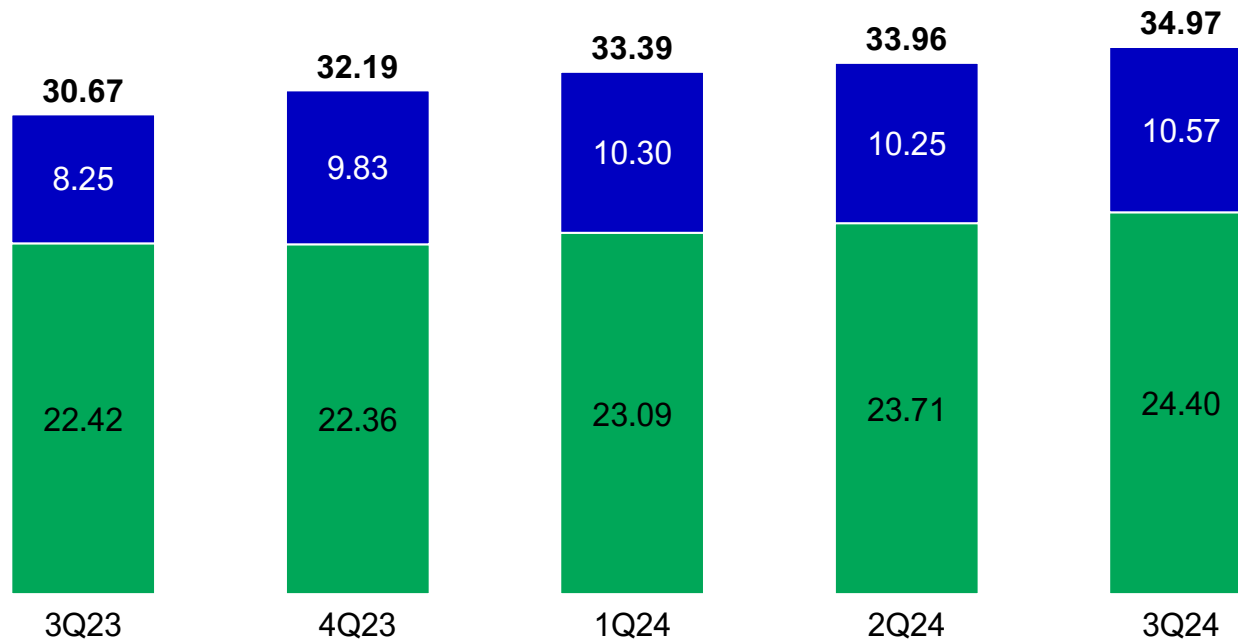
## Steady growth in adjusted book value per share

### Adjusted book value per common share<sup>1</sup>

(C\$)

■ CSM balance per common share<sup>1</sup>

■ Book value per common share

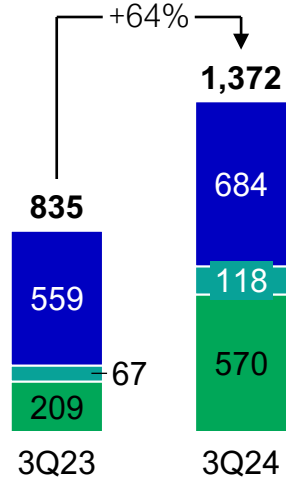


- Adjusted book value per common share grew 14%, despite returning ~\$5 billion of capital to shareholders through share buybacks and dividends over the past year<sup>2</sup>
- Reflects 9% and 28% growth in book value per common share and CSM balance per common share<sup>1</sup>, respectively

# Asia: Strong *growth* in core earnings supported by continued *momentum* in new business results

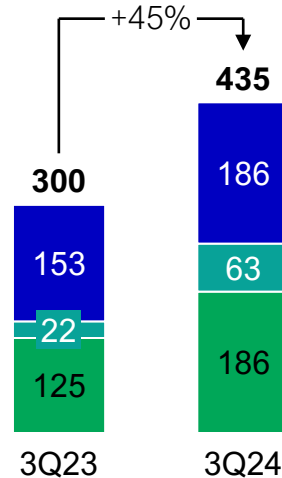
## APE sales<sup>1</sup>

(US\$ millions)



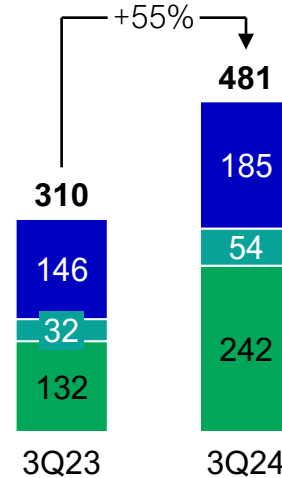
## New business CSM<sup>2</sup>

(US\$ millions)



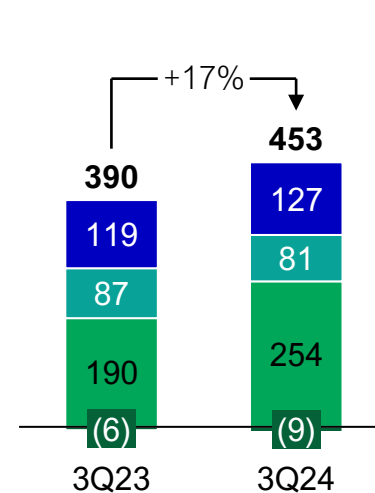
## New business value<sup>1</sup>

(US\$ millions)



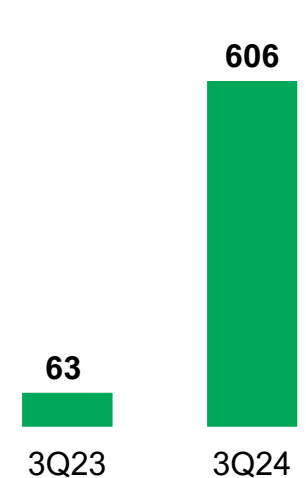
## Core earnings<sup>2</sup>

(US\$ millions)



## Net income

(US\$ millions)



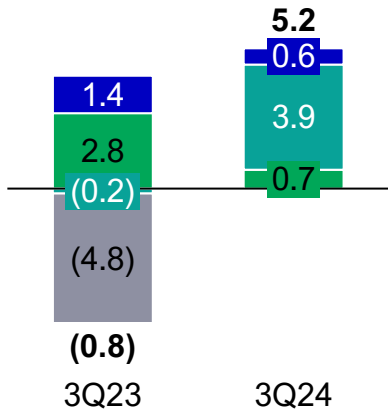
- Higher sales reflect growth across most markets across Asia, led by Hong Kong, which contributed to the double-digit growth in new business CSM and new business value
  - Reached record levels of APE sales, new business CSM and new business value for the quarter
- Strong core earnings growth reflects business growth and benefits from updates to actuarial methods and assumptions

# Global WAM: Continued *margin expansion* driven by higher asset base and disciplined expense management

## Net flows by business line<sup>1</sup>

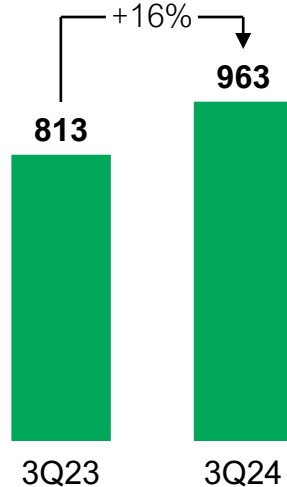
(C\$ billions)

- Retirement excl. large client redemption
- Retail
- Institutional
- Retirement large client redemption



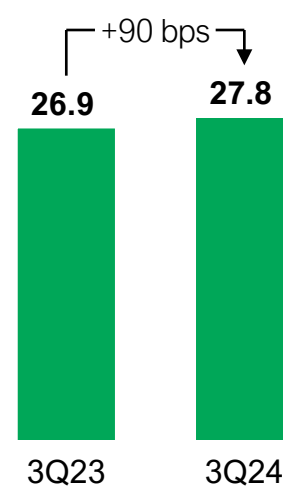
## Average AUMA<sup>1</sup>

(C\$ billions)



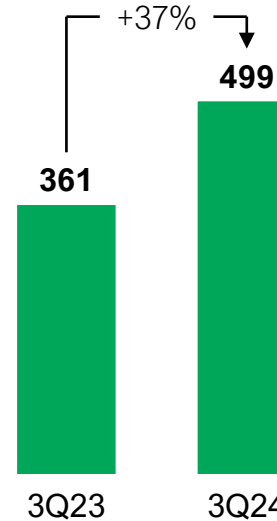
## Core EBITDA margin<sup>2</sup>

(%)



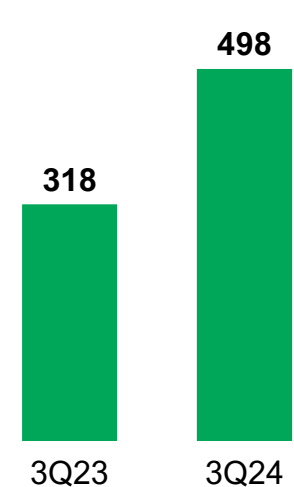
## Core earnings<sup>3</sup>

(C\$ millions)



## Net income

(C\$ millions)



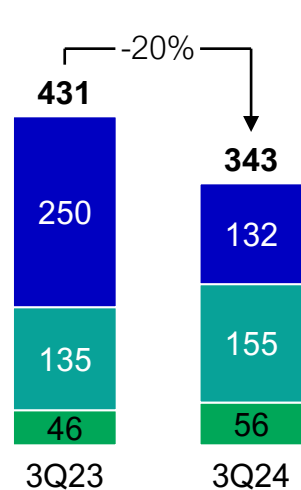
- Net inflows of \$5.2 billion reflects strong sales in Retail across all geographies, benefiting from increased investor demand amid an equity market recovery and advisor growth in Canada
- Strong core earnings growth supported by higher average AUMA, favourable tax true-ups and tax benefits, and disciplined expense management

# Canada: Solid results across our *insurance* businesses

## APE sales<sup>1</sup>

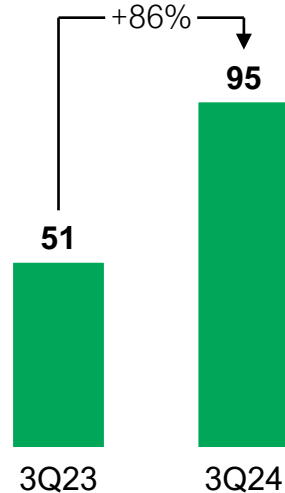
(C\$ millions)

- Individual Insurance
- Group Insurance
- Annuities



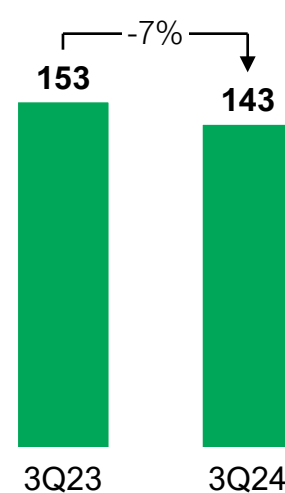
## New business CSM<sup>2</sup>

(C\$ millions)



## New business value<sup>1</sup>

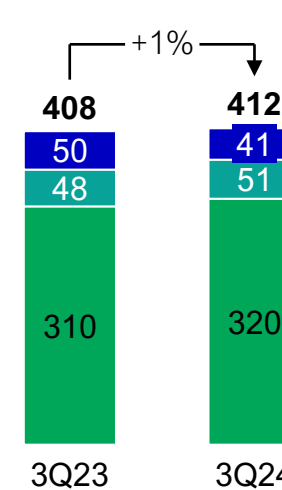
(C\$ millions)



## Core earnings<sup>2</sup>

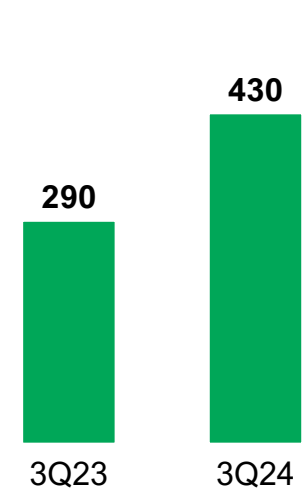
(C\$ millions)

- Manulife Bank
- Annuities
- Insurance



## Net income

(C\$ millions)

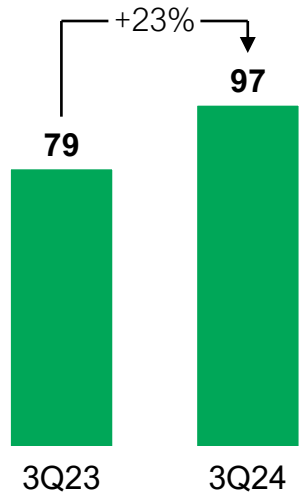


- Lower sales reflected strong sales growth across retail Individual Insurance, mid-size and large-case Group Insurance, and segregated fund sales, which was more than offset by the non-recurrence of a large affinity markets sale in 3Q23
- Modest growth in core earnings reflects business growth in Group Insurance and a 3Q23 charge in the provision for ECL, partially offset by less favourable claims experience in Group Insurance
  - The RGA reinsurance transaction reduced core earnings by \$2 million compared with prior year quarter

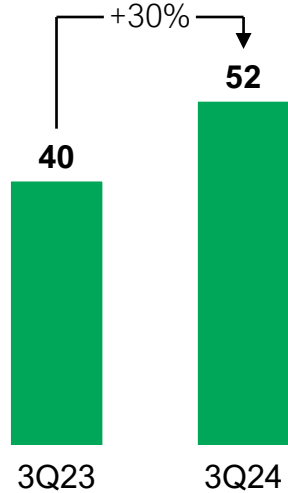


# U.S.: *Strong* new business results; core earnings reflects lower investment spreads and the impact of the Global Atlantic reinsurance transaction

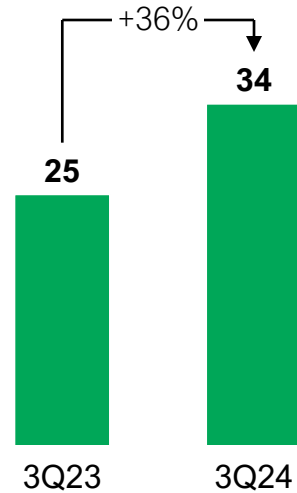
**APE sales<sup>1</sup>**  
(US\$ millions)



**New business CSM<sup>2</sup>**  
(US\$ millions)

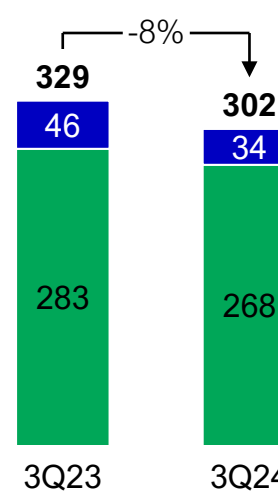


**New business value<sup>1</sup>**  
(US\$ millions)

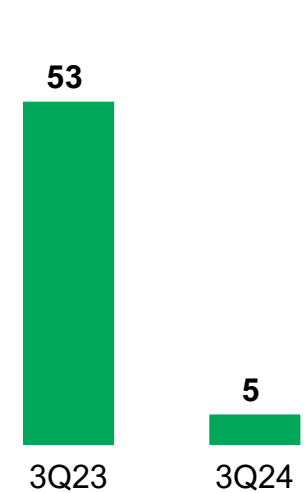


**Core earnings<sup>2</sup>**  
(US\$ millions)

■ U.S. Annuities  
■ U.S. Insurance



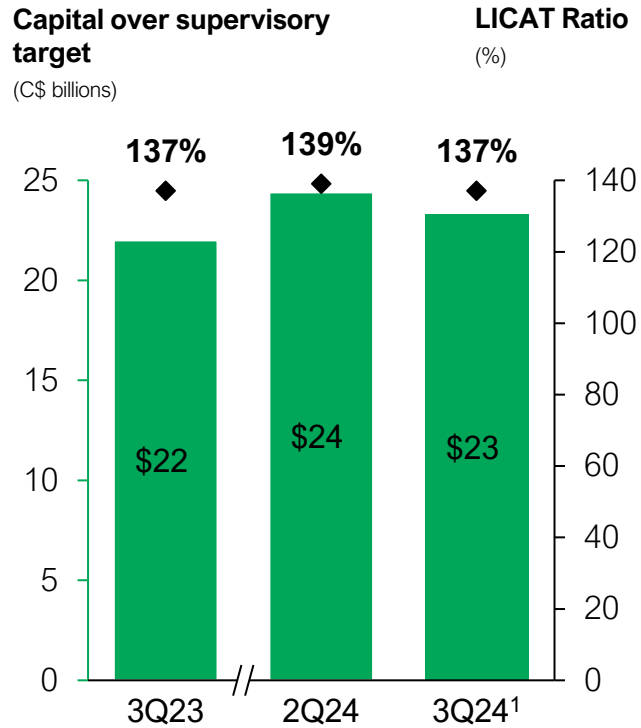
**Net income**  
(US\$ millions)



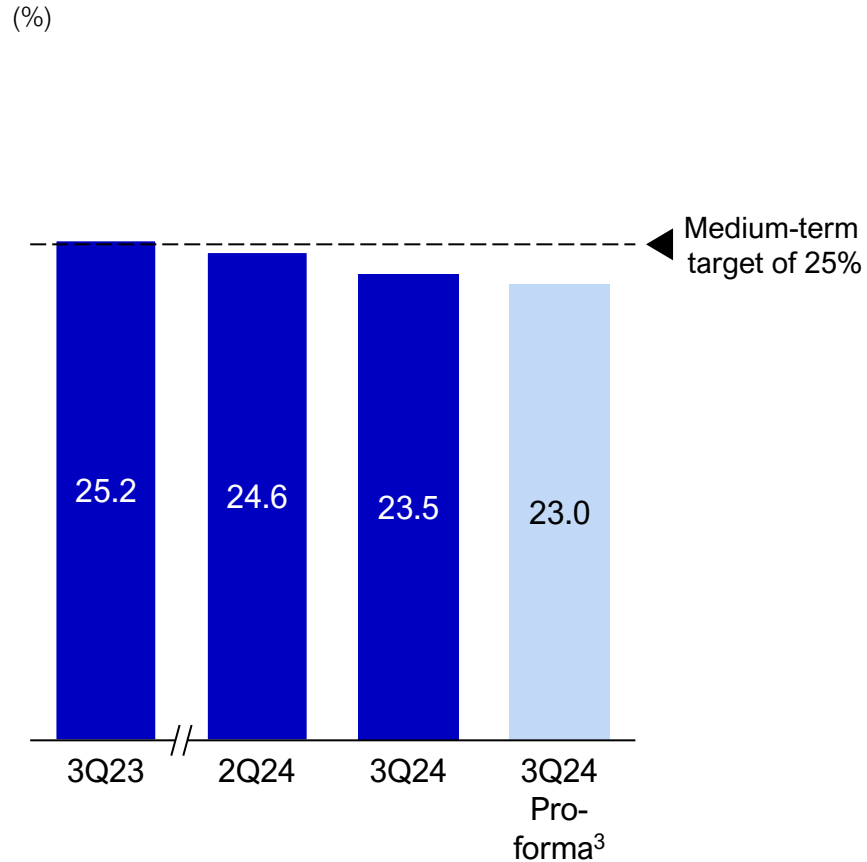
- Strong sales growth reflects higher sales of accumulation insurance products, which contributed to the strong growth in new business CSM and new business value
- Lower core earnings primarily reflects lower investment spreads and the impact of the annual review of actuarial methods and assumptions, partially offset by a lower charge in the ECL provision and more favourable claims experience in our life business
  - The Global Atlantic reinsurance transaction reduced core earnings by US\$17 million compared with prior year quarter

# Manulife maintained *financial flexibility* and continued to return *capital to shareholders*

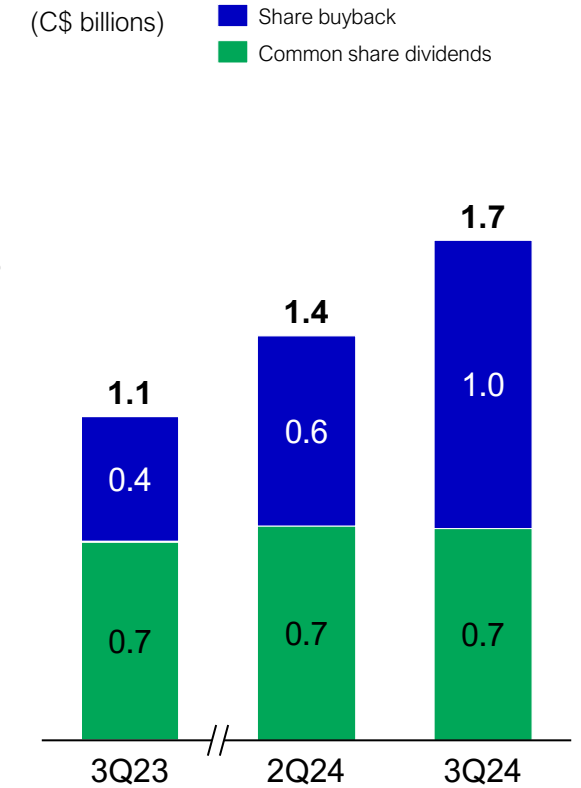
## Capital metrics



## Financial leverage ratio<sup>2</sup>



## Capital returned to shareholders



## Well-positioned to deliver on all targets

	2023	3Q24 YTD	2027 targets
<b>Core ROE<sup>1</sup></b>	15.9%	<b>16.3%</b>	18%+
<b>Cumulative remittances<sup>2</sup></b>	\$5.5B	<b>n/a</b>	\$22B+
			<b>Medium-term targets</b>
<b>New business CSM growth<sup>3</sup></b>	12%	<b>33%</b>	15%
<b>CSM balance growth<sup>3</sup></b>	21%	<b>19%</b>	8-10%
<b>Core EPS growth<sup>1,4</sup></b>	17%	<b>12%</b>	10-12%
<b>Expense efficiency ratio<sup>5</sup></b>	45.5%	<b>45.0%</b>	<45%
<b>Financial leverage ratio<sup>1</sup></b>	24.3%	<b>23.5%</b>	25%
<b>Core dividend payout ratio<sup>1</sup></b>	42%	<b>42%</b>	35-45%
<b>EPS growth<sup>4</sup></b>	47%	<b>11%</b>	
<b>ROE</b>	11.9%	<b>11.3%</b>	
<b>Common share dividend payout ratio</b>	56%	<b>61%</b>	

# Question & Answer *session*



## Appendix

- Financial KPI summary
- Strategic update
- Annual actuarial review update
- Insurance experience, ECL and OCI
- Changes in CSM
- Global WAM investment performance
- Invested assets
- Sensitivities
- Footnotes

## 3Q24 financial KPI summary

	(C\$ millions, unless noted)	3Q23	3Q24	Change
<b>Growth</b>	APE sales <sup>1</sup> (C\$ billions)	\$1.7	\$2.3	▲ 40%
	New business CSM <sup>2</sup>	\$507	\$759	▲ 47%
	New business value <sup>1</sup>	\$600	\$843	▲ 39%
	CSM balance growth <sup>2</sup> (year-over-year change)	3%	19%	▲ 16 pps
	Global WAM net flows <sup>1</sup> (C\$ billions)	\$(0.8)	\$5.2	▲ \$6.0
	Global WAM core EBITDA margin <sup>3</sup>	26.9%	27.8%	▲ 90 bps
	Global WAM average AUMA <sup>1</sup> (C\$ billions)	\$813	\$963	▲ 16%
<b>Profitability</b>	Net income attributed to shareholders	\$1,013	\$1,839	▲ \$826
	Core earnings <sup>2,4</sup>	\$1,743	\$1,828	▲ 4%
	Core EPS <sup>2,3</sup>	\$0.92	\$1.00	▲ 7%
	Core ROE <sup>3</sup>	16.8%	16.6%	▼ 0.2 pps
	Expense efficiency ratio <sup>3</sup>	44.3%	44.4%	▲ 0.1 pps
<b>Balance Sheet</b>	Book value per share (C\$)	\$22.42	\$24.40	▲ 9%
	CSM balance per share <sup>3</sup> (C\$)	\$8.25	\$10.57	▲ 28%
	Adjusted book value per share <sup>3</sup> (C\$)	\$30.67	\$34.97	▲ 14%
	MLI's LICAT ratio	137%	137%	In line
	Financial leverage ratio <sup>3</sup>	25.2%	23.5%	▼ 1.7 pps
	Dividend per common share	36.5¢	40.0¢	▲ 10%

# 3Q24 strategic update

## Accelerate growth

2025 target  
**3/4 of core earnings from highest potential businesses<sup>1,2</sup>**

**70%** 3Q24 YTD

2027 target  
**50% of core earnings from Asia (Insurance + WAM)<sup>2</sup>**

**44%** 3Q24 YTD

- In Asia, we rolled out Manulife Pro, our proprietary recognition and activation program to top-tier agents in Hong Kong, contributing to strong agency sales growth during the quarter
- In Global WAM, we announced the closing of a \$1.1 billion institutional fund – Manulife Private Equity Partners II – in the growing North American private equity market
- In the U.S., we entered into a distribution partnership with Ethos – a life insurance technology company – to provide customers and agents with instant coverage decisions<sup>5</sup>

## Digital, customer leader

2027 target  
**NPS<sup>3</sup> of 37**

**25** as of 3Q24

2025 target  
**STP<sup>4</sup> of 88%**

**89%** 3Q24 YTD

- In Asia, we improved customer experience and the efficiency of our Japan contact centre, by further enhancing voice bot capabilities and applying AI, which contributed to a record high YTD transactional NPS
- In Global WAM, we launched an AI-powered planning tool in our wealth platform in Canada Retail to enhance support for advisors and their clients
- In Canada, we further enhanced our mobile app for the Manulife *Vitality* program with tailored activity recommendations

# 3Q24 strategic update

## Expense efficiency

Medium-term target  
**<45%**  
expense  
efficiency ratio<sup>1</sup>

**45.0%**  
3Q24 YTD

- Continued to proactively manage costs
- Expense efficiency ratio improved ~0.5 percentage point from 3Q23 YTD
- Total expenses of \$5.2 billion (including \$3.5 billion of general expenses) in 3Q24 YTD, up 6%<sup>2</sup> from the prior year and below core earnings growth

## Portfolio optimization

2025 target  
**Core earnings contribution from LTC & VA <15%**<sup>3</sup>

**12%**  
FY23

- Closed the previously announced reinsurance transactions with Global Atlantic and RGA earlier this year in 1Q24 and 2Q24, respectively
- We continue to seek opportunities to optimize legacy businesses, both organically and inorganically

## High performing team

2022+ target  
**Top quartile employee engagement**

**Top quartile**  
FY24

- Continued to rank in the top quartile for the 5<sup>th</sup> consecutive year in our recent 2024 global engagement survey against Gallup’s finance and insurance company benchmark
- Received the Gold Award for HR Excellence in Women Empowerment Strategy in the Philippines
- Ranked as one of the top 50 Best In-State Employers by Forbes in the U.S.
- Named one of the World’s Most Trustworthy Companies by Newsweek

## *Modest net favourable impact of \$174 million from the annual review of actuarial methods and assumptions*

### Impact of changes in actuarial methods and assumptions on fulfilment cashflows<sup>1</sup>

(C\$ millions, pre-tax)

<b>By category</b>	
Lapse and policyholder behaviour updates	620
Reinsurance contract and other risk adjustment review	427
Expense updates	(406)
Financial related updates	(386)
Mortality and morbidity updates	(273)
Methodology and other updates	(156)
<b>Total impact</b>	<b>(174)<sup>2</sup></b>
<b>By segment</b>	
Asia	(818)
Canada	(266)
U.S.	895
Corporate and other	15
<b>Total impact</b>	<b>(174)<sup>2</sup></b>

### Impact of changes in actuarial methods and assumptions

(C\$ millions)

	<b>Pre-tax</b>	<b>Post-tax</b>
Net income attributed to participating policyholders	29	21
Net income attributed to shareholders	(250)	(199)
OCI attributed to participating policyholders	45	32
OCI attributed to shareholders	771	632
CSM	(421)	
<b>Total impact</b>	<b>(174)<sup>2</sup></b>	

- Neutral impact on LICAT
- On a run-rate basis, we expect a largely neutral impact on core earnings each quarter



## *Insurance experience* impacts on core earnings and CSM

### 3Q24 insurance experience gains/(losses)

(C\$ millions, pre-tax)

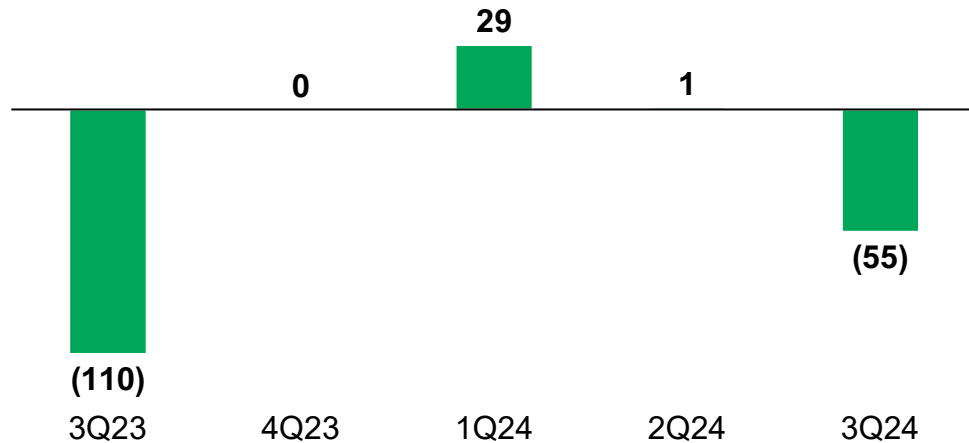
	Core earnings impact	CSM (net of NCI) impact	Total impact
Asia	(25)	(2)	(27)
Canada	39	(25)	14
U.S.	40	(116)	(76)
<b>Insurance operating segments</b>	<b>54</b>	<b>(143)</b>	<b>(89)</b>
Corporate & Other	(3)	-	(3)
<b>Total</b>	<b>51</b>	<b>(143)</b>	<b>(92)</b>

- Insurance experience is reflected in core earnings and in the CSM – the impacts need to be considered together
- Total insurance experience results driven by unfavourable overall LTC experience and unfavourable lapse experience in Asia, partially offset by claims gains in Canada group long-term disability

## Change in ECL for 3Q24 was a *modest charge*

### Change in ECL, (charges)/recoveries

(C\$ millions, pre-tax)



### Change in ECL for 3Q24, (charges)/recoveries

(C\$ millions, pre-tax)

	Stage 1	Stage 2	Stage 3	Total
Net transfers between stages	2	(1)	(1)	-
Net new originations or purchases	(22)	4	-	(18)
Changes to risk, parameters and models	1	(11)	(27)	(37)
<b>Total change in ECL<sup>1</sup></b>	<b>(19)</b>	<b>(8)</b>	<b>(28)</b>	<b>(55)</b>
<b>Total allowance for credit losses balance (September 30, 2024)<sup>1</sup></b>				<b>919</b>

## Other comprehensive income reflects the impact from the annual review of actuarial methods and assumptions

### 3Q24 total comprehensive income

(C\$ millions)

<b>Net income attributed to shareholders</b>	<b>1,839</b>
<b>Other comprehensive income (OCI)</b>	
<i>Net insurance/reinsurance finance income (expense)</i>	<i>(6,589)</i>
<i>Fair value through OCI investments gains (losses)</i>	<i>7,072</i>
Net impact	483
Unrealized foreign exchange gains (losses) of net foreign operations	68
Other changes in OCI attributed to shareholders and other equity holders	(41)
<b>Total OCI</b>	<b>510</b>
<b>Total comprehensive income attributed to shareholders</b>	<b>2,349</b>

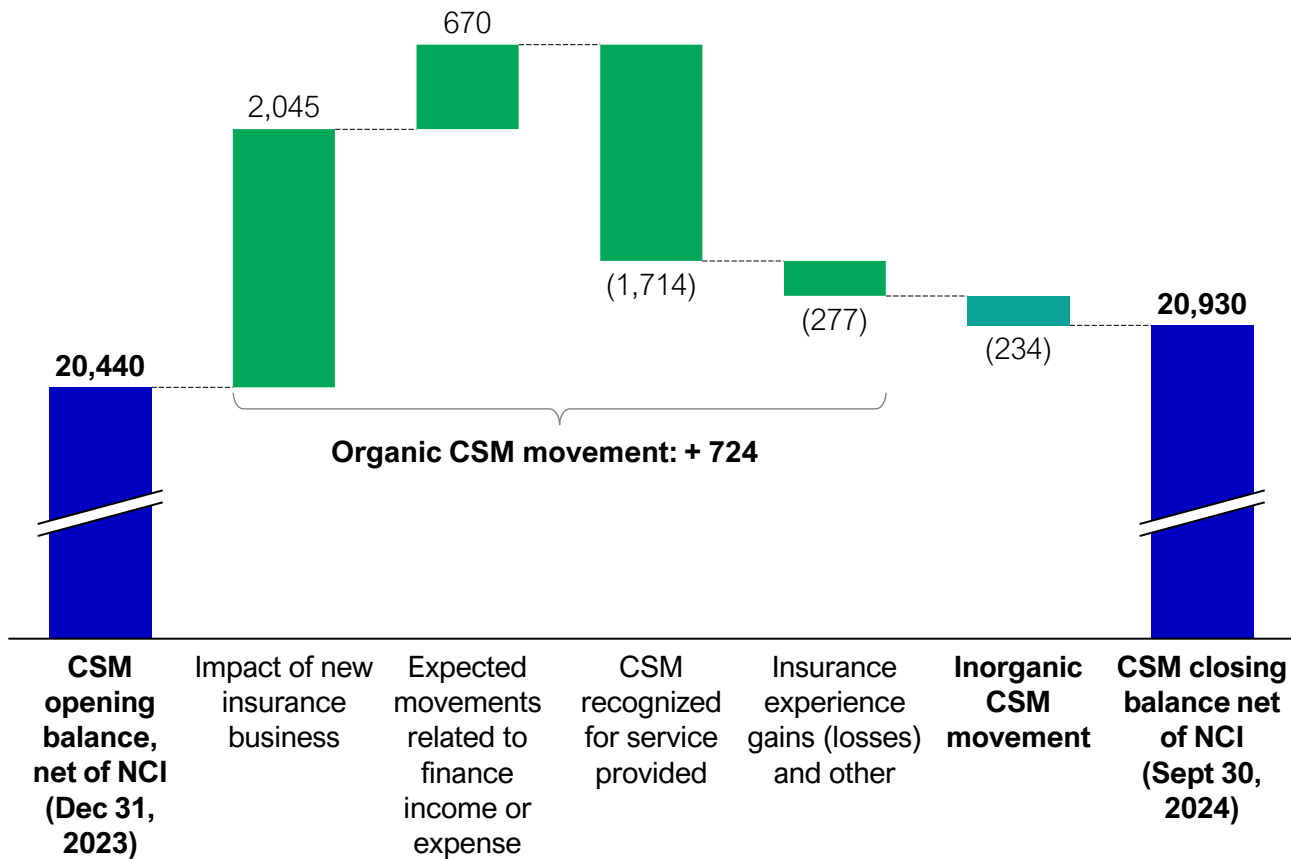
Net gain in other comprehensive income driven by:

- Net favourable impact from the annual review of actuarial methods and assumptions
- Net unfavourable impact from lower interest rates and corporate spreads, partially offset by the steepening of the yield curve
- The currency translation of foreign operations (due to the net weakening of the Canadian dollar), which does not reflect the fundamental performance of our business

# Generated *solid* annualized organic growth in CSM of 5%<sup>1</sup>

## 3Q24 YTD changes in CSM

(C\$ millions, pre-tax)



- **Solid annualized growth of 5% in organic CSM during 3Q24 YTD<sup>1</sup>** was supported by contributions from **new business CSM**, which increased 33% YoY on a YTD basis<sup>1</sup>
- Inorganic CSM movement reflects the impact of reinsurance transactions and a net unfavourable impact of the annual review of actuarial methods and assumptions, partially offset by favourable impacts of changes in foreign currency exchange rates and equity market performance.
- **CSM balance of \$20.9 billion (net of NCI) as at 3Q24 was in line** compared with December 31, 2023<sup>1</sup>

# Global WAM: *Solid* long-term investment performance

Public asset class		3-year	5-year	10-year
	<b>% of total</b>	% of assets above peer <span style="display: inline-block; width: 15px; height: 10px; background-color: #e0ffe0; margin-right: 5px;"></span> 0-50% <span style="display: inline-block; width: 15px; height: 10px; background-color: #00b050; margin-right: 5px; vertical-align: middle;"></span> 51-75% <span style="display: inline-block; width: 15px; height: 10px; background-color: #006d3c; margin-left: 5px;"></span> 76-100%		
<b>Equity</b>	51%	52%	69%	90%
<b>Fixed income</b>	23%	14%	87%	83%
<b>Allocation<sup>1</sup></b>	26%	45%	82%	84%
<b>Total<sup>2</sup></b>	<b>100%</b>	<b>42%</b>	<b>76%</b>	<b>87%</b>

- Our strategies are performing in line with expectations given the current market conditions and our long-term performance track records remain solid<sup>3</sup>

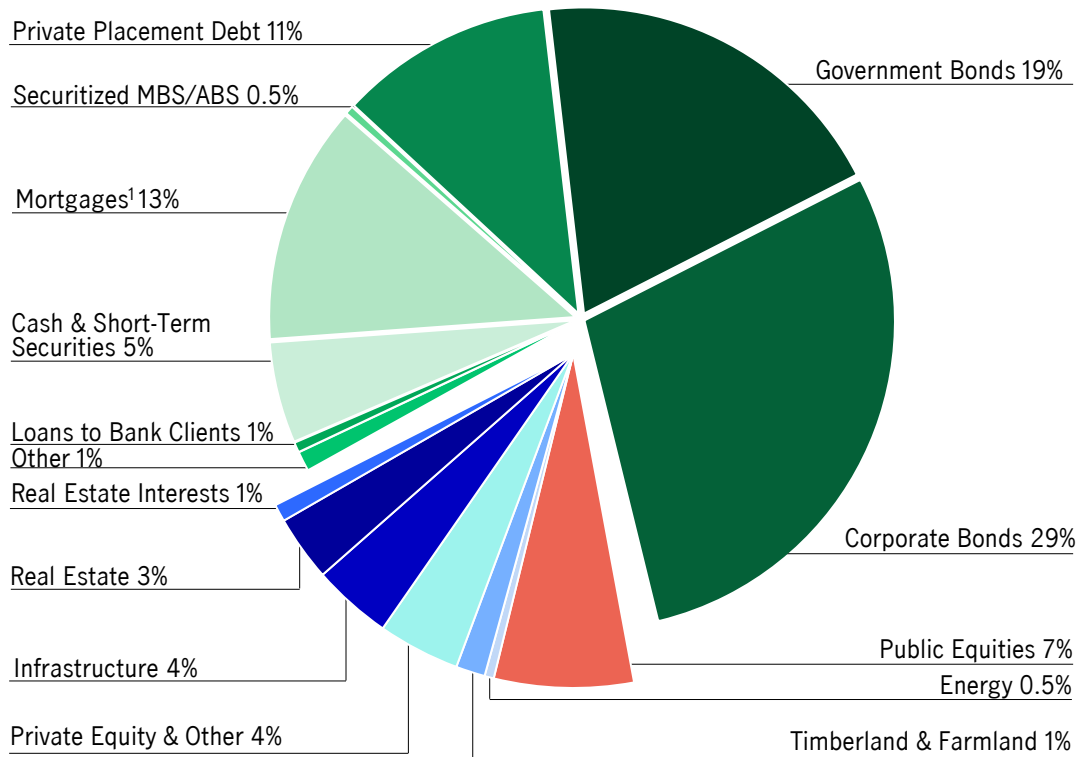


# Diversified *high quality* asset mix avoids risk concentrations

## Total invested assets

(C\$429.2 billion, carrying values as of September 30, 2024)

█ Fixed Income & Other   
 █ Alternative Long-Duration Assets ("ALDA")   
 █ Public Equities



- High quality and diverse asset mix
  - 96% of bonds are investment grade
  - Large holdings in defensive government and utility bonds
  - 71% of bonds are rated A or higher
- ALDA generates enhanced yield; minimizes need to pursue riskier fixed income strategy
  - Portfolio is positioned at the low end of the risk return spectrum with ~75% in real assets and ~25% in private equity
  - ~45% of ALDA supports participating or pass-through products
- High quality mortgage portfolio is diversified
  - 56% of the portfolio is commercial mortgages with LTV ratio of 63% in Canada and 60% in the U.S.
- Robust risk management framework
  - Has supported our underwriting and favourable credit quality

# Interest rate related sensitivities remain within our risk appetite limits

	2Q24		3Q24	
<b>Potential impacts<sup>1</sup> of an immediate parallel change in “interest rates”:</b>				
(C\$ millions, post-tax except CSM)	<b>-50bps</b>	<b>+50bps</b>	<b>-50bps</b>	<b>+50bps</b>
CSM	-	(100)	-	(100)
Net income attributed to shareholders	100	(100)	100	(100)
Other comprehensive income attributed to shareholders	-	-	-	100
Total comprehensive income attributed to shareholders	100	(100)	100	-
MLI’s LICAT ratio	-	-	-	-
<b>Potential impact<sup>1</sup> of a parallel change in “corporate spreads”:</b>				
(C\$ millions, post-tax except CSM)	<b>-50bps</b>	<b>+50bps</b>	<b>-50bps</b>	<b>+50bps</b>
CSM	-	(100)	-	(100)
Net income attributed to shareholders	100	(100)	100	(100)
Other comprehensive income attributed to shareholders	(100)	200	(300)	300
Total comprehensive income attributed to shareholders	-	100	(200)	200
MLI’s LICAT ratio	(3)	3	(4)	3
<b>Potential impact<sup>1</sup> of a parallel change in “swap spreads”:</b>				
(C\$ millions, post-tax except CSM)	<b>-20bps</b>	<b>+20bps</b>	<b>-20bps</b>	<b>+20bps</b>
CSM	-	-	-	-
Net income attributed to shareholders	100	(100)	200	(100)
Other comprehensive income attributed to shareholders	(100)	100	(200)	100
Total comprehensive income attributed to shareholders	-	-	-	-
MLI’s LICAT ratio	-	-	-	-

## Potential immediate impact<sup>1</sup> on CSM and total comprehensive income arising from a 10% change in public equity returns

(C\$ millions)	3Q24							
	-10%				+10%			
	CSM (pre-tax)	Net income (post-tax)	Other comprehensive income (post-tax)	Total comprehensive income (post-tax)	CSM (pre-tax)	Net income (post-tax)	Other comprehensive income (post-tax)	Total comprehensive income (post-tax)
S&P	(240)	(230)	(230)	(460)	230	230	230	460
TSX	(60)	(50)	(20)	(70)	60	40	20	60
EAFE (excluding Japan)	(80)	(10)	(20)	(30)	80	10	20	30
MSCI Asia	(130)	(40)	(10)	(50)	130	40	10	50
HSI	(80)	(30)	-	(30)	80	30	-	30
SHCOMP	(30)	(40)	-	(40)	30	50	-	50
<b>Total</b>	<b>(620)</b>	<b>(400)</b>	<b>(280)</b>	<b>(680)</b>	<b>610</b>	<b>400</b>	<b>280</b>	<b>680</b>

## 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); pre-tax core earnings; core earnings before interest, taxes, depreciation and amortization (“core EBITDA”); total expenses; core Drivers of Earnings (“DOE”) line items for core net insurance service result, core net investment result, other core earnings, and core income tax (expense) recovery; post-tax contractual service margin (“post-tax CSM”); post-tax contractual service margin net of NCI (“post-tax CSM net of NCI”); assets under management and administration (“AUMA”); and adjusted book value.

**Non-GAAP ratios** include core return on common shareholders’ equity (“core ROE”); diluted core earnings per common share (“core EPS”); core EPS excluding the impact of the Global Minimum Tax Act; financial leverage ratio; adjusted book value per common share; common share core dividend payout ratio (“core dividend payout ratio”); CSM balance per common share; expense efficiency ratio; core EBITDA margin; percentage of core earnings contribution from highest potential businesses; percentage of core earnings contribution from Asia; and percentage of core earnings contribution from LTC & VA. 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, net income attributed to shareholders, general expenses, DOE line item for net insurance service result, CSM, CSM net of NCI, impact of new insurance business, new business CSM net of NCI, and diluted earnings per common share.

**Other specified financial measures** include new business value (“NBV”); new business value margin (“NBV margin”); sales; annualized premium equivalent (“APE”) sales; net flows; average assets under management and administration (“average AUMA”); remittances; 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.

For more information on the non-GAAP and other financial measures in this document, please see “Non-GAAP and Other Financial Measures” of the 2023 MD&A and the 3Q24 MD&A which are incorporated by reference and available on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

## Reconciliation: Core earnings from *Asia* and *LTC & VA*

(C\$ millions, post-tax and based on actual foreign exchange rates in effect in the applicable reporting period)	3Q23 YTD	3Q24 YTD
Core earnings of Asia region <sup>1</sup>	1,779	2,326
Core earnings - All other	3,132	2,993
<b>Core earnings (post-tax)</b>	<b>4,911</b>	<b>5,319</b>
Items excluded from core earnings	(1,467)	(1,572)
<b>Net income (loss) attributed to shareholders</b>	<b>3,444</b>	<b>3,747</b>
<b>Core earnings from Asia</b>	<b>36%</b>	<b>44%</b>

(C\$ millions, post-tax and based on actual foreign exchange rates in effect in the applicable reporting period)	FY23
Core earnings of LTC and VA businesses	821
Core earnings - all other	5,863
<b>Core earnings</b>	<b>6,684</b>
Items excluded from core earnings	(1,581)
<b>Net income (loss) attributed to shareholders</b>	<b>5,103</b>
<b>Core earnings from LTC &amp; VA</b>	<b>12%</b>



# Footnotes

Slide	Footnote
6	<p><sup>1</sup> Percentage changes in diluted earnings per common share (“EPS”), diluted core earnings per common share (“core EPS”), core EPS excluding the impact of Global Minimum Taxes (“GMT”), and new business CSM net of non-controlling interests (“NCI”) stated on a constant exchange rate basis are non-GAAP ratios. Percentage changes in annualized premium equivalent (“APE”) sales, and new business value (“NBV”) are stated on a constant exchange rate basis. For more information on APE sales, NBV and net flows, see “Non-GAAP and Other Financial Measures” above.</p> <p><sup>2</sup> For more information on net flows, see “Non-GAAP and Other Financial Measures” above.</p> <p><sup>3</sup> Core EPS, core return on common shareholders’ equity (“core ROE”), adjusted book value per common share and financial leverage ratio are non-GAAP ratios.</p> <p><sup>4</sup> Life Insurance Capital Adequacy Test (“LICAT”) ratio of The Manufacturers Life Insurance Company (“MLI”) as at September 30, 2024. 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.</p>
7	<p><sup>1</sup> Core EPS and core ROE are non-GAAP ratios. Percentage changes in core EPS and EPS are stated on a constant exchange rate basis.</p> <p><sup>2</sup> Adjusted book value per common share and CSM balance per common share are non-GAAP ratios. Adjusted book value per common share represents book value per common share plus CSM balance (post-tax) net of NCI per common share.</p>
8	<p><sup>1</sup> Reflects percentage of North American contact centre agents GenAI call summarization and contract look up tools have been deployed to.</p> <p><sup>2</sup> Where both GenAI call summarization and contract lookup tools have been deployed.</p> <p><sup>3</sup> Net Promoter Score (“NPS”) is based on a rolling four quarter average.</p> <p><sup>4</sup> Straight-through processing (“STP”) includes money movement.</p> <p><sup>5</sup> Includes expense saves, growth absorption, revenue benefits (margin businesses) and new business CSM growth (insurance).</p>
10	<p><sup>1</sup> Percentage change in APE sales and NBV are stated on a constant exchange rate basis. For more information on APE sales, NBV and net flows, see “Non-GAAP and Other Financial Measures” above.</p> <p><sup>2</sup> Percentage change in new business CSM net of NCI stated on a constant exchange rate basis is a non-GAAP ratio.</p>
11	<p><sup>1</sup> Core drivers of earnings (“DOE”) line items for core net insurance service result, core net investment result, other core earnings, and core income tax (expense) recovery are non-GAAP financial measures. For more information and an explanation of the components of core DOE line items other than the change in expected credit loss, see “Non-GAAP and Other Financial Measures” in our 3Q24 MD&amp;A.</p> <p><sup>2</sup> Core earnings is a non-GAAP financial measure. For more information, see “Non-GAAP and Other Financial Measures” above. Percentage change in core earnings stated on a constant exchange rate basis is a non-GAAP ratio.</p> <p><sup>3</sup> In addition, a C\$28 million charge related to the Global Minimum Tax Act was recorded in items excluded from core earnings.</p> <p><sup>4</sup> The reinsurance transaction with Global Atlantic reduced core earnings by C\$21 million in 3Q24 compared with 3Q23, reflecting the impact on expected earnings on insurance contracts, expected investment earnings, and insurance experience. The reinsurance transaction with RGA reduced core earnings by C\$2 million in 3Q24 compared with 3Q23.</p>

# Footnotes

Slide	Footnote
12	<sup>1</sup> Core earnings is a non-GAAP financial measure. For more information, see “Non-GAAP and Other Financial Measures” above. Core EPS and core EPS excluding the impact of GMT are non-GAAP ratios. Percentage changes are stated on a constant exchange rate basis.
13	<sup>1</sup> Adjusted book value per common share and CSM balance per common share are non-GAAP ratios. Adjusted book value per common share represents book value per common share plus CSM balance (post-tax) net of NCI per common share. <sup>2</sup> The past year reflects 4Q23 to 3Q24, inclusive.
14	<sup>1</sup> Percentage changes in APE sales and NBV are stated on a constant exchange rate basis. For more information on APE sales and NBV, see “Non-GAAP and Other Financial Measures” above. <sup>2</sup> Core earnings is a non-GAAP financial measure. For more information, see “Non-GAAP and Other Financial Measures” above. Percentage changes in core earnings and new business CSM net of NCI stated on a constant exchange rate basis are non-GAAP ratios.
15	<sup>1</sup> Percentage change in average AUMA is stated on a constant exchange rate basis. For more information on net flows and average AUMA, see “Non-GAAP and Other Financial Measures” above. <sup>2</sup> Core EBITDA margin is a non-GAAP ratio. <sup>3</sup> Core earnings is a non-GAAP financial measure. For more information, see “Non-GAAP and Other Financial Measures” above. Percentage change in core earnings stated on a constant exchange rate basis is a non-GAAP ratio.
16	<sup>1</sup> Percentage changes in APE sales and NBV are stated on a constant exchange rate basis. For more information on APE sales and NBV, see “Non-GAAP and Other Financial Measures” above. <sup>2</sup> Core earnings is a non-GAAP financial measure. For more information, see “Non-GAAP and Other Financial Measures” above. Percentage changes in core earnings and new business CSM net of NCI stated on a constant exchange rate basis are non-GAAP ratios.
17	<sup>1</sup> Percentage changes in APE sales and NBV are stated on a constant exchange rate basis. For more information on APE sales and NBV, see “Non-GAAP and Other Financial Measures” above. <sup>2</sup> Core earnings is a non-GAAP financial measure. For more information, see “Non-GAAP and Other Financial Measures” above. Percentage changes in core earnings and new business CSM net of NCI stated on a constant exchange rate basis are non-GAAP ratios.
18	<sup>1</sup> For LICAT, the 3Q24 ratio reflects the impact of the SGD\$500 million capital to be redeemed in November 2024 (announced in September 2024) as the LICAT ratio reflects capital redemptions once the intention to redeem has been announced. <sup>2</sup> Financial leverage ratio is a non-GAAP ratio. <sup>3</sup> Reflects the impact of the SGD\$500 million capital to be redeemed in November 2024 (announced in September 2024).

# Footnotes

Slide	Footnote
19	<p><sup>1</sup> Core ROE, core EPS growth, financial leverage ratio, and common share core dividend payout ratio (“core dividend payout ratio”) are non-GAAP ratios.</p> <p><sup>2</sup> For more information on remittances, see “Non-GAAP and Other Financial Measures” above.</p> <p><sup>3</sup> Net of NCI. Percentage changes in new business CSM and CSM balance growth stated on a constant exchange rate basis are non-GAAP ratios.</p> <p><sup>4</sup> Based on a constant exchange rate basis.</p> <p><sup>5</sup> Expense efficiency ratio is a non-GAAP ratio.</p>
22	<p><sup>1</sup> Percentage changes in APE sales, NBV, and average AUMA are stated on a constant exchange rate basis. For more information on APE sales, NBV and net flows, see “Non-GAAP and Other Financial Measures” above.</p> <p><sup>2</sup> Percentage changes in new business CSM net of NCI, CSM balance growth net of NCI, core earnings and core EPS stated on a constant exchange rate basis are non-GAAP ratios.</p> <p><sup>3</sup> Core EBITDA margin, CSM balance per common share, core EPS, core ROE, expense efficiency ratio, adjusted book value per common share, and financial leverage ratio are non-GAAP ratios.</p> <p><sup>4</sup> Core earnings is a non-GAAP financial measure. For more information, see “Non-GAAP and Other Financial Measures” above.</p>
23	<p><sup>1</sup> Highest potential businesses include Asia, Global WAM, Canada group benefits, and behavioural insurance products.</p> <p><sup>2</sup> Percentages of core earnings from highest potential businesses and Asia (Insurance &amp; WAM) are non-GAAP ratios.</p> <p><sup>3</sup> Net Promoter Score (“NPS”) is based on a rolling four quarter average.</p> <p><sup>4</sup> Straight-through processing (“STP”) includes money movement.</p> <p><sup>5</sup> To provide prospective customers and nearly 9,000 newly appointed agents with instant coverage decisions for our Simple Term solution via the Ethos platform.</p>
24	<p><sup>1</sup> Expense efficiency ratio is a non-GAAP ratio.</p> <p><sup>2</sup> Total expenses is a non-GAAP financial measure. For more information, see “Non-GAAP and Other Financial Measures” above. Percentage change in total expenses stated on a constant exchange rate basis is a non-GAAP ratio.</p> <p><sup>3</sup> Percentage of core earnings contribution from LTC &amp; VA is a non-GAAP ratio.</p>
25	<p><sup>1</sup> Fulfilment cash flows include an estimate of future cash flows; an adjustment to reflect the time value of money and the financial risk related to the future cash flows if not included in the estimate of future cash flows; and a risk adjustment for non-financial risk. Additional information on fulfilment cash flows can be found in Note 5 of our unaudited Interim Consolidated Financial Statements for the three and nine months ended September 30, 2024. Please refer to section D2 of the 3Q24 MD&amp;A for more information.</p> <p><sup>2</sup> Net of NCI.</p>
27	<p><sup>1</sup> The total change in ECL is attributed to shareholders only. The total allowance for credit losses balance is attributed to shareholders and participating policyholders.</p>

# Footnotes

Slide	Footnote
29	<sup>1</sup> Annualized organic CSM, new business CSM and CSM balance growth rates stated on a constant exchange rate basis are non-GAAP ratios.
30	<p><sup>1</sup> Allocation includes asset allocation and balanced strategies.</p> <p><sup>2</sup> Investment performance data is as of September 30, 2024. The total assets represents C\$326.1 billion. Data is sourced from Morningstar, Inc. All rights reserved. The information contained herein: 1) is proprietary to Morningstar and/or its content providers; 2) may not be copied or distributed; and 3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.</p> <p><sup>3</sup> The universe represented is based on a screen of the Morningstar OpenEnd and ETF universes, excluding money market funds, alternatives, private markets and virtual classes. Performance of a representative share class as defined by the Morningstar primary flag is utilized as a proxy to determine if the fund outperforms peers (i.e., ranks in the top half of Morningstar peer groups). The order of criteria as directed in user preferences is available at investor request. Performance rankings are calculated net of fees for performance. Fund of funds are included in this disclosure, so there will be double counting of assets for affiliated underlying funds.</p>
31	<sup>1</sup> Includes government-insured mortgages (C\$7.8 billion or 14% of total mortgages).
32	<sup>1</sup> All estimated sensitivities are approximate and based on a single parameter. No simple formula can accurately estimate ultimate future impact. Refer to the “Interest Rate and Spread Risk Sensitivities and Exposure Measures” section in our 3Q24 MD&A.
33	<sup>1</sup> All estimated sensitivities are approximated based on a single parameter. No simple formula can accurately estimate future impact. Changes in public equity prices may impact other items including, but not limited to, asset-based fees earned on assets under management and administration or policyholder account value, and estimated profits and amortization of deferred policy acquisition and other costs. These items are not hedged.
35	<sup>1</sup> Includes core earnings from Asia segment and Global WAM’s business in Asia.

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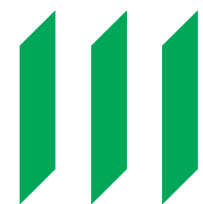
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