

2019

**Sustainability Report and
Public Accountability Statement**



About Manulife

Table of contents	Manulife Financial Corporation is a leading international financial services group that helps people make their decisions easier and lives better. With our global headquarters in Toronto, Canada, we operate as Manulife across our offices in Canada, Asia, and Europe, and primarily as John Hancock in the United States.
Introduction	We provide financial advice, insurance, and wealth and asset management solutions for individuals, groups, and institutions.
Corporate governance	
Customers	At the end of 2019, we had more than 35,000 employees, over 98,000 agents, and thousands of distribution partners, serving almost 30 million customers. As of December 31, 2019, we had \$1.2 trillion (US\$0.9 trillion) in assets under management and administration, and in the previous 12 months, we made \$29.7 billion in payments to our customers. Our principal operations are in Asia, Canada, and the United States, where we have served customers for more than 100 years.
Sustainable and responsible investing	
Environment	
People	We trade as 'MFC' on the Toronto, New York, and Philippines stock exchanges, and under '945' in Hong Kong. Learn more by visiting Manulife.com .
Communities	
Manulife Bank PAS	
GRI, SASB and TCFD Index	

2019 ESG rankings

Rating		2019
MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM	1	53
CDP DISCLOSURE INSIGHT ACTION	2	B
MSCI ESG RATINGS AAA AA A BBB BB B CCC	3	AA

- As of September 2019, Manulife Financial Corporation is a member of the DJSI North America Index. The regional index includes the top 20% most sustainable market caps, per industry, based on their sustainability scores.
- As of January 2020, Manulife Financial Corporation received a CDP Climate Change score of B which represents a management level disclosure.
- As of March 2020, Manulife Financial Corporation received an MSCI ESG Rating of AA. The use by Manulife Financial Corporation of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Manulife Financial Corporation by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



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Manulife Bank PAS		
GRI, SASB and TCFD Index		

2019 Highlights:

- 50% of our Board committees were chaired by women¹
- Scope 1 & 2 GHG emissions were 1.0 million MtCO₂ and we had carbon removals of 3.1 million MtCO₂²
- 12% reduction in total paper use
- 91% participation in our engagement survey
- Donated and raised over \$46 million in support of community initiatives
- Released a Climate Change Statement outlining our approach to climate change
- As supporters of TCFD we included climate-related disclosures in our 2019 Management's Discussion and Analysis

¹ As of May 7th, 2020.

² Combined Agriculture and Timber CO₂ removals – five-year trailing average. Annual CO₂ removals include annual increase in carbon stock within standing forest inventory (biogenic growth), plus carbon stored in wood products harvested during that year. Due to year-on-year variation introduced by forest inventory estimation methodologies as well as harvesting schedules, we report a five-year average of carbon removals.



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Manulife Bank PAS

GRI, SASB and TCFD Index

GRI:
102-45, 102-46,
102-49, 102-50,
102-52, 102-54

Scope

This Sustainability Report and Public Accountability Statement outlines our management approaches, performance, and achievements related to our environmental, social, and governance (ESG) priorities. The information contained in this report was obtained through stakeholder consultation, internal management review, and a materiality assessment conducted for Manulife in 2019.

Audience

While we have tailored this report to meet the needs of our many stakeholder groups, our primary focus is on investors and analysts interested in our ESG policies, programs, practices, and performance. For additional information, please refer to manulife.com/sustainability.

Boundaries

This report is in the respect of the financial year ended December 31, 2019. All facts and figures are as of December 31, 2019, unless stated otherwise. This report includes information from our operations across Canada, Asia, and Europe, and John Hancock in the United States. The information in this report is consolidated unless stated otherwise.

This report includes our Public Accountability Statement and is published by, and in respect of, Manulife Financial Corporation, The Manufacturers Life Insurance Company, and the following prescribed affiliates:

- First North American Insurance Company
- Manulife Investment Management Limited
- Manulife Securities Incorporated
- Manulife Securities Investment Services Inc.
- Manulife Investment Management (North America) Limited

- Manulife Securities Insurance Inc.
- Manulife Investment Management Distributors Inc.
- Manulife Assurance Company of Canada

The 2019 Manulife Bank Public Accountability Statement, also included in this report, is published by, and in respect of, Manulife Bank of Canada and its prescribed affiliate, Manulife Trust Company of Canada.

All dollar amounts are in Canadian funds, unless stated otherwise. Manulife Financial Corporation and its subsidiaries, including The Manufacturers Life Insurance Company, are referred to herein as “we,” “our,” “Manulife,” and “the company.”

Manulife, Manulife & Stylized M Design, and Stylized M Design are trademarks of The Manufacturers Life Insurance Company and are used by it, and by its affiliates, including Manulife Financial Corporation, under licence.

Frameworks we support

Global Reporting Initiative

Our Sustainability Report has been prepared in accordance with the GRI Standards: Core option. GRI is a non-profit organization that provides a comprehensive sustainability reporting framework, which sets out the principles and indicators by which organizations measure and report their economic, environmental, and social performance. globalreporting.org

Sustainable Development Goals

In 2015, United Nations member states adopted the 2030 Agenda for Sustainable Development, at the centre of which are 17 Sustainable Development Goals (SDGs) that serve as a universal call to action to end poverty, protect the planet and ensure prosperity for all by 2030. We support various SDGs and have aligned our strategy to the SDGs where we feel that we can make the greatest impact. sustainabledevelopment.un.org/sdgs



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Task Force on Climate-related Financial Disclosures

We have been a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) since November 2017 and are committed to adopting and aligning our disclosures to the TCFD recommendations. Our climate-related disclosure can be found on [page 42](#) in our [2019 Management's Discussion and Analysis](#). Our Sustainability Report provides additional disclosure on Manulife's position on climate change and our strategy to support the transition to a lower-carbon economy. fsb-tcfd.org

Sustainability Accounting Standards Board

The Sustainability Accounting Standards Board (SASB) is a non-profit organization founded in 2011 to develop and disseminate sustainability accounting standards. Through our sustainability reporting and disclosure, we review and take into account the sector-specific standards and related disclosures set out by SASB. In 2018, the Sustainability Accounting Standards Board established standards for sustainability disclosure across companies on a global basis. Manulife joined the SASB Standards and Investor Advisory Groups in 2019. sasb.org

Framework legend
To facilitate the search of data specific to the disclosure frameworks used, please see our table on [page 71](#), which lists where specific disclosures can be found.
Relevant GRI and SDG references are also included throughout this report, at the bottom of the left-hand navigation.

Additional sustainability references

To reduce our environmental footprint, our Sustainability Report is only available in digital format.

Additional information on our environmental, social, and governance practices is available in the following publicly available reports:

Corporate level:

- [Manulife's 2019 Annual Report](#)
- [Manulife's 2020 Management Information Circular](#)
- [Manulife's annual CDP submission](#)
- [Manulife Annual Green Bond Report](#)

Business unit/segment level:

- [Manulife Investment Management's Real Estate Sustainability Report](#)
- [Manulife Investment Management Sustainable and Responsible Investing Report](#)
- [Manulife Investment Management Principles for Responsible Investment \(PRI\) Transparency Report](#)
- [Manulife Investment Management's Report on Sustainability and Responsible Investing for Timber and Agriculture](#)



Message from Our President and Chief Executive Officer

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Our Mission: Decisions made *easier*. Lives made *better*.

This year, our communities need us more than ever. The COVID-19 outbreak has seriously impacted individuals and families in all corners of the world and, with our mission driving us, we've acted quickly and decisively to support our communities and customers.

We have focused our financial efforts on several critical fronts and, as of April 15, 2020, we have dedicated \$25 million to a number of key areas, including financial relief for customers, food security for the most vulnerable communities, promoting the well-being of health care workers, and creating employee matching donations and virtual volunteer programs.

While we've made many efforts to help those impacted, our work is not complete. As long as the world continues to be impacted by the virus, we will do our part to ease the burden on those affected and to live up to our mission every day: Decisions made easier. Lives made better.

We are dedicated to improving outcomes for all of our stakeholders, and for us that also means supporting the transition to a lower carbon economy, investing in the health and well-being of our employees, having a measurable social impact in our communities, and managing our ESG risks and opportunities to benefit our customers and shareholders.

SDG:
3, 7, 8, 13

GRI:
102-14, 103-201, 103-203



CEO Message cont.

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Our sustainability strategy is driven by our specially appointed Executive Sustainability Council, whose passion and determination to create positive change has been vital to our recent progress.

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For our environment, the impact of climate change is significant, and it is clear all stakeholders will need to work together to bring about sustained change. Our Climate Change Working Group is committed to taking meaningful steps on many fronts.

Customers

Sustainable and responsible investing

Manulife is proud to be a leading arranger and provider of financing for the renewable power sector in North America. In 2019, we invested \$1.2 billion in renewable energy and energy efficiency projects, bringing our investment total since 2002 to \$14.8 billion.

Environment

We're sustainably managing our real estate, timber, and agriculture assets, and over 48 million square feet, or 81%, of our global real estate portfolio has been certified to a green building standard.

People

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GRI:
102-14, 103-201,
103-203

We were the first global life insurer to issue a green bond. With two issuances to date, our total outstanding green bond issuance amount is now over \$1 billion.

We're also proud of the work we have done to support our communities across the world, directly making or helping to raise over \$46 million in contributions in 2019.

In the midst of the current turmoil, I am also proud of how our franchise is continuing to help create a more sustainable future. Our focus on maximizing our sustainability efforts remains resolute and recent events have reinforced a crucial truth: to have the biggest impact when tackling the critical global issues, individuals and organizations must work together.

Roy Gori
President and Chief Executive Officer



Message from Our Executive Sustainability Council

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Our mission to make decisions easier and lives better inspires our work to create a more sustainable business. Sustainability is a journey, and over the past year we've made meaningful progress across our organization.

Following the establishment of our sustainability governance framework and the creation of our Executive Sustainability Council in 2018, over the past year we have focused on developing our global sustainability strategy.

As part of the Executive Sustainability Council's mandate, we actively review how different environmental, social and governance issues may affect our business.

Our diverse perspectives on the wide range of sustainability related risks and opportunities help drive informed and integrated recommendations across our organization and to our Board of Directors.

Guided by our corporate values, we have taken a bold approach to our sustainability agenda; an approach that drives action in the best interests of our various stakeholders.

In order to ensure our sustainability efforts make an impact beyond our business, we chose to take a disciplined approach to aligning our strategy to six of the United Nations' Sustainable Development Goals, and this is reflected throughout this report.

One of our top priorities this year has also been to enhance our external disclosures around the sustainability topics most crucial to our business. As a result, we've structured this report to better meet the needs of investors and analysts, who are increasingly interested in companies' sustainability practices.

We are also a supporter of the recommendations of the Financial Stability Board's Taskforce on Climate-Related Financial Disclosures (TCFD), and have enhanced our disclosure related to climate change in our [2019 Management's Discussion and Analysis](#).

Throughout this report, and our various other disclosures, you will see examples of our sustainability strategy in action, and we're proud of the progress made. In reading this report we hope that you will be encouraged by how we're contributing to the creation of tangible, sustainable value for our stakeholders.

Manulife's Executive Sustainability Council

Cindy Forbes – Chief Analytics Officer

James Gallagher – Chair – General Counsel

Pam Kimmet – Chief Human Resources Officer

Paul Lorentz – President and CEO, Global Wealth and Asset Management

Philip Witherington – Chief Financial Officer

Karen Leggett – Chief Marketing Officer

Rahim Hirji – Chief Risk Officer

Rahul Joshi – Chief Operations Officer

Scott Hartz – Chief Investment Officer

GRI:
102-14, 103-201,
103-203



Sustainability Scorecard

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All facts and figures are as of December 31, 2019, unless stated otherwise.

	2019	2018	2017
Introduction	Our corporate governance		
	13 ¹	13	15
	12 ¹	12	14
Corporate governance	50% ¹	50%	25%
	8.3 ¹	7.2	6.7
Customers	\$2.0	\$2.0	\$1.8
	\$0	\$25,000	\$0
	\$2.1	\$2.3	\$2.3
Sustainable and responsible investing	\$662	\$622	\$308
	\$3.3	\$3.15	\$2.7
	Our customers		
Environment	30	28	26
	\$29.7	\$29.0	\$26.7
	\$8.3	\$10.2	\$8.2
People	See page 31	N/A	N/A
	Our responsible investment		
Communities	940	276	70
	724	203	60
Manulife Bank PAS	\$1.2	\$1.0	\$1.7
	\$14.8	\$13.6	\$12.6
	20	16	27
GRI, SASB and TCFD Index	39.6	51.4	41.4
	5.9	6.0	6.2
	48.7	48.2	41
	81%	80%	N/A
	0	\$600	SGD 500
	0	258,400 tons, or 430 tons per CAD 1 million invested	56,740 tons, or 114 tons per SGD 1 million invested

SDG:
3, 7, 8, 13

GRI:
102-7, 201-1, 415-1

1 As of May 7th, 2020.



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		2019 ⁵	2018	2017
Our environment²				
Introduction	GHG Scope 1 emissions (tonnes CO ₂ e)	714,636	705,994 ⁶	464,258
	GHG Scope 2 emissions (location based) (tonnes CO ₂ e)	331,677	338,196	293,348
Corporate governance	GHG Scope 2 emissions (market based) (tonnes Co ₂ e)	320,941	324,046	280,909
	GHG Scope 3 emissions (tonnes CO ₂ e)			
	Business travel (tonnes CO ₂ e)	25,835	27,396	23,139
Customers	Purchased goods & services (tonnes CO ₂ e)	7,360	9,434	13,632
	Waste (tonnes CO ₂ e)	2,782	2,479	2,684
Sustainable and responsible investing	Data centres (tonnes CO ₂ e)	3,456	4,029	N/A
	Leased properties ³ (tonnes CO ₂ e)	239,093	176,920	161,824
	Contractor fuel use ³ (tonnes CO ₂ e)	186,565	150,029	157,583
Environment	Energy use (million kWh/sq. ft.)	2,599	2,669	1,863
	Waste to landfill – Corporate (tonnes)	586	690	709
	Waste to landfill – Real Estate (tonnes)	6,425	5,736	6,248
People	Waste diversion rate – Corporate	50%	56%	65%
	Waste diversion rate – Real Estate	50%	52%	52%
Communities	Water use (million m ³)	2.0	2.3	2.1
	Paper use (metric tonnes)	2,898	3,713	5,365
Manulife Bank PAS	Acres of sensitive lands protected ³ (thousand acres)	471	470	462
	Trees planted ³ since 1985 (billions)	1.16	1.11	1.06
	Carbon removals from Agriculture and Timber ⁴ (million MtCO ₂)	3.14	5.96	8.20

² Our emissions are computed in accordance with the GHG Protocol. For further information, please see our [Third-party verification letter](#).

³ By Manulife Investment Management Agriculture and Timber businesses.

⁴ Combined Agriculture and Timber CO₂ removals – five-year trailing average. Annual CO₂ removals include annual increase in carbon stock within standing forest inventory (biogenic growth), plus carbon stored in wood products harvested during that year. Due to year-on-year variation introduced by forest inventory estimation methodologies as well as harvesting schedules, we report a five-year average of carbon removals.

⁵ In 2019, 95% of our total Scope 1 and 2 GHG emissions of 1,046,313 MtCO₂ are associated with our owned and operated businesses that manage assets for third-party clients and our General Account, and are included in our Scope 1 & 2 emissions, as we use an operational control definition to determine our boundaries.

⁶ The increase from 2017 to 2018 is due to a major acquisition by NAL Resources which was completed in the last quarter of 2017.

GRI, SASB and TCFD Index

SDG:
7, 13

GRI:
102-7, 201-1, 302-1,
302-3, 305-1, 305-2,
305-3, 305-4



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		2019	2018	2017
	Our people			
Introduction	Global workforce ⁷	35,678	34,200	32,962
	Females in global workforce	55%	56%	56%
Corporate governance	Males in global workforce	45%	44%	44%
	Females, VP and above	23%	24%	23%
	Males, VP and above	77%	76%	77%
Customers	Females, manager, director and AVP	43%	43%	43%
	Males, manager, director and AVP	57%	57%	57%
Sustainable and responsible investing	Workforce ⁷ in Canada	11,524	11,696	12,072
	Unconscious bias training completed by people leaders	93%	89%	N/A
	Unconscious bias training completed by individual contributors	86%	77%	N/A
	Number of agents	98,000+	82,000+	73,000
Environment	Members in the employee resource groups	9,800+	9,000+	7,000+
	Gender pay ratio	See page 53	N/A	N/A
People	Voluntary turnover	11%	11%	10%
	Open positions filled by internal candidates	26%	23%	25%
Communities	Employee engagement score	4.04/5.0 scale	N/A	N/A
	Employees participating in engagement survey	91%	N/A	N/A
	Average tenure of employees (years)	7	7	8
Manulife Bank PAS	Our communities			
GRI, SASB and TCFD Index	Company investment (millions)	\$22.7	\$22.6	\$21.9
	Employee giving (millions)	\$4.4	\$2.4	\$3.6
	External resources leveraged (millions)	\$19.2	\$20.0	\$18.2
	Total donations/sponsorships made or helped raised (millions)	\$46.3	\$45	\$43.7
	Employee and agent volunteer hours	65,978	66,848	80,437

⁷ Workforce data represents active regular employees.

SDG:
3, 5, 10

GRI:
102-7, 201-1, 401-1, 405-1



Global Sustainability Awards and Recognitions

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Canada and Corporate

- Gender Equality Index from Bloomberg
- North America Index from Dow Jones Sustainability
- Candidate Experience Award from Talent Board
- Golden Wheel from Ride for Heart
- 100K Platinum Club Award from Ride for Heart
- Canada's Best Diversity Employers from Canada's Top 100
- Canada's Top Employers for Young People from Canada's Top 100
- Parity Certification (Silver) from Women in Governance
- One of the Most Trusted Life Insurance Providers from BrandSpark International
- Data Impact Award from Cloudera

United States

- Corporate Equality Index by Human Rights Campaign
- A Top Charitable Contributor from Boston Business Journal
- America's Best Employers by State Ranking from Forbes
- One of the Best Life Insurance Companies by the U.S. News & World Report's 360 Reviews
- Model Insurer Award from Celent
- Multiple Sales and Customer Service Awards from Stevie Awards
- Corporate Partner of the Year from Boston Debate Leagues
- Gold Award for the Most Innovative Product Feature from the Best in Biz Awards
- Top 100 Women-Led Businesses in Massachusetts by Commonwealth Institute and Boston Globe Magazine
- One of Largest Employers in Massachusetts from Boston Business Journal

Asia

- Social Responsibility Outstanding Enterprise from the Social Responsibility Conference
- Best CSR Practice from Employer Branding Institute and CMO Asia
- CSR Initiative of the year from Insurance Asia Awards in the Philippines
- Silver Standard from Hong Kong LGBT+ Inclusion Index
- Outstanding Equal Opportunity Employers Award from the Hong Kong Insurance Awards
- Three Awards at 2019 International Customer Relationship Excellence Summit in Cambodia
- Excellent Customer Service Award from the National Business Daily in China
- Silver in CSR Excellence at the Marketing Excellence Awards in Singapore
- Best CSR Practice Award and Best Employer Brand Award from the Philippines Best Employer Awards in Manila
- Top Community Care Company in Asia from the Asia Corporate Excellence and Sustainability Awards



Sustainability Governance

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Introduction

We established a sustainability governance framework in 2018, which sets out a strategic approach to managing our sustainability priorities within the context of our business model and objectives. This framework evolved in 2019 and is depicted in the diagram on the next page.

To operationalize our governance model, we established a Sustainability Centre of Expertise (CoE) in 2018. The CoE consists of corporate function and business unit sustainability leads tasked with integrating sustainability into our business practices. This group's responsibilities include:

Corporate governance

In early 2019, environmental, social and governance (ESG) oversight was added to the charter of the Board's Corporate Governance and Nominating Committee (the Committee). The Committee reviews progress made on our sustainability strategy and stays informed of ESG trends, risks and opportunities through management reporting. Members of the Committee include the Board Chair and five independent Board members.

- Leading development and implementation of sustainability strategy
- Ensuring integration of sustainability into business unit strategies, policies and procedures
- Advising on sustainability matters and providing support and capacity building to business units

Customers

Sustainable and responsible investing

The Committee's oversight of ESG complements the work of the Executive Sustainability Council (ESC). The ESC, which consists of eight members of our executive leadership team, is responsible for establishing the enterprise's sustainability ambition, guiding the development and execution of the sustainability strategy and providing recommendations and direction on matters related to sustainability. In addition to the ESC, we have a subsidiary-specific committee that executes asset class specific sustainability objectives.

In 2019 we also established a Climate Change Working Group, chaired by our Chief Risk Officer. This working group is responsible for developing our approach to climate change. The Climate Change Working Group escalates climate, and more broadly, environmental risks to the ESC, of which our Chief Risk Officer is also a member. In addition to issue-specific reporting, the management of climate change is captured in our Enterprise Risk Management (ERM) Evolving Risk Inventory, which is reported to the Board's Risk Committee.

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GRI:
102-18, 102-19,
102-20



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Board of Directors committees:

Corporate governance

Corporate Governance and Nominating Committee
Receives Sustainability updates on a quarterly basis

Audit Committee

Management Resources and Compensation Committee

Risk Committee

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GRI:
[102-18](#), [102-19](#),
[102-20](#)

Executive Sustainability Council members:¹

Meeting occurrence – monthly

General Counsel – Chair	Chief Analytics Officer	Chief Marketing Officer	Chief Human Resources Officer	President and CEO, Global Wealth and Asset Management	Chief Financial Officer	Chief Operations Officer	Chief Investment Officer	Chief Risk Officer
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Sustainability Centre of Expertise members:

Meeting occurrence – monthly

Corporate Finance	Corporate Sustainability	Manulife Investment Management – Agriculture & Timber	Group Risk Management
Manulife Investment Management – Public Markets	Manulife Investment Management – Real Estate	NAL Resources Management	General Account
			John Hancock – US

Sustainability issues discussed in 2019

Climate change	ESG Disclosure	Health and Well-being	Sustainable Finance
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¹ As of May 2020.



Sustainability Strategy

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GRI:
[102-21](#), [102-40](#),
[102-41](#), [102-42](#),
[102-43](#), [102-44](#),
[205-2](#)

Throughout 2019, we focused on developing a comprehensive sustainability strategy to help fulfill our mission of making decisions easier and lives better.

Building on our history as a trusted insurer, long-term investor, and good corporate citizen, our strategy incorporates input from external and internal stakeholders, our learnings from ongoing engagement with external sustainability networks, and our experience over the years in this space.

Materiality assessment and stakeholder engagement

In 2019, we conducted a materiality assessment to deepen our understanding of stakeholders’ expectations regarding Manulife’s sustainability strategy and performance. Their feedback confirmed that we are on the right track and provided insight into how we can address key topics through our business and operations.

The following table identifies our key stakeholder groups, how we typically engage with them, and their primary topics of interest, as identified through the materiality assessment and our ongoing stakeholder interactions.

Stakeholder group	Ways we engage	Sustainability topics of interest to stakeholders
Consumers/ customers	<ul style="list-style-type: none"> Net Promoter System In-person working sessions Human-centred design 	<ul style="list-style-type: none"> Protecting customer data and privacy Ethical operations Providing products and services that are in customers’ best interest Helping customers make informed decisions ESG integration in products
Employees	<ul style="list-style-type: none"> Annual global employee engagement survey Ad hoc polling Diversity and Inclusion Council Employee Resource Groups 	<ul style="list-style-type: none"> Protecting employee data and privacy Operating ethically Ensuring the health and well-being of employees Respecting human rights
Shareholders/ investors	<ul style="list-style-type: none"> Shareholder engagement Annual meeting Investor events and presentations Webcasts Investor Relations website Annual Report and Management Information Circular Meetings, phone calls and e-mail correspondence Quarterly earnings results and earnings calls 	<ul style="list-style-type: none"> Protecting customer data and privacy Operating ethically Corporate governance Human capital development Diversity and inclusion Climate change Responsible investment
Regulators	<ul style="list-style-type: none"> Mandatory local and regional reporting requirements Voluntary reporting and engagement on key issues Questionnaires 	<ul style="list-style-type: none"> Corporate governance Climate change risk governance ESG integration into risk management Climate change in relation to investments
Civil society/ NGOs	<ul style="list-style-type: none"> Ongoing dialogue with local and regional non-governmental organizations Partnerships Industry working groups Funding research projects Conferences and forums 	<ul style="list-style-type: none"> Protecting customer data and privacy Ethical supply chain Operating ethically Investing policyholder assets in a sustainable manner Developing investment products that provide environmental or social benefits Access to finance for underserved populations
Communities	<ul style="list-style-type: none"> Philanthropic partnerships Sponsorship of community events Volunteerism 	<ul style="list-style-type: none"> Being a good corporate citizen Meeting the needs of local communities



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Pillars of our strategy

Based on the insights gathered from our materiality assessment, we have developed four pillars for our sustainability strategy and identified two focus areas that cut across the pillars—namely, climate change and health and well-being:

Our Environment

Reduce the impact of our operations on the physical environment and support the transition to a lower-carbon economy.

Our People

Invest in the health and well-being of our employees and continue building a diverse and inclusive workplace.

Our Customers and Shareholders

Manage our ESG risks and opportunities to benefit our customers, shareholders, and employees, and operate in an ethical manner.

Our Communities

Create measurable social impact by investing in the health and well-being of our communities.

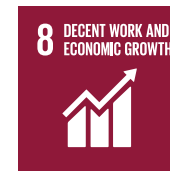
In 2020, we will place greater emphasis on engaging with employees, stakeholders, and global and community partners to bring our strategy to life.

SDG:
3, 5, 7, 8, 10, 13

GRI:
102-21, 102-43, 102-44

Supporting the Sustainable Development Goals (SDGs)

Through our sustainability strategy, we are well-positioned to contribute towards six SDGs:



You will find reference to these SDGs on relevant pages throughout this report.

We are focused on continuously engaging with our peers and other industries on these six SDGs. In 2019, we sponsored the Community Foundations of Canada “All In” conference, which brought together community leaders from across Canada to discuss how to make progress on these six SDGs. In addition, Manulife Investment Management’s SDG assessment methodology was featured in Global Compact Network Canada’s “SDGs Emerging Practice Guide.”



Our Corporate Governance

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Risk Management
Information and Cyber Security
Data Privacy
Public Policy
Responsible Supply Chain

#1
in *The Globe and Mail's*
ranking of Canada's
corporate boards

42%
of independent members
of our Board of Directors
are women¹



Manulife's success is built on a foundation of exemplary business conduct, robust Board oversight, and effective risk management and controls. Through our overall governance processes, frameworks, and policies, we empower our people to innovate, while ensuring ethical and responsible conduct across the organization.

¹ As of May 7th, 2020.



Board of Directors

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Our Board of Directors is elected by Manulife’s shareholders and is responsible for providing oversight of the business and affairs of our company. Governance policies and practices are consistent with our values and with the various rules and requirements applicable to our business.

Key aspects of our governance procedures and policies include the following:

- Other than the CEO, all of our directors are independent, and all members of the Board’s standing committees are independent, thereby ensuring that the Board and its committees can effectively oversee all aspects of our business and act in Manulife’s best interests.
- Directors reflect a mix of certain competencies, experience, and personal qualities to ensure proper oversight and effective decision-making. The Board routinely reviews its size and make-up with the Corporate Governance and Nominating Committee to ensure this objective is met, and may appoint new directors to the Board between annual meetings.
- The Board has a long-standing diversity policy that covers age, gender, ethnicity, disability, sexual orientation, and geographic representation.
- Independent directors meet regularly with senior management and meet without management present at each Board and committee meeting to facilitate open and candid discussion.
- The Corporate Governance and Nominating Committee reviews the Board mandate annually. The Board’s mandate, committee charters, and position descriptions for the Board chair, committee chairs, individual directors, and the CEO are posted on manulife.com.

Our Board also oversees compliance with the rules and requirements that apply to us, including: the *Insurance Companies Act* (Canada); corporate governance guidelines established by the Office of the Superintendent of Financial Institutions (OSFI) and the Canadian Securities Administrators; U.S. Securities and Exchange Commission rules and regulations; TSX corporate governance guidelines; and New York Stock Exchange corporate governance rules for domestic issuers.

SDG:

5

GRI:

102-18

The Board regularly reviews and updates our governance practices to keep them in step with regulatory developments and evolving stakeholder expectations.

	2019 ¹	2018	2017
Total independent board members	12	12	14
Males	58%	58%	57%
Females	42%	42%	43%

¹ As of May 7th, 2020.

Executive compensation

Our executive compensation practices help us attract and retain highly talented, driven individuals to steer the organization and encourage decision-making that supports long-term sustainable growth.

Pay for performance is at the core of our approach. Compensation is tied to the achievement of short, medium, and long-term goals, so that most of what our executives earn is variable and not guaranteed. In practice, this has meant that executives earn more when performance is strong and less when it isn’t. The Board has the discretion to adjust incentive payouts to reflect business performance.

Members of the executive leadership team also have performance goals related to diversity, employee engagement, and leadership accountability, which are aimed at building high-performing teams, as well as goals related to fostering a risk-aware culture.

Learn more

[Statement of Corporate Governance](#)

[Management Information Circular](#)



Ethics and Integrity

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Do the right thing is a core value that every Manulife employee, executive, and Board member is expected to uphold in every situation.

Introduction

Our Board of Directors endeavours to set a clear tone at the top and is responsible for promoting a culture of integrity. Our [Code of Business Conduct and Ethics](#) (the “Code”) affirms our commitment to observing the highest ethical standards in all of our operations, complying with all applicable laws, and avoiding any actual conflicts of interest.

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All employees and members of the Board must undergo annual training and annually certify their compliance with the Code, be well-versed in its provisions, and conduct themselves according to both the letter and the spirit of those provisions. They are also required to comply with all relevant laws and regulations, as well as our internal policies, standards, and guidelines, which include those outlined in the following chart.

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GRI:
**[102-16](#), [103-205](#),
[103-401](#), [103-415](#), [FS1](#)**

Select Manulife policies, standards and guidelines related to sustainability

Policy/statement	Topics covered
Code of Business Conduct and Ethics	<ul style="list-style-type: none"> Ethics in the workplace Ethics in our business relationships Conflicts of interest Handling information Ethics and the law Outlining our Ethics Hotline processes, including investigation and reporting
Corporate Privacy Principles Statement	<ul style="list-style-type: none"> Information we collect How we use personal information Safeguards Our privacy commitment
Anti-Fraud Policy	<ul style="list-style-type: none"> Identification and assessment of fraud risk exposure, including corruption risk Fraud risk prevention and mitigation Detection, documentation, escalation, preliminary inquiry, and investigation of fraud Quarterly reporting responsibilities
Anti-Harassment Policy	<ul style="list-style-type: none"> Discrimination Harassment Sexual harassment
Anti-Money Laundering and Anti-Terrorist Financing Policy	<ul style="list-style-type: none"> Know your customer Payment acceptance Self-assessment program Documented ongoing training program Quality assurance testing Large cash and suspicious transaction reporting process Record retention
Charitable Contributions Policy	<ul style="list-style-type: none"> Fundraising activities Registered charity contributions Trade associations, business groups, and public policy engagements
Discrimination, Harassment, and Workplace Violence Policy	<ul style="list-style-type: none"> Discrimination Harassment Sexual harassment Psychological harassment Workplace violence



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Select Manulife policies, standards and guidelines related to sustainability

	Policy/statement	Topics covered
Introduction	Diversity Policy	<ul style="list-style-type: none"> Practices and programs Recruiting, hiring, training Compensation and benefits Leaves of absence, advancement, transfers and promotions, retention, termination
Corporate governance		
Customers	Enterprise Risk Policy	<ul style="list-style-type: none"> Risk appetite Risk identification, measurement, and assessment Management strategies and controls Reputation risk Board and board risk committee monitoring and reporting requirements Communication and implementation
Sustainable and responsible investing		
Environment	Environmental Risk Policy	<ul style="list-style-type: none"> Environmental officers Business unit environmental procedures Environmental laws Environmental risk management in investment transactions Environmental risk management in operations Training
People		
Communities	Global Privacy Risk Management Policy	<ul style="list-style-type: none"> Delegation of Authority Governance Training Responsibilities Monitoring and reporting
Manulife Bank PAS		
GRI, SASB and TCFD Index	Global Procurement Policy	<ul style="list-style-type: none"> Procurement Engagement Model Catalogue Purchasing Specialized Procurement Outsourcing of Services Compliance and Reporting

Policy/statement	Topics covered
Health and Safety Policy	<ul style="list-style-type: none"> Protection of employees from injury Prevention of violence and harassment Promotion of physical and mental wellness
Information Security Policy	<ul style="list-style-type: none"> Principles Roles and responsibilities Compliance and reporting
Insider Trading and Reporting Policy	<ul style="list-style-type: none"> Restriction on Trading with Material Non-Public Information Insider Trading Windows Speculative Trading Prohibited Insider Liability
Vendor Code of Conduct	<ul style="list-style-type: none"> Legal and regulatory compliance Ethical business practices Privacy and information security Human rights and fair employment and labour practices Anti-slavery and human trafficking Drug-free workplace Health and safety Environmental protection and conservation
Tax strategy	<ul style="list-style-type: none"> Complete honesty and integrity Compliance with all applicable laws and regulations Contribution to shareholder value Customer-centric client service Protection of the Manulife brand and reputation Operational efficiency and effectiveness Openness and co-operation with tax authorities

SDG:
3, 10, 13

GRI:
102-16, 103-205,
103-403, 103-405, FS1



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GRI:
102-16

Reporting ethical concerns

Our employees are encouraged to share any compliance concern with their leaders; however, they also have the option of posing questions to Manulife’s Global Compliance Office or reporting unethical, unprofessional, illegal, fraudulent, or other questionable behaviour, through [Manulife’s Ethics Hotline](#). The hotline is maintained by a third-party service provider and allows for anonymous reporting if the person so chooses.

If employees feel that their questions or concerns have not been appropriately addressed, they can direct their complaint to Manulife’s Global Compliance Chief or Manulife’s General Counsel.

While the Ethics Hotline is intended primarily for employees, external stakeholders may also use it to report suspected unethical, unprofessional, illegal, or fraudulent activity. The Chair of the Audit Committee is immediately notified of any auditing or accounting concerns received through the hotline. All items received through the hotline are reported to the Audit Committee by the Chief Compliance Officer with all Board members having access to this report.

Our shared values

Obsess about customers

Predict their needs and do everything in our power to satisfy them.

Do the right thing

Act with integrity and do what we say.

Think big

Anything is possible. We can always find a better way.

Get it done together

We’re surrounded by an amazing team. Do it better by working together.

Own it

Feel empowered to make decisions and take action to deliver our mission: *Decisions made easier. Lives made better.*

Share your humanity

Build a supportive, diverse, and thriving workplace.



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GRI: 201-1

Tax governance

Our Chief Financial Officer is primarily responsible for Manulife's tax strategy, tax governance framework, and management of tax risk. Ultimate responsibility is with our executive leadership team and Manulife's Board of Directors. Operational responsibility for tax strategy and risk management resides with Global Tax.

Our tax strategy is based on the following principles:

- Complete honesty and integrity
- Compliance with all applicable laws and regulations
- Contribution to shareholder value
- Customer-centric client service
- Protection of the Manulife brand and reputation
- Operational efficiency and effectiveness
- Openness and co-operation with tax authorities

\$2.13 billion
in taxes were paid to various levels of government in 2019

Taxes paid

Globally, Manulife incurred \$2,130 million in taxes paid or payable to all levels of government, of which \$1,052 million was paid or payable in income taxes and capital taxes and \$1,078 million was paid or payable in other taxes.

Taxes paid by provinces and territories in 2019

For the year ended December 31, 2019

(C\$ thousands)	Income taxes	Capital taxes	Total Income and capital taxes
Federal	\$ 432,645	\$ -	\$ 432,645
Provincial and territorial:			
British Columbia	32,330	-	32,330
Alberta	21,460	-	21,460
Saskatchewan	4,193	81	4,274
Manitoba	6,683	-	6,683
Ontario	131,437	-	131,437
Quebec	6,292	57	6,349
New Brunswick	6,662	-	6,662
Nova Scotia	11,797	2,836	14,633
Prince Edward Island	836	-	836
Newfoundland and Labrador	4,512	-	4,512
Yukon	108	-	108
Nunavut	39	-	39
Northwest Territories	417	-	417
Total provincial and territorial	\$ 226,766	\$ 2,974	\$ 229,740
Total Canada			662,385
Total U.S.			168,099
Total Asia			222,125
Total income and capital taxes			1,052,609
Other taxes ¹			1,078,259
Total taxes			\$ 2,130,868

¹ Other taxes include property taxes, business taxes, payroll taxes, premium taxes, investment income taxes, and commodity taxes.



Risk Management

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Achieving our company’s goals requires us to pursue activities that involve elements of risk-taking. We need strong risk management processes to ensure that we strike the right balance between taking risks and safeguarding our business and our customers’ assets.

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Our approach to risk management is governed by our Enterprise Risk Management (ERM) Framework, which sets out a structured process for risk-taking and risk management activities across the enterprise to support our long-term revenue, earnings, and capital growth strategy. Our ERM Framework is communicated through risk policies and standards, which are intended to enable consistent design and execution of strategies across the organization. We have a common approach to managing risks to which our company is exposed, and to evaluating new opportunities on a comparable, risk-adjusted basis.

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Management is responsible for managing risk within the company’s overall risk appetite, which defines the amount and types of risks we’re willing to assume in pursuit of our objectives. Our management team has established risk management strategies and monitoring practices. Our approach includes a “three lines of defence” governance model that segregates duties among risk-taking activities, risk monitoring, and risk oversight, and establishes appropriate accountability for those who assume risk versus those who oversee it.

GRI, SASB and TCFD Index

We strive to build a risk-aware culture that encourages individuals and groups to feel comfortable and be proactive in making transparent, balanced risk-return decisions that are in the long-term interests of the company. Key areas of focus include: aligning personal objectives with the company’s objectives; identifying and escalating risks before they become issues; adopting a co-operative approach that enables appropriate risk-taking; ensuring transparency in identifying, communicating, and tracking risks; and systematically acknowledging and surfacing material risks.

GRI:
102-11

Financial strength ratings

Rating agency	Rating as at January 2, 2020*
A.M. Best Company	A+
DBRS Limited	AA (low)
Fitch Ratings Inc.	AA-
Moody’s Investors Service Inc.	A1
S&P Global Ratings	AA-

* Financial strength ratings apply to the main operating life insurance companies of Manulife Financial Corporation, which include The Manufacturers Life Insurance Company, John Hancock Life Insurance Co. (U.S.A.), John Hancock Life & Health Insurance Co., and John Hancock Life Insurance Co. of New York. DBRS does not rate the U.S. insurance subsidiaries separately.

Risk governance

Our Board of Directors is responsible for risk oversight. The Board is supported in this exercise primarily by the Risk Committee, while the Executive Risk Committee directs our risk management efforts. Both the Board’s Risk Committee and Executive Risk Committee review quarterly risk reports summarizing our overall risk profile and exposures across our principal risks.

Reporting to the Board’s Risk Committee and Manulife’s CEO, our Chief Risk Officer (CRO) leads the Global Risk Management function, which establishes and maintains our ERM Framework and oversees the execution of individual risk management programs across the enterprise. Unlike other executives, our CRO’s compensation is structured to avoid incentives based on the achievement of business results against pre-established financial, operating, and strategic objectives.



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Business continuity and disaster recovery

Manulife's business continuity and disaster recovery program ensures that key business functions can continue normal operations in the event of a major disruption. The program covers continuity of critical business processes and systems (e.g., networks, desktop computers, and business operations), recovering systems promptly after interruption, supporting the uninterrupted management of client portfolios, and providing ongoing services to customers.

To assure preparedness, we conduct call notification exercises semi-annually, and tabletop and alternate work site recovery tests annually. Disaster recovery tests of our critical systems are also conducted annually.

Learn more

[2019 Annual Report – Management's Discussion and Analysis](#)



Information and Cyber Security

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Information risk is a top enterprise risk management concern, and mitigating this risk demands robust information security processes and controls, ongoing vigilance, and continuous improvement to defend against threats.

Our vulnerability management program consists of automated vulnerability scanning of Manulife's networks and endpoints using industry-leading vulnerability scanning technology, application security vulnerability assessments, and infrastructure analysis by in-house and external testers.

Introduction

Corporate governance

Our enterprise-wide information security program, which is overseen by our Chief Information Risk Officer, establishes the company's information and cyber security framework, including governance, policies, standards, and appropriate controls to protect information and computer systems.

Employees participate in annual security awareness training and can access our information security policies, standards, procedures, and escalation processes at any time through a centralized website. Global communication campaigns about information protection are conducted quarterly. Risk management behaviours are formally included in the employee performance review process.

Customers

Sustainable and responsible investing

We follow a robust review and update process to ensure that information risk policies and standards remain current and respond to the latest technological changes. This process considers and incorporates the needs and expectations of our customers and other external stakeholders. The policies and standards are modelled after the ISO 27001 standard, and we use the National Institute of Standard and Technology (NIST) security framework and other industry standards as key references.

The Board's Risk Committee engages at least quarterly with our Chief Information Risk Officer on information security strategies, goals, and *ad hoc* topics. In addition, the Board typically participates in an annual discussion with an outside expert on this topic.

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GRI:
103-418



Data Privacy

Table of contents	As a provider of financial products and services, we collect and use customers’ personal information through the normal course of our business. We have a responsibility, legally and ethically, to safeguard the privacy of the information in our care, which we take very seriously.
Introduction	
Corporate governance	Manulife’s <u>Statement of Corporate Privacy Principles</u> is based on the Canadian standard, the <i>Personal Information Protection and Electronic Documents Act</i> (PIPEDA), which is one of the strongest in the world. We apply PIPEDA as a baseline globally and augment it where needed to meet local requirements such as data residency for local operations.
Customers	
Sustainable and responsible investing	We have a global framework for managing the Company’s privacy risk. Our global framework is designed to ensure that we use customer data in the way our customers expect. This framework is overseen by our Global Chief Privacy Officer, who is accountable to our Global Compliance Chief.
Environment	
People	As part of our enterprise-wide information protection program, privacy and information risk management teams work collaboratively to integrate the programs that are focused on protecting information within the Manulife environment. Protocols are in place to ensure privacy concerns are quickly identified, investigated, and addressed.
Communities	
Manulife Bank PAS	Every business segment and corporate function appoints employees who are responsible for monitoring privacy compliance and helping to ensure personal information is protected. These employees stay abreast of global trends in information protection, privacy legislation, and emerging technology to help ensure our programs stay up to date. Privacy risks and related controls are assessed on a regular basis, through a process overseen by our Global Chief Privacy Officer.
GRI, SASB and TCFD Index	

GRI:
103-418

Every employee receives training at least annually on handling and protecting personal information, and quarterly awareness campaigns provide tools for information protection and guidance on emerging risks. Instructions for employees about handling personal information are also included in the Code, Global Privacy Risk Management Policy, and Information Security Policy.

Our audit services group is responsible for independently reviewing the effectiveness of our privacy framework through its audit and review process.

Upon request, customers can access their personal information and receive a summary of how it’s used or disclosed. They may also verify the accuracy and completeness of their information, and have it corrected if needed.



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GRI:
102-12, 102-13,
103-205, 103-415,
415-1

We view engaging in public policy consultations as an important part of responsible corporate citizenship. Open dialogue with government, the public, and the business community improves our decision-making, and can be directly relevant to the evolving legislation and regulatory requirements under which Manulife and our financial services products are governed.

Certain employees engage with government or regulatory officials as part of their roles, and we are committed to high ethical standards in these relationships. We maintain policies to keep the confidence of our customers, investors, and other stakeholders with respect to this engagement. These policies stipulate that only authorized employees may represent Manulife in discussions with government, industry, or community leaders.

When we engage on issues affecting our business, it is done in compliance with local regulations, including Canada's *Corruption of Foreign Public Officials Act* and the federal *Lobbying Act*, and with local reporting requirements.

Examples of policy issues in which we engaged in 2019 include:

- International – Global Insurance Capital Standards, International Financial Reporting Standard (IFRS) 17
- Canada and the U.S. – Canada–United States–Mexico Agreement (CUSMA)
- U.S. – *Setting Every Community Up for Retirement Enhancement (SECURE) Act*

Political donations

In Canada, political donations cannot be made on behalf of a corporation. Therefore, we do not make political donations in Canada.

In the United States, the *Federal Election Campaign Act* prohibits corporations from contributing directly to federal candidates or political parties; however, it does allow corporations to establish Political Action Committees (PAC), funded by voluntary contributions from eligible employees. The John Hancock Federal

Political Action Committee (JHPAC) is organized by employees of John Hancock and its subsidiaries. It is a voluntary association of individuals formed in order to make their collective voice heard in the political process. Because corporations are permitted to use resources for PAC administrative costs, every employee dollar contributed to JHPAC is distributed to candidates for federal office. As a general practice, John Hancock and its subsidiaries do not contribute to ballot initiatives, and no such contributions were made in 2019.

In Asia, we do not make political donations. Additionally, our General Counsel and Head of Legal & Compliance, Asia notifies Regulatory & Public Affairs when there is contact between the company and a government representative.

Industry memberships

In addition to engaging with government and regulators on public policy issues, we work with industry and trade associations. These groups may have interactions with government officials on matters of interest to our industry and may promote public policy objectives important to us, our stakeholders, or the broader community.

Membership in, or financial support of, these organizations does not imply that Manulife supports every position taken by these organizations or those of their other members. Where positions taken differ from ours, we voice concerns as appropriate by engaging with these organizations through boards, committees, or publicly, as necessary.

The following is a list of key organizations or trade associations to which Manulife's group functions belong or have an affiliation that may engage in lobbying governments and to which we currently pay membership fees:

- American Council of Life Insurers
- Business Council of Canada
- Canadian Bankers Association
- Canadian Chamber of Commerce
- Canadian Life and Health Insurance Association
- Institute of International Finance
- Investment Company Institute
- Toronto Finance International



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SDG:
3, 10

GRI:
102-9, 103-205

Manulife is committed to ethical business practices and good governance, both of which are integral to how we want to do business and to our long-term success. Achieving this requires a commitment to integrity and consistently high standards from all partners, including our vendors.

Accordingly, the vendors who provide Manulife with services or products are expected to adhere to the requirements of our Vendor Code of Conduct:

- Comply fully with all applicable laws and regulations at all times, including anti-money laundering, anti-trust, and anti-corruption laws
- Comply with all privacy and non-disclosure agreements and ensure that all information and data provided by Manulife to a vendor remain confidential and secure
- Respect the dignity and human rights of all workers, and make a commitment to fair employment and labour practices, including providing protection against workplace harassment, abuse, discrimination, and violence
- Comply with all applicable anti-slavery and human trafficking laws, statutes, regulations, and codes, and apply due diligence in their supply chain to ensure no slavery or human trafficking is involved
- Provide healthy and safe workplaces for their employees and have practices in place to minimize or eliminate any hazards
- Proactively minimize or mitigate the environmental impacts associated with their business activities through documented policies and procedures

Vendors must adhere to the Vendor Code, and it is expected that they will monitor compliance with the Code and promptly report any violations to Manulife. We reserve the right to monitor, assess, and audit all vendors according to our Vendor Code of Conduct, and we may discontinue business with any vendor that does not comply with its provisions.

\$3.3 billion

paid for goods and services purchased from international, national, regional, and local suppliers in 2019

Supplier diversity

We support businesses owned by women, members of minorities, and persons who identify as LGBTQ in order to reflect the diversity of the communities in which we operate. Manulife is a member of the Financial Services Roundtable for Supplier Diversity, a non-profit organization comprised of regional, national, and global financial services companies with formal supplier diversity initiatives.

In the United States, we are a founding member of the Pacesetters initiative, a partnership established by the Greater Boston Chamber of Commerce in which large and mid-sized companies and anchor institutions use their collective purchasing power to create opportunities at scale for local businesses owned by members of ethnic minorities.



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30 million
customers served
worldwide

\$29.7 billion
in payments to
our customers



Our business revolves around our customers: *Obsess about customers* is a corporate value, and our ambition is to transform Manulife into the most digital, customer-centric global company in our industry. We strive to anticipate the needs of customers and do everything in our power to exceed their expectations.



Products and Services

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SDG:

3, 7

GRI:

102-2, 102-4, 102-6

Around the world, millions of people trust Manulife with their financial future. We take this responsibility seriously and continually evolve our products and services to ensure we're providing the solutions customers want and need today to prepare for tomorrow.

Our diverse range of products and services by market includes:

In Canada

- Exchange-traded funds (ETFs)*
- Financial planning & advice*
- Goals-based investing*
- Guaranteed interest annuities (GIAs)
- Group life, health & disability insurance
- Group retirement savings plans*
- Individual life, health & travel insurance
- Individual retirement savings plans*
- Institutional pooled funds*
- Mortgage creditor insurance
- Mutual funds*
- Outsourced chief investment officer (OCIO)*
- Retail banking
- Segregated funds
- Separately managed accounts (SMAs)*

In the U.S.

- Annuities
- Closed-end funds*
- Collective investment trusts (CITs)*
- ESG funds*
- Exchange-traded funds (ETFs)*
- Financial planning & advice
- Group retirement savings plans*
- Individual life insurance
- IRA rollover & advice services
- Outsourced chief investment officer (OCIO)*
- Mutual funds*
- Segregated accounts*
- Separately managed accounts (SMAs)*
- Target-date funds*
- Institutional commingled funds*
- Model portfolios*
- Education savings plans (529)*
- Long-term care insurance

Through our diverse products and services, we help customers manage their wealth and save for retirement, and we provide financial assistance to individuals and families when they need it most. While specific offerings are tailored to local markets, they generally include financial advice, insurance, as well as wealth and asset management solutions for individuals, groups, and institutions.

In Asia

- Annuities
- Creditor insurance
- Education savings plans
- Group life & health insurance
- Group retirement savings plans*
- Individual life & health insurance
- Individual retirement savings plans*
- Investment-linked products
- Mutual funds*
- Segregated investment mandates*

In Europe

- Undertakings for the Collective Investment in Transferable Securities (UCITS)*
- Segregated accounts*

Our Investment capabilities

- Asset allocation & solutions*
- Infrastructure equity*
- Liability-driven investing (LDI)*
- Liquid alternatives*
- Private equity & credit*
- Public equity & debt*
- Real estate equity & debt*
- Timberland & farmland*

* Products and services provided by our Global Wealth and Asset Management segment.



Customer Centricity

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Introduction	
Corporate governance	Delivering great customer experiences starts with listening closely to our customers and acting on what we learn. We've introduced a number of methodologies that support continuous two-way dialogue with customers and provide us with actionable data—which we hope will help us consistently satisfy their needs.
Customers	
Sustainable and responsible investing	The Net Promoter Score (NPS) system enables us to collect real-time feedback from customers at all key moments of their interactions with us. This transactional feedback is delivered directly to the teams that are empowered to take steps to fix or change the customer experience. This process of active listening has been adopted across the enterprise.
Environment	
People	We've also implemented quarterly surveys and reviews of relationship NPS (rNPS) scores, which are more holistic measures of our customers' advocacy to Manulife. These scores are evaluated through a series of work sessions and are then used to inform our investments in improving the customer experience.
Communities	
Manulife Bank PAS	
GRI, SASB and TCFD Index	In 2019, we achieved an rNPS score of 8, a 7-point improvement from the 2017 baseline and a decline of 1 point from the 9-point improvement in 2018. Our 2019 scores remain competitive with global benchmarks. We are committed to delivering on our ambitious target of a 30-point improvement across the company by 2022.

SDG:
3

Behavioural insurance

Manulife has signed a global pledge with Vitality to help make 100 million people 20 per cent more active by 2025. As part of this, we offer wellness-based programs that bring together behavioural science and consumer technology to incentivize and reward our customers for making healthier choices every day. Manulife offers similar products around the world.

In Canada, we introduced the Group Insurance Manulife *Vitality* program, designed to encourage our group benefit participants to make healthy choices using proven behavioural science.

In the U.S., we became the first company to offer life insurance designed specifically for individuals living with diabetes with the launch of John Hancock Aspire.

In Asia, our ManulifeMOVE program is available in China, Hong Kong, Philippines, Singapore and Vietnam. As of January 2020, we had over 600,000 policyholders enrolled in the MOVE program across Asia.



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Debt financing for business

Manulife is a long-term investor in the countries in which we do business, and our activities help support the growth and development of local economies. Through loans and investments, for example, we inject capital into important infrastructure projects and extend credit to businesses. In 2019, Manulife provided over \$8.2 billion in financing to help businesses grow.

Amount of debt financing authorized in 2019 (C\$ thousands)

	\$0 – \$24,999	\$25,000 – \$99,999	\$100,000 – \$249,999	\$250,000 – \$499,999	\$500,000 – \$999,999	\$1,000,000 – \$4,999,999	\$5,000,000 and greater	Grand total
British Columbia	\$ 24	\$ 283	\$ 543	\$ 4,574	\$ 3,018	\$ 26,243	\$ 553,894	\$ 588,580
Alberta	-	305	253	465	800	11,350	214,821	227,994
Saskatchewan and Manitoba*	-	30	160	1,151	3,315	15,938	46,048	66,642
Ontario	-	529	986	3,553	18,320	79,296	1,778,910	1,881,594
Quebec	-	490	969	3,151	3,890	34,057	300,548	343,104
Nova Scotia, New Brunswick, Newfoundland and Labrador, and Prince Edward Island*	-	90	145	591	3,302	4,884	443,880	452,892
Total Canada	\$ 24	\$ 1,728	\$ 3,056	\$ 13,485	\$ 32,645	\$ 171,768	\$ 3,338,101	\$ 3,560,806
Total U.S.	-	-	-	-	-	45,146	4,659,412	4,704,558
Total Asia	-	-	-	-	-	-	-	-
Grand total	\$ 24	\$ 1,728	\$ 3,056	\$ 13,485	\$ 32,645	\$ 216,914	\$ 7,997,512	\$ 8,265,364

* Data for certain provinces have been consolidated to protect the privacy of individual borrowers who might otherwise be identifiable.

Note: Yukon, Northwest Territories and Nunavut have been excluded from the table above as the amount of debt financing authorized in 2019 was nil.



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Number of customers for whom debt financing was authorized in 2019

	\$0 – \$24,999	\$25,000 – \$99,999	\$100,000 – \$249,999	\$250,000 – \$499,999	\$500,000 – \$999,999	\$1,000,000 – \$4,999,999	\$5,000,000 and greater	Grand total
Introduction								
	1	6	3	12	4	12	23	61
Corporate governance								
	-	6	2	1	1	5	13	28
	-	1	1	3	5	8	2	20
	-	12	8	10	25	37	41	133
Customers								
	-	8	7	9	6	14	11	55
	-	2	1	2	5	2	12	24
Sustainable and responsible investing								
	1	35	22	37	46	78	102	321
	-	-	-	-	-	10	153	163
	-	-	-	-	-	-	-	-
Grand total	1	35	22	37	46	88	255	484

* Data for certain provinces have been consolidated to protect the privacy of individual borrowers who might otherwise be identifiable.

Note: Yukon, Northwest Territories and Nunavut have been excluded from the table above as the amount of debt financing authorized in 2019 was nil.

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Our Sustainable and Responsible Investing

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In this section:

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Engaged with

724

companies in 2019

With two issuances to date, our total outstanding green bond issuance amount is now over

\$1 billion



As a global investor of our own and our clients' assets, we believe that an effective approach to assessing and managing environmental, social, and governance (ESG) factors is essential for mitigating risks and achieving sustainable, long-term returns.



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Being a responsible investor and steward of client capital, we seek to understand factors that could impact the risk and return profile of current and potential investments. We believe that robust ESG integration in investment processes helps us deliver attractive risk-adjusted returns over the long term.

Our approach to sustainable and responsible investing is driven by six key principles:

- Sustainability isn't a given.
- Sustainability helps drive financial value.
- The financial value of sustainable investing can be realized through an active investment management approach.
- Integrity between our words and actions is imperative.
- We recognize and share the sustainability goals of our clients.
- Our commitment to stakeholders goes beyond financial performance.

ESG factors

While the ESG factors relevant to investing vary by asset class, industry, geography, and other considerations, they broadly include:

- Board structure, diversity, and oversight
- Executive compensation structure, performance metrics, and oversight
- Minority shareholder rights protection
- Capital management, dividend payouts, and dilution
- Corporate actions (e.g., mergers and acquisitions) and corporate strategy
- Climate change, pollution, natural resources utilization, and other environmental issues
- Health and safety, labour relations, diversity, and other social issues
- Human rights, respect for the community, and other stakeholder expectations
- Supply chain oversight and management
- Technological innovation and disruption
- Cyber security and privacy
- Demographic shifts in populations and societies
- Resiliency of infrastructure
- Quality of ESG disclosure and transparency

SDG:
8, 13

GRI:
FS1, FS2, FS4, FS5



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ESG integration, stewardship, and reporting

Introduction

Sustainability and responsible investing is a lens that applies to all stages of the investment process for all asset classes. As part of our due diligence process, investment teams assess ESG issues that are material to an investment and incorporate these factors into their transaction underwriting, valuations, and portfolio construction decisions, where relevant. To inform their assessments, teams may utilize ESG research, data, and support from dedicated in-house ESG teams. They also take into account the ability and willingness of a company's leadership to manage ESG issues. Conclusions about the materiality of ESG factors are documented in investment research.

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Sustainable and responsible investing

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Once an investment is made, investment teams continue to monitor material aspects that could impact an asset or company, including ESG factors. Relevant risks are addressed as part of the team's ongoing investment process where relevant. Our in-house ESG team may also conduct reviews of individual portfolios and engage with investment teams about potential ESG issues to further enhance the materiality assessment.

People

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For public market investments, our stewardship activities include regular engagement with firms, and active review and execution of our proxy votes, to encourage progress in ESG risk and opportunity management. We also collaborate with third-party working groups to address systemic risk across industries or economies.

Manulife Bank PAS

GRI, SASB and TCFD Index

Our incorporation of ESG considerations starts with the integration of ESG factors into our investment analysis and due diligence process. In our operating activities, we hold ourselves to a high standard of stewardship and sustainability. We do this to both protect and grow the value of the assets as we create long-term value for our stakeholders.

SDG:

7, 8, 13

GRI:

FS1, FS2, FS4, FS5

We recognize the importance of transparency and report on our sustainable and responsible investing performance annually in various business unit-specific reports. As a signatory to the [Principles of Responsible Investment¹](#) (PRI), Manulife Investment Management also reports annually on its activities and progress on implementing the PRI in accordance with the PRI reporting framework.

The following sections provide an overview of the approach to sustainable investing within our General Account and Manulife Investment Management businesses.

General Account

Manulife's General Account consists of our company's own assets, which support our policyholder liabilities. Key activities related to our General Account include renewable energy investments and commitments under the [Equator Principles](#). For more information on the Equator Principles, see [page 37](#).

In 2019 we adopted ESG investment guidelines for our investment professionals on integrating ESG considerations into investment decisions and ownership practices specific to our General Account assets globally.

¹ PRI was originally signed under former brand Manulife Asset Management.



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SDG:
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GRI:
102-12, 102-13, FS1, FS2, FS4, FS5

Equator Principles

The Equator Principles (EPs) are a set of voluntary guidelines that help financial institutions identify and manage environmental and social risks in project finance transactions. The principles apply to new project financings in any sector or country with total capital costs exceeding US\$10 million, or project-related corporate loans of at least US\$100 million. As part of our commitment, we report at least once a year on our implementation of the principles, as per the following chart.

Total projects reviewed by category	Category		
	A Significant impact	B Limited impact	C No/Minimal impact
By region			
Americas	-	-	15
Europe, Middle East, and Africa	-	-	-
Asia Pacific	-	-	-
Other	-	-	5
Total by region	-	-	20
By sector			
Agriculture	-	-	11
Forestry	-	-	1
Infrastructure	-	-	3
Power and utilities	-	-	5
Total by sector	-	-	20
Independent review			
Yes	-	-	8
No	-	-	12
Total by review	-	-	20
By country designation			
Designated countries	-	-	19
Non-designated countries	-	-	1
Total by country designation	-	-	20

Category A – Projects with potential significant adverse social or environmental impacts that are diverse, irreversible, or unprecedented.

Category B – Projects with potential limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures.

Category C – Projects with minimal or no adverse social or environmental impacts.

Independent review by an environmental consultant is required for Category A projects, and Category B projects as deemed appropriate. An independent review consists of the review of environmental and social assessment documentation from the project.



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Green bonds

Manulife invests in renewable energy, energy-efficient buildings, sustainably managed forestry, and other long-duration assets that provide a good economic fit for our long-dated insurance liabilities and support the transition to the lower-carbon economy.

Green Bond Issuance

In 2017, we became the first global life insurer to issue a green bond. With two issuances to date, our total outstanding green bond issuance size is now over \$1 billion.

Our [Green Bond Framework](#) is aligned with the International Capital Market Association’s Green Bond Principles 2017 and overseen by the Manulife Green Bond Council, which is made up of members of senior management of Manulife, including our Chief Financial Officer, our Chief Investment Officer and our Group Treasurer. The Framework directs the use of proceeds towards renewable energy, energy efficiency, sustainably managed forests, and other investments that advance ecosystem improvements.

SDG:
7, 8, 13

GRI:
103-302, FS1, FS2, FS4, FS5

Highlights of green bond issuance and environmental benefits

Green Bonds	Issuance Type	Allocation of Proceeds	Estimated Annual Environmental Benefit
1st Green Bond issued 21 November 2017	MFC 3.0% SGD 500 million subordinated debt due 21 November 2029	Wind and solar energy projects in Canada and the United States	53,741 tons of avoided carbon dioxide emissions annually, or 108 tons per SGD 1 million allocated
2nd Green Bond issued 9 May 2018	MFC 3.317% \$600 million subordinated debt due 9 May 2028	Wind and solar energy projects in Canada, the U.S. and Uruguay, energy efficiency of public buildings, and sustainably managed forestry	96,570 tons of avoided carbon dioxide emissions annually, or 162 tons per \$1 million allocated

For more information on Manulife’s green bond issuance, please see our 2019 Annual Green Bond Report on Manulife’s [Investors Relations](#) webpage.

Green Bond Investment

In addition to being the first global life insurance company to issue a green bond, Manulife also purchases green bonds for its general account. As at December 31, 2019, the market value of the green bonds purchased was \$529 million.



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GRI:
FS1, FS2, FS4, FS5

Manulife Investment Management

Manulife Investment Management is the unified global brand for Manulife’s Global Wealth and Asset Management (GWAM) segment, which serves individual investors and institutional clients in three businesses: Retirement, Retail, and Institutional Asset Management (Public Markets and Private Markets).

Manulife Investment Management is a:

- Signatory to the [Principles for Responsible Investment](#)
- Signatory to the [Japan Stewardship Code](#)
- Committed to the [United Kingdom Stewardship Code](#)

The following section provides an overview of the approach to sustainable investing within the Manulife Investment Management Institutional Asset Management business.

Learn more

[Manulife Investment Management Sustainability Strategy website](#)

[Manulife Investment Management Sustainable Investing Policy](#)

[Manulife Investment Management Engagement Policy](#)

Sustainability governance

Manulife Investment Management has established a governance structure to oversee its teams’ sustainable and responsible investing and activities. The structure is comprised of committees that ensure oversight and decision-making at the appropriate levels.

Two committees are convened to enable regular decision-making oversight

Committees include representatives from across different business functions



Public Markets Sustainable Investing Committee

Private Markets Sustainable Investing Committee

Dedicated ESG professionals

Activities include identifying and developing best practices, supporting investment teams to develop tools and methodologies to adopt sustainable and responsible investing best practices across the investment life cycle, and leading the firm’s participation in external initiatives or collaborative engagements

In addition, Manulife Investment Management US Retail business, John Hancock Investment Management, manages almost US\$223 million in assets through four ESG funds. These funds enable retail investors to pursue solid investment returns, while supporting companies with strong and effective governance that are having a positive impact on the environment and society.



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SDG:
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GRI:
102-12, 102-13, 103-302, FS1, FS2, FS4, FS5, FS10

Sustainable and responsible investing in action

Public Markets

We continued to scale up our sustainable and responsible activities in 2019, with a particular focus on ESG research and issuer engagement on ESG factors. This is reflected in our 2019 engagement statistics:

	2019	2018
Number of companies engaged	724	203
Total number of engagements	940	276

Public Equity

Our investment teams engage with a variety of issuers across countries and industries on ESG factors that are material to our investment decisions and outcomes. At times, our engagement agenda can span several years.

For example, we first engaged on ESG issues with a premium branded apparel company in 2015, specifically with regard to product quality and safety, raw material sourcing, and supply chain management. In addition, the company's sustainability disclosures lagged behind its peer group of consumer-facing companies. Each year since, we've held discussions with the company on improving its ESG risk management in accordance with our belief that a more robust sustainability strategy would strengthen its brand and market positioning.

To start, we encouraged the company to conduct a materiality assessment to identify the key ESG issues that impact its business. They subsequently shared with us details of various issues they considered, including energy efficiency, chemical and water usage, and supply chain management. We have voiced our opinions on one of the key raw materials in its products, indicating that we'd like to see a more proactive management stance and increased transparency. We've also discussed the importance of having robust facility audits. Like many of its peers in the apparel industry, the company relies on more than 500 suppliers for its production.

We were pleased to see that the nomination and governance committee of the company's board of directors recently assumed responsibility for its environmental and social affairs, indicating a commitment to sustainability from the top. The company also launched a sustainability strategy and set longer-term goals towards gender equity in its business.

As we continued to engage with the company over the years, a reputable third-party ESG ratings provider upgraded its ESG rating two notches in a single year. We believe this positive ESG rating momentum reflects senior leadership's recognition of the importance of sustainability and ESG to its business, as well as the company's ability to execute on business fundamentals and increase its profitability. The company has since increased its dividend and we expect it will set more ambitious sustainability goals in the coming years.

Fixed Income

In 2019, we developed a proprietary sovereign ratings tool that aggregates ESG scores and data from third-party sources on countries—including commercial data vendors, the World Bank, and the UN Conference on Trade and Development—and qualitative assessments of certain factors generated from our bottom-up insights into countries. From this, we created a baseline ESG assessment for individual countries along a five-point scale, which represents the relative ESG profile of an issuing country relative to appropriate country peer sets.

Decisions to adjust the underlying assessments of ESG factors based on significant events is reviewed by a committee of fixed income and ESG investment professionals. In one instance in 2019, a country was downgraded due to sudden and prolonged civil unrest and political instability; in another, a lower rating resulted from an environmental catastrophe and poor governmental response.



Table of contents The baseline score for each country is adjusted based on whether the investment horizon is near- or long-term, to make the information more applicable to the sovereign bond investing use case, and to recognize the greater importance of environmental and social factors over the long-term. Our sovereign credit analysts use these baseline scores when assessing the risks related to a given bond on a dynamic basis.

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Private Markets Real Estate

Sustainable and responsible investing

Environment To ensure no material ESG items are overlooked, the investment team completes a Sustainability in Investment and Due Diligence Form to summarize the ESG performance of every investment. For properties with elevated ESG risks, we seek evidence that the risks are being satisfactorily managed or that we're being compensated for the risk assumed. Properties with high ESG risks may be avoided completely.

People
Communities
Manulife Bank PAS
GRI, SASB and TCFD Index
In 2019, we updated our investment due diligence tools to enhance ESG considerations in the initial assessment and underwriting of investments. Teams look for building certifications and energy performance, well-being features such as access to alternate transportation (e.g., public transit and bicycle infrastructure), walkability score, access to local amenities (e.g., public space, restaurants, and retail), as part of their due diligence.

SDG:
7, 8, 13
GRI:
102-12, 102-13, FS1, FS2, FS4, FS5

We continue to enhance our approach to ESG integration and active ownership in our existing portfolio. Our Sustainable Building Standards outline operational practices for all properties, including properties managed by third parties. We monitor performance to our standards semi-annually and achieved our targeted standard levels in 2019 for our office, retail and industrial properties.

In 2019, we also delivered updated training to property teams, developed a recognition program, continued to roll out our green lease across our Canadian and U.S. portfolios, and reported on progress toward our five-year energy, water, and waste diversion targets. For more information see our [Real Estate Sustainability Report](#).

Private Equity
Manulife Investment Management developed a proprietary framework for evaluating the investing practices of the general partners (GPs) in our Private Equity Fund of Funds, incorporating industry best practices and resources provided by the PRI.

Each GP was assessed on its ESG-related policies and processes, including identification and management of ESG risks and opportunities, engagement with portfolio companies, and disclosure and transparency.

Among the areas of excellence identified across the portfolio, a large proportion of GPs integrate ESG factors into their due diligence processes to identify risks and opportunities, and consider them in their investment decision-making. GPs have also developed formal monitoring processes to assess a company's management of ESG factors.

This new framework enables us to monitor individual and aggregated performance of the underlying investments and will be used to monitor GP improvement on an annual basis.



Table of contents	Agriculture and Timber
Introduction	As a steward of major timberland and farmland holdings throughout the world, Manulife Investment Management’s agriculture and timber businesses incorporate ESG factors into our investment process and property management through the five pillars of our Sustainability and Responsible Investing strategy: climate stability, ecosystem resiliency, watershed protection, people empowerment, and community prosperity.
Corporate governance	
Customers	
Sustainable and responsible investing	We are responding to global challenges through the production of sustainable food and fibre from sustainably managed farms and forests. Both our timber and agriculture businesses are substantial carbon sinks, contributing natural climate solutions to remove carbon from the atmosphere and mitigate climate change. We incorporate biodiversity plans into all of our property management activities to help maintain healthy ecosystems, and we bring well-paying employment opportunities to rural areas. Not only are we producing food and fibre sustainably, but the products we produce are themselves good for society: low-carbon building materials (wood), healthy nuts, and fresh produce.
Environment	
People	
Communities	We’ve been a leader for decades in sustainable forestry and currently manage 100 per cent of our eligible timberland investments globally to meet third-party sustainability standards. However, despite the existence of nearly 400 certification systems in agriculture, widespread adoption of one standard had remained elusive due to the lack of a universal framework that could apply to all crops and geographies. In 2019, we partnered with our colleagues across the agricultural investment sector and two leading environmental organizations to help launch an industry-wide sustainability standard for agriculture. In November, the formation of Leading Harvest was announced—an independent, non-profit organization that will govern and maintain a new Farmland Management Standard. Our goal is to bring our farmland up to the same standard as our forests, with 100 per cent certified as sustainable.

SDG:
8, 13

GRI:
102-12, 102-13,
203-1, FS1, FS2,
FS4, FS5

For more information, read our [Report on Sustainability and Responsible Investing](#) for timber and agriculture.

Infrastructure Equity

We served as an advisor to the Edison Electric Institute (EEI), an association that represents investor-owned electric utilities in the United States. In 2018, the EEI launched a sustainability template to help investors track companies’ ESG initiatives, including sustainability governance and strategy, greenhouse gas emissions, power generation portfolio, and workforce diversity. This framework enables analysts to assess quantitative data and qualitative information, and to compare progress and priorities among peer companies.

Manulife Investment Management’s infrastructure team was an active participant in the development of this framework and is still involved in tracking progress. So far, more than 30 companies have voluntarily reported in line with this template, which translates into standardized, periodic data that is generally comparable across electric utility companies and shows trends over time.

Infrastructure Credit

Through our infrastructure investment team, our General Account business is part of a larger movement to bring electricity to the more than two million people in Peru who live without it.

Together with eight other lenders, largely from the U.S., and with support from the Government of Peru, we’ve been able to help villagers become connected by financing the deployment of solar panels with battery storage systems in remote villages.

The complexity of the deal has required an all-hands-on-deck approach, with everyone from our team’s credit officers to portfolio managers chipping in. Many of the internal discussions have focused on ensuring that our risk appetite and tolerance are right for the transaction.



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SDG:
7, 8, 13

GRI:
102-12, 102-13,
FS1, FS2, FS4, FS5

The Peruvian government aims to increase electricity access to its residents from 78 per cent in 2015 to 100 per cent by 2025. With more than 200,000 individual sites, this project is critically important in helping the government achieve its sustainable development and renewable energy goals. We see it as a way of making a positive contribution to society that goes far beyond our financial performance.

Collaborative initiatives

We participate in global networks and help steer industry-changing sustainability efforts. Our global commitments include:

A4S Accounting for Sustainability

A4S aims to work with financial leaders to inspire action to shift towards resilient business models and a sustainable economy.

Equator Principles

The Equator Principles (EPs) are a set of voluntary guidelines that help financial institutions identify and manage environmental and social risks in project finance transactions. Manulife became a signatory to the Equator Principles in 2005. See [page 37](#).

UNEP Finance Initiative

The United Nations Environment Programme—Finance Initiative (UNEP FI) is a partnership between United Nations Environment and the global financial sector with an aim to promote sustainable finance.



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In this section:
Climate Change
Environmental Performance

Over **80%**
of our global real estate portfolio has been certified to a green building standard

Invested
\$1.2 billion
in renewable energy and energy efficiency projects in 2019



Our company's success is ultimately linked to the long-term health and well-being of people and the planet. By monitoring our environmental performance, supporting the transition to a lower-carbon economy, and investing in climate change mitigation and resilience, we help generate momentum on important global issues.



Climate Change

Table of contents	We recognize the threats posed by climate change to our business, to public health, and to the livelihoods of the communities in which we operate. As a long-term investor and asset manager, we closely monitor and manage these risks, and help facilitate the transition to a lower-carbon economy.
Introduction	
Corporate governance	In 2019, Manulife released a Climate Change Statement outlining our approach to climate change.
Customers	Our approach to climate change focuses on:
Sustainable and responsible investing	<ul style="list-style-type: none"> • Managing climate risk in our investments and capitalizing on opportunities • Reducing greenhouse gas (GHG) emissions from our operations • Supporting the growth and evolution of the renewable energy and efficiency sectors • Embedding sustainability in our real estate activities • Managing forestry and agriculture sectors sustainably
Environment	
People	
Communities	We disclose absolute and intensity-based GHG emissions (Scopes 1, 2, and 3), which are calculated according to the GHG Protocol (see page 48), and have obtained third-party verification of our emissions since 2017. We have participated in the CDP (formerly the Carbon Disclosure Project) since 2010. Our rating in 2019 was once again a B.
Manulife Bank PAS	

GRI, SASB and TCFD Index

SDG:
7, 13

GRI:
201-2, 103-302, 103-305

TCFD supporter

Manulife became a [supporter](#) of the Financial Stability Board's [Task Force on Climate-related Financial Disclosures](#) (TCFD) recommendations in November 2017. In alignment with the TCFD recommendations, our [2019 Management's Discussion and Analysis](#) includes disclosures related to our climate risk governance, risk management, strategy, and metrics in the Strategic Risk section, under Environmental, Social, Governance Risk.

Collaborative industry pilot on climate-related scenario analysis

Manulife Investment Management participated in the United Nations Environment Programme—Finance Initiative (UNEP FI) [pilot project](#), which brought together 20 of the world's leading investors to advance the TCFD recommendations.

Over the past year, the project participants developed scenarios, models, and metrics to enable scenario-based, forward-looking assessment and disclosure of climate-related risks and opportunities. With UNEP FI and expert support, the investors trialed their portfolios against a range of climate scenarios and co-developed a metric for determining the value at risk for equity, bond, and real estate portfolios. The outputs and conclusions of this group are intended to stimulate and ease adoption of the TCFD recommendations by the wider industry, including the 1,900 investor members of the Principles for Responsible Investment.

Manulife Investment Management has extensive experience investing globally in public markets asset classes. In 2019, we conducted a comparison of equity portfolios in different regions to evaluate the impact of climate risk by region and the implication of these risks on asset allocation.

We analyzed the impact of climate risk on companies in two existing investment portfolios from different geographic regions, under three climate scenarios. The analysis also identified the physical hazards of climate change that carry the highest potential negative impact at the portfolio level and the industries in each portfolio that are potentially most exposed to these risks. The climate risk tool employed in our scenario analysis used a 15-year timeframe to assess risks and opportunities. The output allowed for an analysis at the company level to help determine those organizations that may have greater exposures to climate risk.



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We believe that scenario analysis will continue to improve over time and become a meaningful tool to understand climate impacts. Our current analysis is limited to Scope 1 carbon emissions of the underlying companies, which measures direct carbon emissions from operations. Scope 2, which includes indirect emissions from the consumption of energy, such as electricity, is not included in the analysis. Future analyses may be developed to incorporate Scope 2 and Scope 3 carbon emissions.

According to the scenario analysis methodology used by our service provider:

- Climate transition risk—or the general cost associated with moving from a current business-as-usual scenario in the direction of a more carbon-neutral future—represents the greatest portfolio risk.
- This is followed in magnitude by physical hazard risk—or the cost impact associated with extreme weather events, which we identified in our initial analysis as extreme heat, coastal flooding, and tropical cyclones.

Both climate transition and physical hazard risks may be partially offset by low-carbon technology innovation such as carbon extraction or sequestration, particularly for those companies that have invested in sustainability-related research and development.

Within Manulife's General Account investments, implementation of climate scenario analysis as recommended by the TCFD is being planned over a multi-year period.

SDG:

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GRI:

201-2, 103-302, 103-305



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As part of the Environmental pillar of our sustainability strategy, we work to minimize our operational footprint. Our efforts not only lessen our environmental impact, but they're also important in helping us reduce operating costs and futureproof our business.

2019 environmental performance reporting boundaries

We report on the environmental performance of our business in the following areas:

Corporate Real Estate

Manulife's corporate real estate are properties that are leased or owned specifically for Manulife corporate use. Our corporate offices include over 7 million square feet of office space. Our corporate data also includes off-site Data Centre emissions.

Real Estate

Manulife Investment Management's real estate portfolio consists of space that is occupied both by external tenants and by Manulife corporate users. Most of our assets are managed by our robust team of real estate professionals. We do not include data from properties that are managed by third-party property management firms in our reporting, as we do not have operational control over these buildings. To avoid duplication, consumption and emission data for all space used for corporate purposes in Manulife Investment Management owned buildings is only included under Corporate real estate and is removed from reporting on our investment Real Estate portfolio in this report.

SDG:

13

GRI:

103-302, 302-1, 103-305

Agriculture and Timber

Agriculture and timber includes environmental data from land managed by Manulife Investment Management's agriculture and timber businesses, where we have operational control. We do not include data from land that is managed by third-party property management firms. In 2019, we managed 5,884,000 acres of forest and farmland.

NAL Resources

Oil and gas company NAL Resources is one of Manulife's wholly owned subsidiaries. All of NAL's assets are located in western Canada, where the energy sector's environmental, social, and regulatory standards are amongst the highest in the world.

Energy Use – Absolute

Entity	2019 (ekWh)	2018 (ekWh)	2017 (ekWh)
Corporate ¹	149,509,086²	146,972,174	131,536,284
Real Estate ¹	611,532,975	624,256,225	573,177,843
NAL	1,638,164,195	1,789,350,624 ⁴	1,043,849,319
HNRG	199,589,142³	108,198,829	114,594,000 ⁵
Total	2,598,795,398	2,668,777,852	1,863,157,446 ⁵

1 Corporate and Real Estate: Annual fluctuations are due to changes in portfolio size, property occupancy and space use, weather fluctuations from prior years, and improved data reporting and data coverage.

2 Some leased spaces use estimated data when actual consumption is not available. In 2019 more data was estimated than previous years.

3 Manulife Investment Management's agriculture and timber businesses' energy use increased from 2018 to 2019 primarily due to multiple acquisitions that increased its area of agricultural land under management and reported by approximately 64%.

4 NAL Resources energy use increased by approximately 71% in 2018 primarily due to a major acquisition completed in the last quarter of 2017.

5 Restated to include Manulife Investment Management's agriculture and timber businesses in our inventory.



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Energy Use – Intensity

Entity	Intensity Factor	2019	2018	2017
Corporate ¹ (ekWh/sq. ft.)	Square footage	21.1²	16.9	17.9
Real Estate ¹ (ekWh/sq. ft.)	Square footage	20.8	20.5	20.2
NAL (ekWh/BOE/d)	Barrels of oil equivalent per day	46,242³	45,684	34,246

- 1 Corporate and Real Estate: Annual fluctuations are due to changes in portfolio size, property occupancy and space use, as well as weather fluctuations from prior years, and improved data reporting and data coverage.
- 2 Some leased spaces use estimated data when actual consumption is not available. In 2019 more data was estimated than previous years.
- 3 Intensity increases in 2019 were due to normal fluctuations in production activity; 31-day shutdown of Olds Gas Plant, resulting in lower BOE/d produced during that period; increasing accuracy in emissions measurement and reporting and purchase and sale of assets throughout the year.

GHG Summary – Absolute

Emission Source ¹	2019 (metric tonnes of CO ₂ e)	2018 (metric tonnes of CO ₂ e)	2017 ³ (metric tonnes of CO ₂ e)
Scope 1 Emissions	714,636	705,994	464,258
Scope 2 Emissions (location-based)	331,677	338,196	293,348
Scope 2 Emissions (market-based)	320,941	324,046	280,909
Total Scope 1 & 2 Emissions (location-based)	1,046,313²	1,044,191	757,606
Total Scope 1 & 2 Emissions (market-based)	1,035,577	1,030,040	745,167

- 1 Oil and gas production is an energy-intensive industry. NAL continues to look for opportunities to reduce emissions while still maintaining production levels.
- 2 In 2019, 95% of our total Scope 1 and 2 GHG emissions of 1,046,313 MtCO₂e are associated with our owned and operated businesses that manage assets for third-party clients and our General Account, and are included in our Scope 1 & 2 emissions, as we use an operational control definition to determine our boundaries.
- 3 2017 data restated to include Manulife Investment Management's agriculture and timber businesses' emissions to our inventory.

Scope 1 & 2 – Intensity¹

Emission Source	Intensity Factor	2019	2018	2017
Corporate (kg CO ₂ e/sq. ft.)	Square footage	7.5²	6.0	5.8
Real Estate (kg CO ₂ e/sq. ft.)	Square footage	4.9²	5.3	5.3
NAL (tCO ₂ e/BOE/d)	Barrels of oil equivalent per day	21³	20	17

- 1 Intensities based on Scope 1 and Scope 2 location-based emissions.
- 2 Fluctuations are due to changes in regional electricity grid emissions, and changes in portfolio size, property occupancy and space use, as well as weather fluctuations from prior years, and improved data reporting and data coverage. New in 2019, refrigerants and diesel Scope 1 emissions were also included, where data was available.
- 3 Intensity increases in 2019 were due to normal fluctuations in production activity; 31-day shutdown of Olds Gas Plant, resulting in lower BOE/d produced during that period; increasing accuracy in emissions measurement and reporting and purchase and sale of assets throughout the year.

Scope 3 Emissions – Absolute

Source	2019 (tonnes CO ₂ e)	2018 (tonnes CO ₂ e)	2017 (tonnes CO ₂ e)
Business Travel	25,835	27,396	23,139
Purchased Goods and Services ¹	7,360	9,434	13,632
Waste	2,782	2,479	2,684
Data Centres	3,456	4,029	N/A
Leased Properties ²	239,093	176,920	161,824
Contractor Fuel Use ²	186,565	150,029	157,583

- 1 Paper use only.
- 2 Manulife Investment Management's agriculture and timber businesses.

Scope 3 Emissions – Intensity

Entity	Intensity Factor	2019	2018	2017
Business Travel (kg CO ₂ e/FTE)	Full-time equivalent (FTE)	0.69	0.74	0.66
Paper Use ¹ (kg/FTE)	Full-time equivalent (FTE)	77	100	153

- 1 Total paper use per employee (kg/FTE) for North America, excluding NAL Resources, Manulife Investment Management's agriculture and timber businesses, Barbados and Bermuda.



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MIM Agriculture and Timber Carbon Removals

	2019	2018	2017
Carbon Removals from Agriculture and Timber ¹ (MtCO ₂)	3,135,661	5,963,721	8,202,493

1 Combined Agriculture and Timber CO₂ removals – five-year trailing average. Annual CO₂ removals include annual increase in carbon stock within standing forest inventory (biogenic growth), plus carbon stored in wood products harvested during that year. Due to year-on-year variation introduced by forest inventory estimation methodologies as well as harvesting schedules, we report a five-year average of carbon removals.

Scope 3 – Waste to Landfill and Recycled

Entity	2019 ¹	2018	2017
Corporate – waste to landfill (tonnes)	586	690	709
Corporate – waste recycled	597	877	1,322
Corporate Diversion Rate	50%	56%	65%
Real Estate – waste to landfill (tonnes)	6,425	5,736	6,248
Real Estate – waste recycled (tonnes)	6,315	6,153	6,688
Real Estate Diversion Rate	50%	52%	52%

1 Corporate and Real Estate: In 2019 there was an increased number of properties reporting waste data.

In 2019 our total Scope 1 & 2 GHG emissions were 1.0 million MtCO₂ and we had carbon removals of 3.1 million MtCO₂

Paper Consumption

Paper Type	2019	2018	2017
Office Paper (metric tonnes)	159	203	274
Transactional Paper (metric tonnes)	451	594	1,597
Non-transactional Paper (metric tonnes)	705	912	845
Paper Estimate for FTEs Not Included (metric tonnes)	1,583	2,004	2,648
Total Paper Use ¹ (metric tonnes)	2,898	3,713	5,365
% Recycled Paper	13%	24%	23%
Total Paper Emissions (tCO ₂ e)	7,360	9,434	13,632

1 Reductions of paper consumption over the last three years can be attributed to a concerted effort to reduce print and digitize wherever possible.

Water Use and Intensity

Entity	2019	2018	2017
Corporate (m ³)	328,112¹	386,368	338,002
Corporate Intensity (L/sq. ft.)	47	54	46
Real Estate (m ³)	1,679,994¹	1,872,991	1,798,585
Real Estate Intensity (L/sq. ft.)	57	58	64
Total Water Use (m ³)	2,008,106	2,259,359	2,136,587

1 Annual fluctuations are due to changes in portfolio size, property occupancy and space use.



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Employee Health and Well-being

55%

of our global employee workforce are women

91%

participation in our engagement survey



Our success is largely a result of the knowledge, skills, and passion our employees bring to work every day. That's why building high performing teams is one of the pillars of our business strategy. We are committed to providing and creating an environment in which our people are engaged, and encouraged to learn and develop, throughout their career with us.



Employee Engagement

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We strive to create an exceptional employee experience that attracts, develops, and retains a skilled and experienced workforce that is as diverse as the customers we serve. We know that foundational to our ability to do that is to foster an inclusive work environment, one that embraces the strength and uniquenesses of every colleague.

Just as we do with our customers, we seek to understand what is important to our employees. Which is why we conduct an annual engagement survey. Our engagement survey is an opportunity for all our employees to tell us what we're doing well and where we should adjust or enhance our actions to help everyone feel connected, empowered, and supported.

In 2019, we introduced a shorter survey focused on the topics that directly impact employee engagement. Relative to the scale used in 2018, our 2019 results showed an 8-point improvement. The new survey introduces a new measurement scale for engagement.

Grounded in the model of share–plan–act, there's a strong focus on sharing survey findings and taking action at the team level, so that everyone is involved in building a more engaging workplace.

Employee engagement	2019
Employee engagement score	4.04
Employees participating in engagement survey	91%

Employee recognition

Stars of Excellence is our premier employee recognition program. Every year, we honour our top achievers from around the world—employees whose contributions and dedicated efforts have kept us moving forward as we work to exceed the expectations of our customers, create a dynamic and inclusive workplace, and generate value for our shareholders. In the spirit of Manulife's corporate commitment to giving back, we also honour exceptional individuals who have gone above and beyond for their communities by volunteering in a significant way.

In 2019, we recognized 72 Stars of Excellence recipients in the three categories of individual stars, team stars, and community stars. Looking ahead, we plan to strengthen our global recognition efforts to promote greater consistency in our practices and weave recognition more tightly into our culture, employee experience, and brand.

520 nominations
by peers for Stars of Excellence awards in 2019

GRI:
103-401



Diversity and Inclusion

Table of contents	Our global diversity and inclusion (D&I) aspiration is to cultivate a diverse and inclusive workplace, in which all employees are inspired to bring their authentic and whole selves to work, enabling them to thrive personally and professionally and best serve our customers, business partners, and communities.
Introduction	
Corporate governance	Our D&I strategy focuses on three pillars:
Customers	<ul style="list-style-type: none"> • Talent – diversity at all levels in the organization that is reflective of the communities we serve • Culture – employees thrive because they belong and can bring their authentic selves to work • Community – strong partnerships and D&I support in the external communities in which we live, work, and serve
Sustainable and responsible investing	
Environment	While our strategy is spearheaded by our Chief Diversity Officer, our Global D&I Council guides, supports, and facilitates its implementation. Chaired by our CEO, the Council is made up of executive leaders who are passionate about D&I. Council members meet as a group quarterly and act as advocates in their respective divisions and functions on an ongoing basis.
People	
Communities	
Manulife Bank PAS	We track different diversity metrics in different markets depending on the regional legislative requirements and frameworks. However, across the company, we see the same key challenges and opportunities that many other organizations face in this area—most notably, a lower proportion of women at senior levels.
GRI, SASB and TCFD Index	To address the challenges we face, we've strengthened leadership and business accountability for diversity with the introduction of customized leader D&I dashboards, which are reviewed quarterly by our CEO and executive leadership team, and we have included D&I in all people leadership goals. All divisions and functions also develop their own action plans to improve diversity and inclusion based on their specific challenges.

SDG:
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GRI:
103-405, 405-1

Our continued focus on D&I has led to recognition on the 2019 Bloomberg Gender Equality Index and as one of Canada's Best Diversity Employers for the past two years.

Manulife is a member of the 30% Club, a global group committed to gender balance in business leadership. Women represent 42 per cent of the independent members of our Board of Directors and 23 per cent of executive positions.

Recruiting and hiring diverse candidates

Globally, we've introduced a number of measures to increase the diversity of our candidates for hiring and promotion, including the following:

- Implemented diverse slate requirements to increase hire and promotion rates of diverse candidates for officer roles
- Implemented diverse interview panels
- Introduced a software tool in North America, which minimizes biased language in job postings
- Hired two dedicated diversity sourcers to source more diverse candidates
- Piloted blind recruitment in Canada to hide identifying factors in job applications



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Our recruitment teams attend job fairs in each market aimed at attracting diverse talent. We also partner with Career Edge to provide paid internships to diverse talent, and with the Toronto Region Immigrant Employment Council (TRIEC) to help facilitate employment for newcomers.

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Sustainable and responsible investing
At John Hancock, we partner with the Military Spouse Employment Partnership (MSEP), which connects military spouses with employers. Over the past year, we employed 25 members of the military community through our collaboration with MSEP, enabling these individuals to maintain a level of consistency—keeping the same job, leader, and co-workers—while relocating across the country with their families.

Environment
People
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In 2019, we partnered with the Greater Boston Chamber of Commerce and other Boston-based corporations to co-develop a recruiting program aimed at solving pipeline and retention challenges for college students of colour. The program provides a centralized online portal where Black and Latinx college students can submit their resumes for meaningful summer internship opportunities. Of the five students hired into Boston-based businesses through the pilot in the summer of 2019, 40 per cent were hired at John Hancock.

Manulife Bank PAS
GRI, SASB and TCFD Index
Pay for performance
In order to attract, motivate, and retain the best and brightest employees, we invest in our employees' development and provide them with the opportunity to receive superior rewards when they exhibit superior levels of performance. Our Pay for Performance philosophy ensures that pay is fairly differentiated based on individual levels of contribution and fully considers both what was accomplished versus objectives and how the results were achieved in alignment with our values.

SDG:
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Because we are committed to pay equity, we take steps to identify and mitigate the risk of unconscious bias in our pay practices and decisions. We monitor developments in this area and routinely review our compensation programs to maintain compliance with legal and regulatory requirements.

We also regularly perform comparative pay analyses to ensure that pay for employees with comparable job grades, geographies, job families, performance levels, and experience is consistent. The results of our recent analysis showed that, on average, at year-end 2019 the pay received by women in North America was greater than 99 per cent of that received by men, and globally it was greater than 98 per cent of that received by men, after accounting for factors such as role, performance, tenure, and geography.

Equal opportunity employer

Manulife is an equal opportunity employer. We are committed to fair and unbiased recruitment, retention, and advancement practices, and we administer all programs based on qualification and performance and without discrimination on any protected ground.

It is our priority to remove barriers to equal access to employment. A Human Resources representative will consult with applicants contacted during the recruitment process who request accommodation. Information received regarding the accommodation needs of applicants is addressed confidentially.



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Building an inclusive workplace

We make it clear right from the start of an employee's career with Manulife that inclusion is a foundational aspect of our workplace culture and everyone's responsibility. D&I is covered in our onboarding program, and within two months of joining, employees are required to complete unconscious bias training.

We have eight employee resource groups (ERGs) with 28 chapters and more than 9,800 members. Open to all employees, ERGs support local employee engagement, champion our larger D&I initiatives, and provide opportunities for personal and professional development.

In the United States, we continue to support The Partnership Inc. and its programs to offer valuable and unique development opportunities for multi-cultural managers and employees alike.

We created a learning program for our officer-level leaders with Dr. Robert Livingston, Harvard Kennedy School of Government. Our objective was to set a common language and a stronger foundational understanding around dimensions of D&I, creating the space for us to have necessary conversations about the challenges we face in advancing D&I and the actions we can all take to make real progress in our organization's journey. We also partnered with TED to launch The Signature Series, our twist on TED Talks, which encourages our employees to share their humanity and think big by delivering personal stories and messages with their teammates.

8 Employee Resource Groups
with 28 chapters and more than
9,800 members

SDG:
5, 10

GRI:
102-8

Employee gender mix by region 2019

Region	Female	Male
Asia*	58%	42%
Canada	57%	43%
Other**	35%	65%
United States	44%	56%
Total	55%	45%

* Asia: Cambodia, mainland China, Hong Kong, India, Indonesia, Japan, Macau, Malaysia, Myanmar, Philippines, Singapore, Taiwan, Thailand, and Vietnam

** Other: Australia, Caribbean, Europe, New Zealand, and South America

Employee gender mix by level 2019

Level grouping	Female	Male
Vice President and above	23%	77%
Manager, Director and Assistant Vice President	43%	57%

"Inclusion Starts with You" – unconscious bias training

Year	Number of languages training was offered in	Percentage of people leaders who have completed training	Percentage of individual contributors who have completed training
2018	10 languages	89%	77%
2019	10 languages	93%	86%



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Creating jobs

The following tables provide details of our global workforce.

2019 workforce data by employment type and country

Country/territory	Regular
Argentina	-
Australia	42
Barbados	17
Belgium	26
Bermuda	8
Brazil	3
Cambodia	464
Canada	11,524
Chile	4
Mainland China	2,686
Hong Kong	2,402
India	1
Indonesia	1,282
Ireland	3
Japan	1,501
Macao	23
Malaysia	480
Myanmar	21
New Zealand	100
Philippines	7,671
Singapore	743
Switzerland	2
Taiwan	70
Thailand	96
United Kingdom	66
United States	5,444
Vietnam	999
Total	35,678

Note: Includes active regular/temporary employees, contractors and employees on paid leave.

2019 workforce data in Canada by employment type and province

Province	Employment type		Total
	Full-time	Part-time	
British Columbia	254	10	264
Alberta	469	13	482
Saskatchewan	45	2	47
Manitoba	81	6	87
Ontario	8,355	144	8,499
Quebec	1,865	58	1,923
New Brunswick	13	-	13
Nova Scotia	1,092	17	1,109
Prince Edward Island	1	-	1
Newfoundland and Labrador	5	-	5
Total	12,180	250	12,430

Note: Includes active regular/temporary employees, contractors and employees on paid leave.



Learning and Development

Table of contents Introduction We invest in the development of our people so they can enjoy career success, grow their skills and capabilities, and help us meet the ever-evolving needs required to support our customers.

Corporate governance Customers We believe in a continuous learning approach by providing all Manulife employees with opportunities for learning and development. In addition to on-the-job training, mentoring, coaching, in-house instructor-led programs, and online learning resources, we subsidize the cost of continuous learning and examinations as employees develop their own learning and development plans.

Sustainable and responsible investing Environment **Building our technical acumen** As we transform our organization, we're focused on developing strong digital and technical acumen, particularly within our global technology teams, which consist of approximately 5,000 people.

People In 2018, we launched a global software engineering incubator program called Pluralsight to reskill Manulife technologists on our new technical ecosystem. This is a targeted program for employees with a transferable skill set to engineering. The hands-on, eight-week cohort program runs concurrently across our global operations, with peer coaching to solve real business problems using core software engineering skills. We undertook an impact study in 2019 to quantify the business benefits of this program; for example, by measuring the difference in time needed for decision-making, issues resolution, and software selection. Early results indicate that a key benefit is more than \$1 million in savings realized by reskilling our current developers instead of recruiting engineers from the external market.

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While this program is for developers who have coding skills, we have made the same learning platform available to all of our technology leaders and employees so they too can build their technology acumen and remain up-to-date with today's technical ecosystem.

In parallel in 2019, we set out a Human Capital Valuation Methodology to quantify the benefits to our staff of our investment in technology training. Our work on measurement of human capital investment was inspired by our involvement with the Accounting4Sustainability CFO Leadership Network and the A4S Essential Guide to Social and Human Capital Accounting. We applied this guidance to our investment in technology training as a first step towards valuing human capital more fully. The approach adds quantitative rigour to decision making processes and supports our belief in the importance of investing in people. As we continue our digital transformation, we look forward to demonstrating the long-term value this creates for Manulife, our people and the wider community.

\$1 million+
in savings realized by reskilling our developers instead of recruiting engineers from the external market



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Investing in young people

We invest in young people through our student programs, which offer work experience, financial support, and academic resources for professional designations, opportunities for mentorship and networking, and social activities. Programs include:

- Development programs in North America and Asia for high potential MBA graduates
- Recruitment programs in North America and Asia, including programs for new graduates that offer a rotational component across a variety of functions, such as finance and accounting, actuarial analysis, and investment management
- A variety of paid internships and co-op programs that give students real-world work experience
- A partnership with Northeastern University in the United States for hosting undergraduate co-ops, thereby providing hands-on work experiences and learning opportunities for later employment
- A cross-sector partnership in the United States, MLK Scholars, annually provides Boston teens with meaningful summer employment, financial literacy training, and leadership development opportunities

Developing leaders

We hold our leaders accountable for ensuring that we're in a position to realize our strategic priorities, deliver value to our customers and shareholders, and become a best-in-class employer. All leaders have a leadership goal included in their annual performance objectives.

To equip our leaders with tools and support they need to lead, motivate, provide feedback, and coach their team members, we deliver leadership learning programs that focus on building high performing teams. We also invest in development programs designed to reflect real-life scenarios as a way of retaining top talent and adding to our leadership pipeline.

Our global Senior Leadership Development program and our Ignite leadership program prepare top talent for more senior roles, offering them a multi-faceted learning and development experience. We also support an AI and Advanced Analytics academy for Assistant Vice Presidents and above. Participants in the academy reported a 53 per cent improvement in their understanding of how analytics strategy and capabilities can help us meet our strategic goals after completing the program in 2019.

More than 400 high-potential women have participated in our Influencing Skills for Women Leaders/Women in Leadership programs in North America and Asia since 2011. From this, we've grown a large network of women leaders who participate in annual events and small group coaching sessions.

Leading by example

Having refreshed our corporate values in 2018, using a crowdsourcing tool and discovery sessions to engage all 35,000 employees, we introduced the Transformation-Ready Leadership program in 2019. This interactive, scenario-based program focuses on helping leaders understand, model, and live our corporate values and drive transformation in their teams.

More than 90 per cent of our company officers completed the program. Each session was facilitated by members of the senior leadership team, with participants engaging in discussions of how our values would apply in day-to-day experiences and against our overall transformation agenda.

In 2019 we also integrated our values into our performance review processes. In performance evaluations throughout the year we look to recognize employees not only for what they have accomplished relative to their goals, but also how the results were achieved in line with our values and risk considerations.



Employee Health and Well-being

Table of contents Introduction Research shows that the benefits of a healthier lifestyle include greater productivity and better performance in all areas of our lives. We want our employees to make their health a priority.

Corporate governance Customers RealChoice is our North American and Hong Kong benefits and wellness program, which covers a wide array of benefit plans with options that employees can tailor to their individual needs. The program provides health, dental, vision, short-term disability, long-term disability, and life and accident insurance coverage, as well as wellness options and employee and family assistance plans. Employees also receive retirement savings and share purchase plans.

Sustainable and responsible investing Environment Outside of North America, market practices vary. Accordingly, our benefits programs in these countries also vary, but they are aligned as permitted globally and with local markets. They typically include life and accident, health, dental, and disability insurance coverage, wellness programs, and employee and family assistance programs.

People

Communities Manulife Bank PAS GRI, SASB and TCFD Index **Manulife Vitality employee wellness** In 2019, we launched the Manulife *Vitality* Employee Wellness Program in Canada, a comprehensive, voluntary program that takes a personalized, interactive approach, and considers participants’ overall health, lifestyle, and health risk factors. The program is designed to educate, engage, and reward participants on their personal pathway to better health. Participants begin their *Vitality* journey by taking an online questionnaire about their current health and lifestyle. Based on their answers, *Vitality* can calculate their Vitality Age and provide suggestions for them to maintain or improve their health. *Vitality* is now offered to all North American employees.

Mental health

According to the World Health Organization (WHO), depression is now the number one health issue globally. And according to the Canadian Mental Health Association, almost half (49 per cent) of people who feel they have suffered from

depression or anxiety have never seen a doctor to talk about this problem. In order to remove any cost barriers that prevent people from going to a doctor when they need help, we offer a mental health support benefit to our Canadian employees of up to \$10,000 per person per year, including family members. This benefit is fully funded by Manulife and is among the highest support benefits for mental health offered by Canadian employers.

In the United States, coverage for mental health is included in our medical benefits plans. Starting in 2020, we have eliminated cost barriers by removing any co-pays and co-insurance for these benefits.

In 2019, in Canada, U.S. and Asia we amplified our commitment to supporting employee mental health through a World Mental Health Day and May Mental Health Month campaigns focused on ending the stigma around mental health issues. The campaigns promoted our employee and family assistance programs and mental well-being assessments, and provided mental health education.

Occupational health and safety

Manulife’s health and safety program is intended to protect employees from injury and occupational disease, promote wellness efforts, prevent violence and harassment in the workplace, and ensure compliance with the occupational health and safety legislative requirements that apply to us. It also involves education, training, monitoring, and enforcement procedures. All contractors and sub-contractors and their employees are also expected to comply with its provisions.

Our Health and Safety Policy outlines our “internal responsibility system,” by which all employees and leaders have safety responsibilities. This policy is reviewed by our joint health and safety committees and endorsed each year.

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GRI: 103-403, 403-6



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\$46 million+
donated and raised in support of community initiatives

≈ 66,000 hours
volunteered by our employees and agents



By working to improve health and well-being, and enabling economic opportunity, we strengthen our communities and drive positive social change.



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We believe that our success as a company depends on the success of the communities we serve. These communities are the source of our customers and our workforce. They are hubs for ideas, commerce, culture, and sustainable social and economic development. We want to create measurable impact in these communities by investing in their health and well-being.

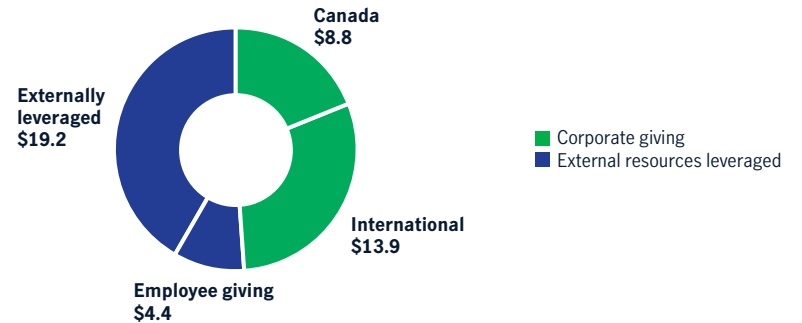
Community investment provides an opportunity to extend solutions and services we provide to our customers so they can live healthier and more financially secure lives. In these areas, we look to partner with innovative charitable organizations and programs that empower people by:

- Focusing on the skills needed to effect positive behavioural change and prepare individuals for future success
- Supporting under-served and marginalized communities
- Recognizing the intersections of different aspects of wellness and providing holistic support

Our support to these organizations and programs takes many forms, including direct funding, donations made by our employees, and funds raised from external sources. For example, our Boston Marathon programs help to raise millions of dollars annually for non-profit organizations.

Our volunteer programs increase the impact of our community investments, while also providing employees with opportunities to hone their skills and network and to give back to their communities.

2019 Total Giving (millions)



Company investment: \$22.7 million External resources leveraged: \$23.6 million

Total: \$46.3 million

Company investment comprises all of the voluntary cash contributions made by Manulife directly to community organizations that are generating clear and demonstrable value for communities. This figure does not include in-kind contributions, program management costs, or the value of our employees' volunteer hours.

External resources leveraged comprises donations made by employees and funds raised from external sources through Manulife's community investment programs.



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Canada

To further the objectives of improving health and well-being and enabling economic opportunity, we focus on heart health and financial well-being in Canada. In this way, we contribute to SDG 3 (good health and well-being) and SDG 5 (gender equality).

2019 was the second year of a three-year title sponsor commitment to the Heart & Stroke Ride for Heart, Canada's largest single-day charity cycling event in support of heart disease and stroke research. More than 12,500 walkers and cyclists took to Toronto's major highways and raised over \$5 million during the 2019 event. This included Team Manulife's 400 employees and their families and friends, who collectively raised approximately \$150,000. In addition, 13 Manulife employees dedicated more than 90 volunteer hours to support the event.

Also in support of heart health, and women and girls, we've pledged to support Heart & Stroke's Women's Initiative over two years, through a combination of fundraising campaigns and matching donations. The initiative aims to address the unique challenges facing women's heart health; most notably, two-thirds of heart disease and stroke clinical research focuses on men, even though heart disease and stroke are the number one cause of pre-mature death for women in Canada and early heart attack signs are missed in 78 per cent of women.

Our community investment program includes offering our employees opportunities to give back to causes they care about deeply and to increase their impact through a Manulife contribution:

- Qualifying team volunteering activities organized by Manulife employees in Canada are eligible for up to \$1,500 in grants.
- Manulife employees in Canada who participate in eligible charitable fundraising events and raise pledges can be eligible for a matched donation, up to \$150 per event.

- Manulife employees who volunteer more than 25 hours for a registered Canadian charity in a calendar year are eligible for a \$500 donation to that charity.
- All Manulife employees in Canada and the United States receive one paid day off per year to volunteer at a registered charity or non-profit.

In Waterloo, Canada, we sponsor Nutrition for Learning, a charity that delivers nutrition programs to schools to ensure children are well-nourished and able to focus on learning. We also support Send'em Off Smiling, which outfits children in Waterloo with clothing and school supplies each September.

United States

In the United States, compelling examples of John Hancock's commitment to improving health and well-being and enabling economic opportunities can be found in our long-standing efforts to help make Boston a healthier and more equitable city. In addition to our 35-year sponsorship of the iconic Boston Marathon, the MLK Scholars Program and the Boston Medical Center (BMC) Vision 2030 initiative are key partnerships.

The MLK Scholars program is a unique cross-sector collaboration in which John Hancock partners with the City of Boston, Boston University, The Boston Globe, and Partners HealthCare to empower Boston's next generation of community and business leaders. The program awards US\$1 million annually to nearly 60 non-profit worksites to host over 600 Boston teens for a summer work experience. We also employ about 20 youth at our Boston office. John Hancock employees are engaged as workshop volunteers at Leadership Forums, which convene all MLK Scholars for critical personal and leadership development. Our employees also supervise and mentor students working at our office.

As part of a three-year commitment to BMC which began in 2018, we are a founding sponsor of the hospital's newest endeavor, called Vision 2030, which aims to make Boston the healthiest urban population in the world by 2030. Underpinning Vision 2030 is the belief that when an organization invests in the root causes of urban health issues, the community and its people greatly benefit and thrive.



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Asia

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Hong Kong

Joining the global effort to raise awareness of heart health, Manulife started a global partnership with the [World Heart Federation](#) in 2017. Since then, our offices around the globe have spearheaded initiatives revolving around heart health.

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In Hong Kong, we work closely with local charitable organizations such as [Children's Heart Foundation](#) and [Hong Kong College of Cardiology](#) to promote heart health annually. We organized a series of activities, themed *My Heart, Your Heart*, in September 2019 to raise awareness among Manulife employees and the public of cardiovascular disease, which is the third leading cause of death in Hong Kong. The campaign was kicked off with a heart health lunch seminar and a walk along the Kwun Tong Promenade as part of Manulife's annual Global Walk.

Sustainable and responsible investing

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We also supported Hong Kong's largest outdoor yoga and wellness event, presenting IRIS: Your Escape with ManulifeMOVE, where people could enjoy more than 80 yoga and fitness classes and special heart health-related activities.

Communities

Malaysia

Manulife Bank PAS

In 2019, we supported [Pertubuhan Komuniti Kasih Selangor \(PKKS\)](#), commonly known as the Kasih Selangor Community Association in English. PKKS was set up in 2015 to reach out to underprivileged and poverty-stricken communities, notably the Orang Asli indigenous group. Its objective is to transform and raise the level of health and well-being of these communities. PKKS strives to do this by instilling the concept of *berdikari* (self-independence).

GRI, SASB and TCFD Index

SDG:
[3](#), [5](#), [10](#)

In collaboration with PKKS, Manulife Malaysia supports the education of 133 Orang Asli students from five neighbouring villages in Pahang, a state in Malaysia. The funds cover:

- After-school tutoring classes, where students are served food and drinks, and Orang Asli tutors teach them and help them with their homework
- School supplies
- Maintenance of vehicles to ferry students to and from school each day

Our employee engagement in the program includes a range of activities, such as hosting an inauguration ceremony attended by our executive management team, painting the communal classroom, and giving children Christmas presents. In total, employees volunteered 271 hours to the program in 2019.

Philippines

Over the past two years, we've teamed up with [Hands on Manila \(HOM\)](#) to offer a series of financial literacy classes for public school students in the Philippines. As part of the Peso Smart program, our employees join HOM educators during weekly sessions at local schools to teach grade six students the basics of saving and investing.

The curriculum was co-developed by education specialists, Manulife employee volunteers, and a pilot group of students. Lessons include interactive games and discussions, a field trip to Kidzania Manila, a final project where students showcase their budgeting and savings know-how in the most creative way possible, and a graduation ceremony attended by the students, their parents, and teachers. More than 100 Manulife volunteers participated in the program during the 2018–2019 school year.

Since the program's inception in 2017, 90 students have graduated from five public schools in Metro Manila and another 30 are expected to graduate in March 2020. When we asked parents about the difference it has made, the majority noted that their kids tended to save more of their allowance and were more conscious of unnecessary spending.



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In this section:
**Manulife Bank Public
Accountability Statement**



The 2019 Manulife Bank Public Accountability Statement is published by, and in respect of, Manulife Bank of Canada and its prescribed affiliate, Manulife Trust Company of Canada.



Manulife Bank Public Accountability Statement

Table of contents	Since its inception in 1993, Manulife Bank has been guided by the conviction that banking plays a central role in the financial health of Canadians. We offer innovative, flexible banking solutions designed to help make decisions easier and lives better for our customers. And, because everyone's financial situation is unique, we work closely with independent financial professionals who understand our customers' overall financial objectives and can help ensure they find the banking solutions that are right for them.
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Innovative, flexible banking solutions

Sustainable and responsible investing

Manulife Bank encourages Canadians to simplify their banking and make their money work harder so they can achieve their financial goals and get more out of life. In addition to offering competitive rates on all our products, Manulife Bank helps Canadians bank more efficiently with innovative, flexible banking solutions, including:

Environment

People

Manulife One allows our customers to combine nearly all their banking needs within a single, efficient account. This can result in significant savings compared to traditional banking and empowers customers to take control of their finances. Manulife One for Business provides flexible financing for the commercial properties of Canadian small business owners. In 2019, we began offering our Manulife One customers unlimited Interac eTransfers at no additional charge.

Communities

Manulife Bank PAS

Manulife Bank Select allows customers to customize their mortgage and potentially mitigate the risk of rising interest rates by dividing their debt among a variety of fixed and variable-rate options.

GRI, SASB and TCFD Index

To help ensure our products are affordable for those who may have retired, we offer a discounted monthly fee for seniors on both Manulife One and Manulife Bank Select.

Advantage Account, Manulife Bank's high-interest chequing account, pays a high rate of interest on every dollar and features no-fee everyday banking when customers maintain a balance of at least \$1,000. *The Globe and Mail* has said "this might be the most useful savings account in Canada."

All-In Banking – In 2019, Manulife Bank introduced this mobile-first banking solution, which includes a daily banking account, a savings account, a no-fee credit card, and travel insurance. All-In Banking is designed to help customers make the most of their money. It does this by waiving their account fee when they increase their savings by at least \$100 per month and by allowing customers to automatically sweep extra money from their daily banking account into their savings account at the end of each day.

Personalized, local advice

Manulife Bank leverages a network of more than 33,000 independent advisors and mortgage brokers across Canada to refer or distribute its banking products. This approach allows our customers to access objective, personalized advice in their community and at their convenience.

We support our customers through a nationwide team of more than 160 retail lending specialists and business development consultants, who are available to meet locally with customers, and the advisors and mortgage brokers who support them.

We have three branches that offer select services to our Private Banking clients, by appointment only. The branches are located in Montreal, Toronto, and Vancouver:

- 900 Maisonneuve O., Suite 16, Montreal, Quebec
- 250 Bloor Street East, Main Floor, Toronto, Ontario
- 550 Burrard Street, Suite 728, Vancouver, British Columbia



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Mobile, online and telephone access

Manulife Bank makes it easy for customers to manage their day-to-day finances through mobile, online, and telephone banking.

Customer service and Interactive Voice Response (IVR)

We continue to develop our two customer service centres in Waterloo, Ontario, and Halifax, Nova Scotia. This dual centre model helps us provide seamless operations in the event of a business disruption. Our Customer Service Centre is open 365 days a year, making it easy for customers to reach us when it's convenient for them.

Manulife Bank's IVR system features natural language recognition and voice biometrics in both official languages, simplifying the customer experience by allowing them to validate their identity using only their voiceprint and navigate the IVR system with spoken requests.

Online and mobile access

In 2019, we made numerous enhancements to our online and mobile banking platforms, including:

- We introduced Mai, our artificial intelligence (AI) chatbot that helps customers get quick answers within our mobile app.
- We more than doubled the number of bill payees available to our customers.
- We added mobile wallet functionality to our family of MONEY+™ Visa¹ cards, allowing customers to pay using their mobile devices.

Manulife Bank leverages online application systems for mortgage brokers, independent advisors, and retail lending specialists. These systems allow our customers to get up and running with many of Manulife Bank's deposit and loan products quickly and efficiently. We also offer online application for chequing and savings accounts, making it easy for customers to apply from the comfort of their homes.

¹ Trademark of Visa Int., used under licence.

Automated banking machine (ABM) access

Manulife Bank has 780 publicly accessible ABMs across Canada. In addition, Manulife Bank is a member of THE EXCHANGE® Network², one of Canada's largest networks of ABMs. Our membership allows Manulife Bank customers to use any EXCHANGE ABM without being charged a convenience fee.

Corporate giving and social responsibility

Manulife Bank shares Manulife's commitment to volunteerism, community development, and corporate giving as described in Manulife's 2019 Public Accountability Statement, and its data is fully integrated into the information provided for those initiatives.

By working together with Bullfrog Power®, every Manulife Bank ABM is powered with 100 per cent green energy.



Manulife Bank employees are frequent and strong supporters of Manulife's philanthropic initiatives. In 2019, employees played a prominent role in activities such as a Habitat for Humanity build in Kitchener, the Manulife Dragon Boat Festival in Halifax in support of amateur sport in Nova Scotia, and Spin for Kids in support of children with intellectual disabilities and autism.

In 2019, Manulife Bank offered relief programs for customers impacted by spring flooding in Eastern Canada and wildfires in Alberta. These programs allowed impacted customers to defer loan payments and access locked-in money.

² Fiserv EFT is the owner of THE EXCHANGE® trademark and its associated rights. Fiserv EFT has granted FICANEX® the exclusive right to use, market, and sublicense THE EXCHANGE® trademark and the intellectual property rights associated with the operation of THE EXCHANGE® Network throughout Canada. Manulife Bank is an authorized user of the mark.



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**GRI:
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Our corporate structure

Manulife Bank of Canada (MBC or Manulife Bank) is a Schedule I federally chartered bank and a wholly owned subsidiary of The Manufacturers Life Insurance Company, which is a wholly owned subsidiary of Manulife Financial Corporation. Manulife Trust Company (Manulife Trust), a subsidiary of Manulife Bank, is a federally incorporated trust company licensed to operate as a trust company in Canada.

Manulife Trust Company

Manulife Trust leverages the brand, technology, operational, and customer service platforms and processes, products, distribution network, and management expertise of Manulife Bank.

Manulife Trust offers simple deposit products that are available electronically, as well as fixed-term residential mortgages, available through Manulife Bank's nationwide network of retail lending specialists. Data provided for Manulife Bank includes Manulife Trust data.

Complaint handling

At Manulife Bank and its subsidiary Manulife Trust, we place a high value on complaint resolution and are committed to responding to complaints promptly, accurately, and with the utmost courtesy. The Manulife Bank Ombudsman Office provides our customers with accessible means with which to communicate any complaints, and we employ our best effort to respond to and resolve them. All complaints and personal information collected by the Manulife Bank Ombudsman Office, whether written or verbal, are handled in a fair, timely, professional, and confidential manner.

In 2019, the Manulife Bank Ombudsman Office received a total of 48 complaints. Of those, 30 were not escalated through our standard complaint handling process and were directed back to the appropriate business areas for resolution. Of the remaining 18 cases, 15 were dealt with by the Manulife Bank Ombudsman Office to the complainants' satisfaction, with three case investigations not resolved before December 31, 2019. The average time taken to resolve these complaints was 44 days.



Automated Banking Machines (ABMs) Added and Removed in 2019

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Manulife Bank has 780 publicly accessible ABMs across Canada. In addition, Manulife Bank is a member of THE EXCHANGE® Network, one of Canada's largest network of ABMs. Our membership allows Manulife Bank customers to use any EXCHANGE ABM without being charged a convenience fee.

ABMs added by Manulife Bank in 2019

Address	City	Province
4619 50 Avenue	Gibbons	AB
1904 19 Street NE	Calgary	AB
4011 50 Street SW	Calgary	AB
103 Haddow Close NW	Edmonton	AB
13983 16 Avenue	Surrey	BC
451 Division Street	Kingston	ON
75 William Street N	Lindsay	ON
10611 Chingaucousy Road	Brampton	ON
240 Graff Avenue	Stratford	ON
534 Elm Street	St. Thomas	ON
287 Algonquin Boulevard W	Timmins	ON

ABMs removed by Manulife Bank in 2019

Address	City	Province
4619 50 Avenue	Gibbons	AB
5219 48 Street	High Prairie	AB
4100 Marlborough Drive NE	Calgary	AB
1904 19 Street NE	Calgary	AB
4011 50 Street SW	Calgary	AB
Unit 1 11653 Jasper Avenue	Edmonton	AB
8405 112 Street	Edmonton	AB
205 Tranquille Road	Kamloops	BC
13983 16 Avenue	Surrey	BC
4464 Dunbar Street	Vancouver	BC
407 Carlton Street	Winnipeg	MB
2359 Ness Avenue	Winnipeg	MB
451 Division Street	Kingston	ON
868 Pembroke Street W	Pembroke	ON
75 William Street N	Lindsay	ON
13495 Bathurst Street	Richmond Hill	ON
10611 Chingaucousy Road	Brampton	ON
808 Innisfil Beach Road	Alcona Beach	ON
106 Humber College Boulevard	Rexdale	ON
240 Graff Avenue	Stratford	ON
534 Elm Street	St. Thomas	ON
145 Railway Street	Nipigon	ON
3481 Falconbridge Highway	Garson	ON
5100 Wilfrid Hamel Boulevard	Quebec	QC
7610 Newman Boulevard	Lasalle	QC



Manulife Bank and Manulife Trust Public Accountability Statement Tables

Table of contents Manulife Bank provides loans to businesses, helping to fuel their growth.

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Amount of debt financing authorized in 2019 (C\$ thousands)

	\$0 – \$24,999	\$25,000 – \$99,999	\$100,000 – \$249,999	\$250,000 – \$499,999	\$500,000 – \$999,999	\$1,000,000 – \$4,999,999	\$5,000,000 and greater	Grand total	
Corporate governance	British Columbia	\$ 24	\$ 283	\$ 543	\$ 4,574	\$ 3,018	\$ 15,134	\$ –	\$ 23,577
	Alberta	–	305	253	465	800	8,850	–	10,673
Customers	Saskatchewan and Manitoba*	–	30	160	1,151	3,315	15,938	–	20,594
	Ontario	–	529	986	3,553	18,320	66,419	77,796	167,603
Sustainable and responsible investing	Quebec	–	490	969	3,151	3,890	26,558	13,805	48,863
	Nova Scotia, New Brunswick, Newfoundland and Labrador, and Prince Edward Island*	–	90	145	591	3,302	1,006	–	5,133
	Total	\$ 24	\$ 1,727	\$ 3,056	\$ 13,485	\$ 32,645	\$ 133,905	\$ 91,601	\$ 276,443

* Data for certain provinces have been consolidated to protect the privacy of individual borrowers who might otherwise be identifiable.

Environment

Note: Yukon, Northwest Territories, and Nunavut have been excluded from the table above as the amount of debt financing authorized in 2019 was nil.

People

Number of customers to whom debt financing was authorized in 2019

	\$0 – \$24,999	\$25,000 – \$99,999	\$100,000 – \$249,999	\$250,000 – \$499,999	\$500,000 – \$999,999	\$1,000,000 – \$4,999,999	\$5,000,000 and greater	Grand total	
Communities	British Columbia	1	6	3	12	4	9	–	35
Manulife Bank PAS	Alberta	–	6	2	1	1	4	–	14
	Saskatchewan and Manitoba*	–	1	1	3	5	8	–	18
	Ontario	–	12	8	10	25	33	8	96
GRI, SASB and TCFD Index	Quebec	–	8	7	9	6	12	2	44
	Nova Scotia, New Brunswick, Newfoundland and Labrador, and Prince Edward Island*	–	2	1	2	5	1	–	11
	Total	1	35	22	37	46	67	10	218

* Data for certain provinces have been consolidated to protect the privacy of individual borrowers who might otherwise be identifiable.

Note: Yukon, Northwest Territories, and Nunavut have been excluded from the table above as the amount of debt financing authorized in 2019 was nil.



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Manulife Bank workforce data in Canada by employment type

	Province	Employment type		Total
		Full-time	Part-time	
Introduction	British Columbia	28	–	28
Corporate governance	Alberta	16	–	16
	Saskatchewan	4	–	4
	Manitoba	10	–	10
Customers	Ontario	545	3	548
	Quebec	83	–	83
	New Brunswick	2	–	2
Sustainable and responsible investing	Nova Scotia	186	4	190
	Newfoundland and Labrador	1	–	1
	Total	875	7	882

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The tables below outline taxes paid or payable for Manulife Bank and Manulife Trust to federal and provincial governments.

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Manulife Bank taxes paid by provinces and territories in 2019

Provinces and territories	Capital taxes	Income taxes	Total taxes
Newfoundland and Labrador	\$ -	\$ -	\$ -
Prince Edward Island	-	-	-
Nova Scotia	2,749,494	621,841	3,371,335
New Brunswick	-	-	-
Quebec	-	-	-
Ontario	-	9,421,483	9,421,483
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	-	-	-
Yukon	-	-	-
Northwest Territories	-	-	-
Nunavut	-	-	-
Provinces and territories	\$ 2,749,494	\$ 10,043,324	\$ 12,792,818
Federal	-	13,468,576	13,468,576
Total taxes	\$ 2,749,494	\$ 23,511,900	\$ 26,261,394

Manulife Trust taxes paid by provinces and territories in 2019

Provinces and territories	Capital taxes	Income taxes	Total taxes
Newfoundland and Labrador	\$ -	\$ -	\$ -
Prince Edward Island	-	-	-
Nova Scotia	86,992	11,093	98,085
New Brunswick	-	-	-
Quebec	-	-	-
Ontario	-	1,621,162	1,621,162
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	-	-	-
Yukon	-	-	-
Northwest Territories	-	-	-
Nunavut	-	-	-
Provinces and territories	\$ 86,992	\$ 1,632,255	\$ 1,719,247
Federal	-	2,198,217	2,198,217
Total taxes	\$ 86,992	\$ 3,830,472	\$ 3,917,464



GRI, SASB and TCFD Index

AR 2019 Annual Report
 AIF 2019 Annual Information Form
 PC 2020 Proxy Circular
 SR 2019 Sustainability Report & PAS

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	GRI Standards	Indicator	Disclosures
GENERAL DISCLOSURES (100)			
Introduction	101	Principles for defining report content and quality, and the process for sustainability reporting using the GRI Standards	This report aligns to the GRI Standards and adheres to the GRI Reporting Principles of stakeholder inclusiveness, sustainability context, materiality, completeness, accuracy, balance, clarity, comparability, reliability, and timeliness.
Corporate governance	102-1	Name of the organization	Manulife Financial Corporation
	102-2	Activities, brands, products, and services	SR page 30 Products and Services AR page 188 AIF pages 5–6
Customers	102-3	Location of headquarters	Global Headquarters 200 Bloor St E, Toronto, ON M4W 1E5
	102-4	Location of operation	SR page 30 Products and Services AR page 10
Sustainable and responsible investing	102-5	Ownership and legal form	Manulife Financial Corporation (“MFC”) is a publicly traded company and the holding company of The Manufacturers Life Insurance Company (“MLI”), a Canadian life insurance company. AR page 109 AIF page 4
Environment	102-6	Markets served	MFC and its subsidiaries (collectively, “Manulife” or the “Company”) is a leading financial services group with principal operations in Asia, Canada and the United States. SR page 30 Products and Services AR page 109 AIF pages 5–6
People	102-7	Scale of the organization	SR pages 2–3 About Manulife, 9–11 Sustainability Scorecard AIF pages 5–6 AR page 1
Communities	102-8	Information on employees and other workers	SR pages 54–55 Building an Inclusive Workplace, 11 Sustainability Scorecard
	102-9	Supply chain	SR page 28 Responsible Supply Chain
Manulife Bank PAS	102-10	Significant changes to the organization and its supply chain	There were no significant changes to the organization and its supply chain in 2019.
	102-11	Precautionary Principle or approach	SR page 23 Risk Management AR pages 36–56
	102-12	External initiatives	SR page 27 Public Policy, 37 and 40–43 Sustainable and Responsible Investing in Action
GRI, SASB and TCFD Index	102-13	Membership of associations	SR page 27 Public Policy, 37 and 40–43 Sustainable and Responsible Investing in Action
	Strategy		
	102-14	Statement from senior decision-maker	SR pages 6–8 Message from Our President and Chief Executive Officer and Message from Our Executive Sustainability Council
GRI: 102-55	Ethics and Integrity		
	102-16	Values, principles, standards, and norms of behaviour	SR pages 19–21 Ethics and Integrity AR inside cover
	102-17	Mechanisms for advice and concerns about ethics	SR page 21 Ethics and Integrity PC pages 118–119



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	GRI Standards	Indicator	Disclosures
Governance			
Introduction	102-18	Governance structure	SR pages 13–14 Sustainability Governance, 18 Board of Directors PC pages 33, 122
	102-19	Delegating authority	SR pages 13–14 Sustainability Governance
Corporate governance	102-20	Executive-level responsibility for economic, environmental, and social topics	SR pages 13–14 Sustainability Governance PC page 33
	102-21	Consulting stakeholders on economic, environmental, and social topics	SR pages 15–16 Sustainability Strategy
Customers	102-22	Composition of the highest governance body and its committees	PC pages 18, 33–36, 112–114 AIF pages 25–26
	102-27	Collective knowledge of highest governance body	PC pages 124–128 AR page 3
Sustainable and responsible investing	102-33	Communicating critical concerns	PC pages 118–119
	102-35	Remuneration policies	PC page 43
	102-36	Process for determining remuneration	PC page 44
Environment	102-37	Stakeholders' involvement in remuneration	PC page 44
Stakeholder Engagement			
People	102-40	List of stakeholder groups	SR page 15 Sustainability Strategy
	102-41	Collective bargaining agreements	Information is not available
Communities	102-42	Identifying and selecting stakeholders	SR page 15 Sustainability Strategy
	102-43	Approach to stakeholder engagement	SR pages 15–16 Sustainability Strategy
	102-44	Key topics and concerns raised	SR pages 15–16 Sustainability Strategy
Manulife Bank PAS	Reporting Practice		
	102-45	Entities included in the consolidated financial statements	SR page 4 About This Report AR pages 109–116
GRI, SASB and TCFD Index	102-46	Defining report content and topic boundaries	SR page 4 About This Report
	102-47	List of material topics	SR pages 15–16 Sustainability Strategy
	102-48	Restatements of information	SR page 47
	102-49	Changes in reporting	SR page 4 About This Report
	102-50	Reporting period	SR page 4 About This Report
GRI: 102-55	102-51	Date of most recent report	The 2018 Sustainability Report and PAS was published in May 2019.
	102-52	Reporting cycle	SR page 4 About This Report
	102-53	Contact point for questions regarding the report	Contact us at manulife.com or johnhancock.com and sustainability@manulife.com SR back cover
	102-54	Claims of reporting in accordance with the GRI Standards	SR page 4 About This Report



Table of contents	GRI Standards	Indicator	Disclosures
	102-55	GRI content index	This table is Manulife's 2019 GRI Index
Introduction	102-56	External assurance	<u>Third-party Verification Letter</u> Manulife has a GHG Accounting Guidance to establish clear, repeatable annual emission accounting practices and outline roles and responsibilities for implementing the procedures. This includes third-party verification of our GHG data. The GHG Accounting Guidance is reviewed on an annual basis.
Corporate governance	ECONOMIC DISCLOSURES (200)		
	103-201	Economic performance	SR pages 6–8 Message from Our President and Chief Executive Officer, Message from Our Executive Sustainability Council <u>AR pages 2–7 Chairman Letter, President and CEO Letter and 10–16 MD&A</u>
Customers	201-1	Direct economic value generated and distributed	SR pages 9–11 Sustainability Scorecard, <u>22 Tax Governance</u> <u>AR page 1</u>
Sustainable and responsible investing	201-2	Financial implications and other risks and opportunities due to climate change	SR pages 45–46 Climate Change <u>AR pages 41–42</u>
	201-3	Defined benefit plan obligations and other retirement plans	<u>AR page 158</u>
Environment	103-203	Indirect economic impacts	SR pages 6–8 Message from Our President and Chief Executive Officer, ESC Message, <u>60 Community Investment</u>
	203-1	Infrastructure investments and services supported	SR <u>page 40 Sustainable and Responsible Investing in Action</u>
	103-205	Anti-corruption	SR pages 19–20 Ethics and Integrity, <u>27 Public Policy</u> , <u>28 Responsible Supply Chain</u>
People	205-1	Operations assessed for risks related to corruption	AIF page 38 Oversight of the Anti-Money Laundering and Anti-Terrorist Financing Program; Review of Ethical Standards
Communities	205-2	Communication and training about anti-corruption policies and procedures	SR <u>page 15 Sustainability Strategy</u> All employees and members of the Board must review the Code of Conduct and update their Code of Business Conduct and Ethics Certification and Conflict of Interest Disclosure Questionnaire annually. https://www.manulife.com/content/dam/corporate/global/en/documents/corporate-governance/codeofbusinessconductandethics1.pdf
Manulife Bank PAS	ENVIRONMENTAL DISCLOSURES (300)		
	103-302	Energy	SR <u>page 38 Green Bonds</u> , <u>40 Sustainable and Responsible Investing in Action</u> , <u>45–46 Climate Change</u> , <u>47–48 Environmental Performance</u>
GRI, SASB and TCFD Index	302-1	Energy consumption within the organization	SR <u>page 10 Sustainability Scorecard</u> , <u>47–49 Environmental Performance</u>
	302-3	Energy intensity	SR <u>page 10 Sustainability Scorecard</u> , <u>48 Environmental Performance</u>
	103-305	Emissions	SR pages 45–46 Climate Change, <u>47–49 Environmental Performance</u>
	305-1	Direct (Scope 1) GHG emissions	SR <u>page 10 Sustainability Scorecard</u> , <u>48–49 Environmental Performance</u>
	305-2	Energy indirect (Scope 2) GHG emissions	SR <u>page 10 Sustainability Scorecard</u> , <u>48–49 Environmental Performance</u>
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