

Equator Principles Annual Compliance Statement

Financial Industry Benchmarking for Managing Social and Environmental Risk in Project Financing

Manulife Financial Corporation adopted the Equator Principles in **April 2005**. The Principles apply to all new project financings globally with total project capital costs of US\$10 million or more, and across all industry sectors. According to Principle #10, Equator Principles Financial Institutions commits to report publicly at least annually about its Equator Principles implementation processes and experience, taking into account appropriate confidentiality considerations. Manulife's internal Environmental Policy and Procedures also require that annual environmental reviews be performed.

The following significant project financing and investments in emerging markets and in which Manulife has an equity position in excess of \$10 Million, has been reviewed by Manulife's Chief Environmental Officer for adherence to the adopted and distributed Equator Principles and in compliance with the Company's Environmental Policy and Procedures.

Business Unit/Affiliate: Manulife Insurance (Malaysia) Berhad
Region: EAST ASIA
Sector: INFRASTRUCTURE, Project Financing
Category: C, (Projects with minimal or no social or environmental impacts)

Project 1

Independent Environmental Impact Assessments (EIA) were performed for the last phases of a joint venture highway project in Malaysia in accordance with the Environmental Policy adopted by the consortium as part of its social responsibility initiatives. The joint venture project financing undertook the part-construction, operation and maintenance of a 772-km North-South Expressway, the 35-km New Klang Valley Expressway, the 169-km Federal Highway Route 2 between Subang and Klang, and the 23-km Seremban-Port Dickson Highway.

The above referenced project is ongoing or in a state of completion and this compliance statement confirms that project financing has been safeguarded against negative impacts on ecosystems or communities and where negative impacts ties have been identified, they have been mitigated and/or appropriately compensated for by the joint venture partners and/or Manulife.

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Chief Environmental Officer
Manulife Financial

Jul.12/2011