

Our commitment to our clients



Millions of families around the world trust Manulife to be there for their financial futures. And for more than 120 years, we have been earning that trust by standing behind our commitments and delivering on our long-term financial promises.

More than ever, families need to feel confident that the financial partner they choose will be there when needed most. As one of the largest life insurance companies in the world by market capitalization, Manulife remains steadfast in its ability to meet its commitments to our clients. We recognize that a core component of a potential client's decision-making process involves assessing the financial strength of their provider. Our high-quality investment portfolio, diverse business platform and prudent risk management practices are among the reasons millions of families continue to place their trust in the Manulife name. Our commitment to our clients is unwavering and we remain well-positioned to deliver on that commitment – today and into the future.

Financial strength

Manulife has a long, hard-earned track record of financial strength and stability. It's a reputation that families and businesses have come to appreciate and rely upon when making the significant financial decisions of their lives. At Manulife, we recognize that for anything to pass the test of time, it must be built upon a strong foundation. For our Company, that foundation consists of the financial strength, stability and peace of mind we are able to offer our millions of customers around the world.

As at December 31, 2010, Manulife's financial strength and stability are reflected in our credit ratings, which are among the highest in the insurance industry. Our main operating subsidiaries have earned strong ratings from agencies including A.M. Best (A+), Fitch Ratings (AA-), Moody's Investor Services (A1) and Standard & Poor's (AA-).

Prudent risk management

Since Manulife's earliest beginnings, sound risk management has been one of the cornerstones of our business. This strategic approach to risk management is evident in every facet of our business, from the design of our products to the oversight of the Company's senior management team. Manulife has a rigorous risk management framework that is applied globally. This framework requires each individual product in every market to meet strict enterprise-wide risk management criteria on its own merit.

In today's changing economic climate, it is essential for financial institutions to have access to liquidity. Manulife is self-funded, meaning our businesses generate adequate cash flow to sustain our operations without being dependent on the commercial paper markets or other short-term funding arrangements, which translates into high levels of liquidity.

Strong capital levels

Manulife's size and scale translate into a substantial capital base, a diversified operating platform and ample resources to fund growth opportunities – all factors indicative of our financial strength. Maintaining a large capital base enables us to sustain high credit ratings, finance new opportunities and, most importantly, deliver upon our commitments to our policyholders. As at December 31, 2010, Manulife's consolidated capital levels have remained stable and totalled \$31.2 billion.

In addition, The Manufacturers Life Insurance Company's Minimum Continuing Capital and Surplus Requirements (MCCSR) capital ratio, a measure of available capital of a life insurance company to its required capital, ended 2010 at 249 per cent, well above the supervisory target of 150 per cent.

Diverse business platform

Manulife possesses a diverse business platform offering a wide range of financial products in both developed and developing markets around the world. We cater to the financial services needs of customers in 22 countries and territories worldwide, with a mix of products and services that is tailored to the needs of consumers in diverse economies. Whether it is measured in terms of geographical reach, product selection or distribution channels, the broad diversity of our business platform continues to contribute significantly to our ongoing success.

High-quality investment portfolio

The quality of a company's investment portfolio can serve as a telling indicator of its financial strength. At Manulife, our investment philosophy is founded in a bottom-up approach to developing an asset mix that matches the needs of our underlying liabilities. We don't limit our portfolio to fixed income investments. Instead, we hold a blend of assets aimed at driving superior returns and risk reduction for our stakeholders. We apply this disciplined approach across all our segments. Accordingly, we will not chase yield in what we consider to be the riskier end of the fixed income market.

Manulife's prudent investment approach has resulted in a well-diversified, high-quality investment portfolio currently valued at \$199.4 billion as at December 31, 2010.



Our commitment to our employees



At Manulife, our talented and dedicated employees play an integral role in our continued success.

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As is evident in our values, we believe in being an employer of choice by supporting employees and empowering them to achieve their full potential. Our extensive support for employees includes innovative learning and career development, continuous learning subsidies, global projects, recognition programs, and a variety of services such as financial and professional development seminars.

We provide employees around the world with safe and accessible workplaces. We value workplace diversity and support both internal and community initiatives that improve employment of the diverse workforce. And we provide ample opportunities for employee advancement within the Manulife family.

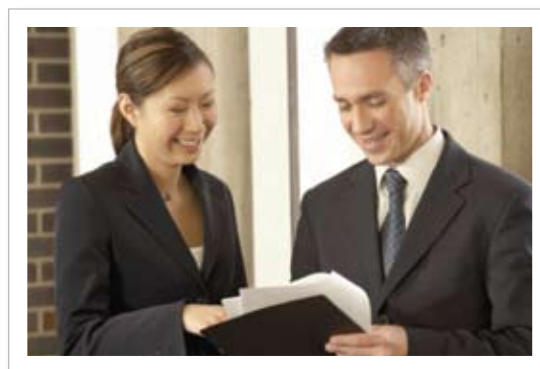
Our support of employees translates into a wide range of benefits, including:

- opportunities for employees to demonstrate initiative and engage in projects and activities that may have a direct impact on the Company's future performance;
- our dedication to bias-free employment practices and to the attraction and retention of employees with diverse backgrounds, reflecting the many communities and markets we serve throughout the world;
- the chance for employees to take on new and exciting challenges through exposure to global

- projects and different parts of the business in other operating units of our multinational Company; and
- true geographic diversity, with operations in 22 countries and territories around the world.

Supporting the health and wellness of our employees

The health and wellness of our employees is a top priority – a commitment we demonstrate through a series of dynamic health promotion and injury prevention programs. We also provide employees with access to group education and events, such as ergonomic sessions and corporate events including health fairs and the Wellness Challenge. Lunch and learn sessions are also available to employees live and via the Web and cover diverse topics such as stress management, parenting, diabetes prevention, work/life management, nutrition and annual flu immunization clinics.



Manulife's full-time and part-time employees in Canada have the opportunity to participate in a global share ownership program, benefiting directly from the Company's overall success, as well as a group RRSP and pension plan.

Employees in Canada also have access to free, on-site financial planning advice from qualified financial planners, an educational assistance program offering 100 per cent payment of tuition costs for approved career-related courses, backup and extended daycare services through Manulife's association with a leading child care provider, elder care assistance programs, a commuting program called Smart Commute and more.

In addition, Manulife-sponsored staff associations operate in many of our offices with the goal of promoting collaboration and camaraderie among employees through the planning and organization of social, cultural and recreational events.

Manulife named one of the Best Employers for New Canadians

In 2010, for the third consecutive year, Manulife Financial was named one of the Best Employers for New Canadians. The national competition, managed by the editors of Canada's Top 100 Employers, in partnership with the Maytree and J.W. McConnell Family foundations, recognizes employers who offer unique programs and initiatives to help new Canadians integrate into the workforce.



**Best Employers
for New Canadians**

2010



SUPPORTED BY:
ALLIES

Workforce data

Manulife is a global employer with operations in more than 20 countries and territories. As of December, 2010, our global workforce was distributed as follows:

Employment - Canada			
Province	Full-Time	Part-Time	Total
British Columbia	158	1	159
Alberta	409	22	431
Saskatchewan	62	2	64
Manitoba	41	1	42
Ontario	8,344	351	8,695
Quebec	718	57	775
Nova Scotia	723	26	749
Newfoundland	2	1	3
Total – Canada	10,457	461	10,918

Employment - Outside Canada			
Location	Full-Time	Part-Time	Total
United States	5,033	139	5,172
Asia, excluding Japan and India	7,075	68	7,143
Japan	1,181	156	1,337
Other*	232	17	249
Total – outside Canada	13,521	380	13,901

* Caribbean, Europe, Latin America and India

Worldwide workforce	23,978	841	24,819
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A leader in corporate governance



At Manulife, we know that good corporate conduct and governance are critical to our long-term success and the protection of the interests of our many employees and stakeholders.

Manulife has earned a reputation as an organization that does business with fairness and integrity, while providing real value to its customers. In every country where we operate, we insist that our Directors, officers, employees and those who perform services for or on behalf of the Company follow our Code of Business Conduct and Ethics (the “Code”).

All employees of the Company and the Directors annually review the Code, complete an online training course, certify compliance with the Code and disclose any conflicts of interest. The Board annually reviews the Code and the compliance with the Code.

The Code is available on the Company’s website at www.manulife.com.

A leader in corporate governance

Our ongoing commitment to corporate governance starts with our Board of Directors, which oversees the management of the business and the affairs of the Company. All of our directors (with the exception of President and Chief Executive Officer Donald Guloién) are independent of management. In addition, at each Board and Committee meeting, there is a scheduled ‘in-camera’ session where management is not present.

Our tradition of leadership in the area of corporate governance has been well documented over the years. In fact, Manulife has consistently ranked near the top of *The Globe and Mail’s* annual ‘Board Games’ survey on corporate governance in Canada since it began nine years ago. In four of those years, Manulife was ranked first overall.

We are pleased that the long-standing governance practices at Manulife continue to be singled out for recognition by many influential organizations.

We invite you to review our governance program at www.manulife.com/governance, which also includes a link to our most recent proxy circular and the Statement of Corporate Governance Practices included in the proxy circular.

Privacy

Manulife has earned a reputation as a Company that provides the highest quality financial products and services in a manner that fosters trust and confidence among our customers, employees and representatives. Part of this approach entails protecting the privacy of the personal information in our care.

Manulife has established a Statement of Corporate Privacy Principles, which governs the way we collect, use, retain and disclose personal information. We collect personal information in compliance with applicable laws and ethical business practices, in order to provide products and services and to conduct business. We limit the information we collect to that which is necessary for, or related to, these purposes. We also protect personal information with security safeguards that are appropriate to the sensitivity of the information, in order to protect it from unauthorized access, release or use.

To view our complete Statement of Corporate Privacy Principles, please visit www.manulife.com.

Financing business – Canada



Manulife is a long-term investor in the economies where we do business. Our sustained investments in these economies help support long-term growth and play a key role in periods of economic recovery.

Investing in our local economies

Sustained investments will be particularly important as governments withdraw the economic stimulus initiatives they applied in 2008, 2009 and 2010 to help spur economic recovery.

Manulife has a long tradition of partnering with Canadian businesses to help them develop and expand, providing them with the financial resources to pursue their growth objectives. The Company offers debt financing to firms across Canada in a number of ways, principally in the area of mortgage financing.

Manulife originates commercial mortgages through a network of eight branches across Canada. Its customers are owners and developers of real estate with strong track records and earnings stability. Commercial mortgage underwriting concentrates on the quality of the location, the physical qualities of the real estate, the durability of lease income and market trends for the property type.

In 2010, new loan commitments totalling \$605 million and loan renewals totalling \$263 million were issued to 133 customers. Loans ranged in size from \$0.159 million to \$205.0 million, with an average loan size of \$6.5 million. Mortgage approvals were made in accordance with the Company's policies, including the Mortgage Credit Policy and Mortgage Lending Guidelines.

Private placement

In addition to mortgages, Manulife also participates in private placement transactions. In most cases, these transactions involve fixed-income investments issued by small and medium-sized Canadian corporations and institutions. On occasion, larger issuers participate in these private placement transactions as well.

Commitments span a diverse range of industry sectors, including financial, government, manufacturing, utilities and some securitization. In 2010, the Company's approved private placement commitments totalled more than \$670 million and were made to 27 borrowers representing 10 industries. Participation amounts ranged from \$1 million to \$75 million. All private placement investments are made in accordance with Manulife's Investment Guidelines. They are all approved by the appropriate credit committee or under authority delegated to senior management.

Equity and mezzanine debt financing

Manulife also helps businesses grow in another significant way – by providing equity and mezzanine debt financing to private Canadian and U.S. companies operating in a wide range of industries. Manulife invests in companies that demonstrate a successful operating history and exhibit strong ongoing business fundamentals. In 2010, new commitments in this area totalled \$202 million, diversified across nine corporate customers. Commitments ranged in size from \$1 million to \$50 million, with an average size of \$17 million. New equity and mezzanine debt financing investments are approved in accordance with Manulife's Investment Guidelines.

Financing business – United States



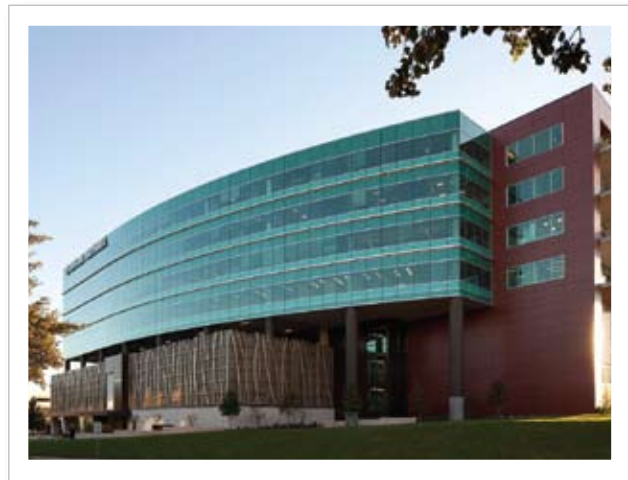
The Real Estate Finance Group's portfolio management group assists the entire team in pricing, allocating, segmenting and tracking investments.

John Hancock's Real Estate Finance Group (REFG) is primarily responsible for identifying, underwriting and procuring high quality commercial real estate loans. The production group, comprising eight regional offices and a home office team, handles loan originations. The production group is supported by:

- A credit group, which ensures compliance with Company credit policies and standards,
- An investment services group, which closes transactions and processes post-closing requests, and
- A collateral review area, which oversees investment portfolio quality.

In 2010, new loan commitments totalled more than US\$1.7 billion. Loan renewals totalling US\$216 million, with an average loan size US\$17.2 million, were issued to 83 customers.

Mortgage approvals are made in accordance with the Company's policies including the Mortgage Credit Policy and the Mortgage Lending Guidelines.



Capstar Plaza, Austin, Texas

Debt financing

Amount authorized in 2010

(\$ 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	Total
British Columbia	–	–	150	500	2,424	32,124	154,551	189,749
Alberta	–	50	159	–	617	25,625	275,030	301,481
Saskatchewan	–	–	–	419	–	1,831	13,135	15,385
Manitoba	–	–	–	–	–	4,262	–	4,262
Ontario	–	202	1,153	3,611	9,520	89,651	988,773	1,092,910
Quebec	–	80	358	345	1,053	11,627	218,292	231,755
New Brunswick	–	–	–	–	–	6,784	6,860	13,644
Nova Scotia	–	–	182	–	689	–	60,000	60,871
Prince Edward Island	–	–	–	–	827	–	–	827
Newfoundland and Labrador	–	–	150	–	–	–	–	150
Yukon	–	–	–	–	–	–	–	–
Nunavut	–	–	–	–	–	3,250	–	3,250
Northwest Territories	–	–	169	–	–	–	–	169
Total Canada	–	332	2,321	4,875	15,130	175,154	1,716,641	1,914,453
Total U.S.	–	–	–	–	–	54,618	3,678,806	3,733,424
Total Asia	–	–	–	–	–	–	–	–
Total	–	332	2,321	4,875	15,130	229,772	5,395,447	5,647,877

Number of customers to whom debt financing was authorized in 2010

	\$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	Total
British Columbia	–	–	1	2	3	14	7	27
Alberta	–	1	1	–	1	10	14	27
Saskatchewan	–	–	–	1	–	1	1	3
Manitoba	–	–	–	–	–	2	–	2
Ontario	–	3	7	11	13	39	33	106
Quebec	–	1	2	1	2	4	4	14
New Brunswick	–	–	–	–	–	2	1	3
Nova Scotia	–	–	1	–	1	–	2	4
Prince Edward Island	–	–	–	–	1	–	–	1
Newfoundland and Labrador	–	–	1	–	–	–	–	1
Yukon	–	–	–	–	–	–	–	–
Nunavut	–	–	–	–	–	1	–	1
Northwest Territories	–	–	1	–	–	–	–	1
Total Canada	–	5	14	15	21	73	62	190
Total U.S.	–	–	–	–	–	10	114	124
Total Asia	–	–	–	–	–	–	–	–
Total	–	5	14	15	21	83	176	314

Accessible banking



As Canada's first chartered bank to distribute its products and services through independent financial advisors, Manulife Bank of Canada pioneered the concept of advisor-based banking.

Manulife Bank distributes its innovative mortgages, loans and deposit products across Canada through a network of more than 10,000 financial advisors. This unique approach allows advisors and Manulife Bank to work together, helping clients integrate selected banking solutions into their overall financial plans.

In addition to partnering with one of the largest financial advisor networks in the country, the Bank continues to support its clients and distribution partners through its growing team of banking consultants across Canada. Approximately 200 of these mobile consultants meet with clients at their convenience, often in their homes.

With the implementation of a new online application system for advisors, many of Manulife Bank's deposit and loan products can now be opened more quickly and efficiently. The mandate of these deposit and loan products is to provide competitive interest rates and low fees, making them attractive and affordable to Canadians.



Manulife's flagship product, Manulife One, gives clients control of their entire banking portfolio and provides easy access to their daily finances through Internet and telephone banking. Thanks to a successful consumer advertising campaign, more than 800,000 Canadians

visited the Manulife One website to discover how much they could save by operating a single account to meet both borrowing and spending needs.

The Bank continues to build its two client support centres in the cities of Waterloo, Ontario, and Halifax, Nova Scotia. This dual centre model helps ensure seamless operations in the event of a business disruption at one location. The customer service centre's hours allow clients in Canada to speak with a bank service representative from 8:00 a.m. to 8:00 p.m., regardless of their time zone. In addition, an interactive voice recognition system provides 24-hour access to account information and transactions such as bill payments and fund transfers. This combination of self-serve and assisted banking in both official languages ensures optimal accessibility throughout Canada.

Manulife Bank is a member of THE EXCHANGE® Network, which has more than 2,400 automated banking machines across Canada, allowing clients to make deposits and withdrawals without being charged a convenience fee.

The combination of Manulife Bank's network of independent financial advisors, banking consultants and progressive use of technology provides clients with access to their financial products virtually anywhere, anytime in Canada. It's an innovative service model that we like to refer to as "Banking – the way it should be®."

Taxation

Canada

Taxes, levies and assessments are a significant component of Manulife's expenses. In addition to Canadian income and capital-based taxes, the Company in Canada is subject to other taxes reported as part of our operating expenses, including property and business taxes, premium taxes, employer payroll taxes, commodity and consumption taxes, and investment income taxes.

For 2010, Manulife incurred \$479 million of income and other taxes paid or payable to all levels of government in Canada. These taxes consisted of \$74 million in income taxes, \$77 million in capital taxes and \$328 million in other taxes.

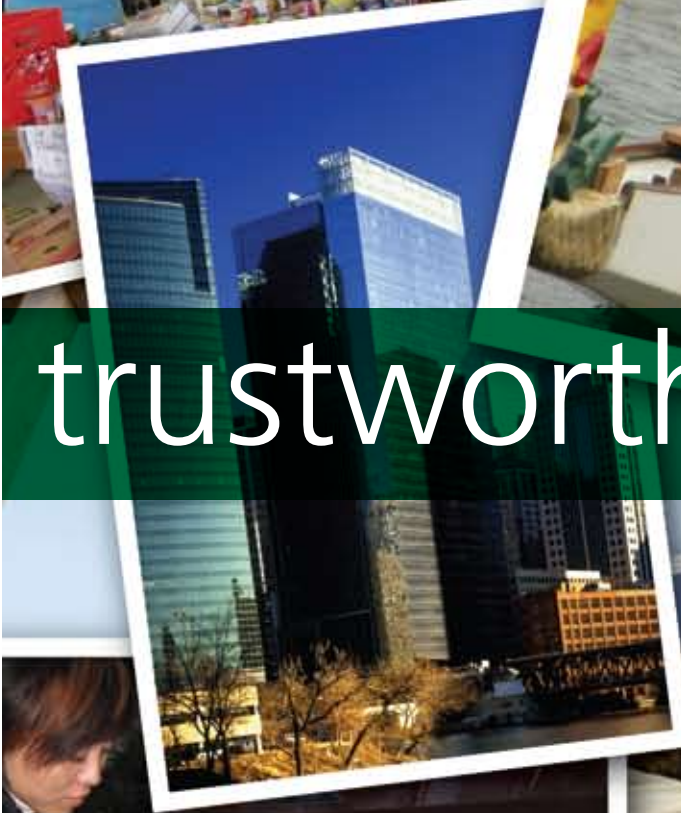
The following table presents the federal and provincial income and capital taxes paid or payable in Canada for 2010.

Taxes paid or payable in Canada

For the year ended December 31, 2010

(\$ Thousands)	Income taxes	Capital taxes
Federal	\$41,952	\$58,359
Provincial and territorial:		
British Columbia	33	0
Alberta	126	0
Saskatchewan	7	0
Manitoba	7	331
Ontario	30,249	13,378
Quebec	385	3,605
New Brunswick	6	0
Nova Scotia	786	1,519
Prince Edward Island	0	0
Newfoundland and Labrador	2	0
Yukon and Northwest Territories and Nunavut	0	0
Total provincial and territorial	\$31,601	\$18,833
Total	\$73,553	\$77,192

Note: Income tax amounts are estimates based on information available for the year as at December 31, 2010.



trustworthy

Business achievement awards



The following is a sampling of the awards presented to Manulife throughout 2010 for its achievements in business. A complete listing can be found at www.manulife.com.

Toronto

Manulife Mutual Funds earns two Canadian Investment Awards

Manulife Mutual Funds won two prestigious awards at the 16th annual Canadian Investment Awards gala event. The Manulife Strategic Income Fund won a bronze award in the Global Fixed Income Fund category, while the second award recognized the highly successful marketing campaign for the launch of the Company's new Manulife Yield Opportunities Fund.

Thailand

Manulife receives prestigious award from the Thai government

For the second consecutive year, Manulife was presented with a prestigious Prime Minister Award – one of the highest honours a company can receive from the Thai government. Manulife won the award in the category for 'Insurance Company with Outstanding Management'.



Manulife employees accept Prime Minister Award

China

Manulife wins Member of the Year award from the Canada China Business Council

Manulife was awarded 'Member of the Year – Silver' at the Canada China Business Council's Awards Gala. The award was based on the successful creation of a joint venture partnership in 2010, Manulife TEDA Fund Management Company Ltd. Manulife TEDA provides retail and institutional asset management services for clients across China.



Manulife President and CEO, Donald Guloien accepts the 'Member of the Year – Silver' award from Margaret Cornish, Director of Canada China Business Council.

Hong Kong

Manulife named Best Company for Financial Planning Excellence for the fourth consecutive year

Manulife received this prestigious honour from the Institute of Financial Planners of Hong Kong for the fourth year in a row. Award winners are required to display a keen understanding of their clients' financial goals and risk tolerance, as well as the ability to offer them sound financial planning advice.



Kareen Chow, Vice President & Head of Agency Sales, Manulife (International) Limited (right) receiving the "Best Company for Financial Planning Excellence" award.

Boston

John Hancock Life Insurance earns six awards for sales/marketing

The Insurance and Financial Communicators Association (IFCA) recognized the quality of John Hancock Life Insurance with six separate awards, including two 'Best of Show' awards for the exceptional quality of the Company's sales materials for its distribution partners.

Shanghai

Manulife-Sinochem earns Government Excellence Award

Manulife-Sinochem was honoured with an award for excellence by one of China's top governing bodies. At the recommendation of the China Insurance Regulatory Commission (CIRC), Manulife-Sinochem received an 'Excellent Organization' award from the State Council National Economic Census Commission. To date, we are the only foreign life insurance Company to earn this prestigious award.

Boston

John Hancock Retirement Plan Services wins 34 awards for marketing and communications

John Hancock Retirement Plan Services received 22 awards for communications excellence from the League of American Communications Professionals LLC (LACP) and another 12 awards from the Insurance and Financial Communicators Association (IFCA) for marketing and communications creativity, design and writing. John Hancock RPS received six best in show awards, three awards for excellence and three honourable mentions.

Indonesia

Manulife wins two Life Insurance Company Awards

The Indonesian Insurance and Reinsurance Broker Association presented Manulife with two high-profile awards – Best Life Insurance Company in 2010 and Most Favourite Life Insurance Company 2010. The association's members represent policyholders in Indonesia and these awards recognize an appreciation of Manulife Indonesia as a reliable and trustworthy provider of employee benefits.



Manulife Indonesia receives Best Life Insurance Company in 2010 and Most Favourite Life Insurance Company Awards 2010.

Community service awards



Manulife receives numerous awards and distinctions each year recognizing our contributions to the community. A complete listing can be found at www.manulife.com.

Toronto

Manulife wins top fundraising award at Manulife Walk for Memories

Team Manulife was honoured as the top fundraising team at the Manulife Walk for Memories on January 30, 2010. More than 50 team members from Manulife took part in the annual event, which raises funds for individuals and families living with Alzheimer's disease and to fund research for a cure.



Team Manulife accepts top fundraising award at Walk for Memories.

Hong Kong

Manulife wins Volunteer Movement Gold Award

Manulife Hong Kong was honoured to receive the Volunteer Movement Gold Award from the Social Welfare Department in 2010. This was the sixth consecutive year Manulife received this award, which recognizes exemplary volunteer service in the region.

Hong Kong

Manulife named Caring Company for eighth consecutive year

Thanks to its steadfast commitment to helping people in the community, Manulife was recognized as a Caring Company by the Hong Kong Council of Social Service for the eighth consecutive year. The Caring Company Award recognizes companies that consistently demonstrate good corporate citizenship.



Boston

American Heart Association deems John Hancock 'Fit Friendly'

John Hancock was named a Gold Level Award recipient as a Start! Fit Friendly Company by the American Heart Association. This award recognizes a company's commitment to building a healthy workplace for employees by taking important steps to create a culture of physical activity.