TAX STRATEGY

Manulife Financial Corporation (“MFC”) and its subsidiaries are collectively referred to herein as “the Company”, “Manulife”, “we” and “our”.

Manulife is a leading international financial services provider headquartered in Toronto, Canada. We provide financial services, including asset management and insurance, to our clients. Manulife operates in numerous countries around the world, each with its own taxation system and tax rates.

Manulife is committed to being a responsible global tax citizen and meeting our tax obligations in the jurisdictions in which we operate. The taxes we pay around the world are published annually in our Sustainability Report and Public Accountability Statement at https://www.manulife.com/en/about/sustainability.html.

Certain subsidiaries also publish their own Tax Strategy, as required under United Kingdom law (e.g. https://www.manulife.com/en/legal.html and this Tax Strategy statement applies to Manulife General Account Investments (UK) Limited (EUGA) and is reviewed and approved by the Board of Directors of EUGA. Group Tax, a small team of professionals based primarily in Toronto, is operationally responsible for EUGA tax strategy and risk management.

Manulife’s approach to effective tax risk management and governance

Tax falls within the scope of the Chief Financial Officer’s responsibilities. Ultimate responsibility is with our ELT and Manulife’s Board of Directors. Operational responsibility for tax strategy and risk management resides with Manulife’s Global Tax department. The policies, procedures and internal controls employed for tax in this framework align with the Company’s Risk Management Framework.

Manulife has established formal committees to review and approve significant transactions and structures. Such committees are accountable to the ELT and/or Manulife’s Board of Directors as is deemed appropriate. Manulife’s Global Tax department participates in these committees and Global Tax’s approval is required for transactions and structures with significant tax implications.

Our Tax Strategy reflects a global approach to the management of Manulife’s tax affairs to ensure we consistently comply with the letter and spirit of applicable tax laws.

Manulife’s tax strategy is based on the following principles:

- Complete honesty and integrity
- Compliance with all applicable laws and regulations, including transfer pricing guidelines
- Contributing to shareholder value
- Customer-centric client service
- Protection of the Company’s brand and reputation
- Operational efficiency and effectiveness
- Openness and cooperation with tax authorities
Manulife’s appetite for tax risk

Our appetite for tax risks depends in part on the nature of the particular risk, that is:

- Manulife manages and plans its affairs legally and responsibly and seeks certainty, where possible, with respect to the tax consequences of transactions and positions. In the absence of certainty, Manulife takes positions it expects to be sustained. We may, however, choose to forgo a transaction or planning opportunity regardless of certainty where it could reasonably be expected to negatively affect the company’s brand or reputation.

- Manulife conducts its affairs to minimize transactional, compliance and other operating tax risks through cost-effective operational risk management and a commitment to comply with all applicable laws and regulations.

Manulife’s approach to transfer pricing

Manulife and its affiliates regularly enter into cross-border intercompany transactions. Our Tax Strategy requires that prices charged between affiliates reflect economic and commercial reality. To manage tax risk related to these transactions, Manulife complies with transfer pricing legislation and guidelines established by the countries in which we operate, along with OECD transfer pricing guidelines, to ensure that the “arm’s-length” principle is observed in pricing cross-border transactions between Manulife entities. Also, in accordance with the OECD’s Base Erosion and Profit Shifting initiative (BEPS) to enhance tax transparency, Manulife produces country-by-country reporting on our global operations to facilitate the audit work of tax authorities around the world.

Formal documentation and review processes exist to ensure that jurisdictional transfer pricing requirements are met in all countries where Manulife operates.

Tax compliance and relationship with UK tax authorities

EUGA seeks to comply with all the UK tax filing, tax reporting and tax payment obligations, and looks to maintain open and transparent relationships with the tax authorities in the UK. From time to time, EUGA’s views (or those of the tax advisors) on the appropriate tax treatment in any given case might differ from those of the tax authorities. Where such circumstances arise, EUGA will work constructively and proactively with the tax authorities in question with a view to achieving an early resolution to any matters arising.

EUGA regards the publication of this tax strategy as complying with the duty under Schedule 19 of the Finance Act 2016 to publish the group tax strategy in the current financial year.

Updated and reviewed by Board of Directors of EUGA on 9th August 2023.