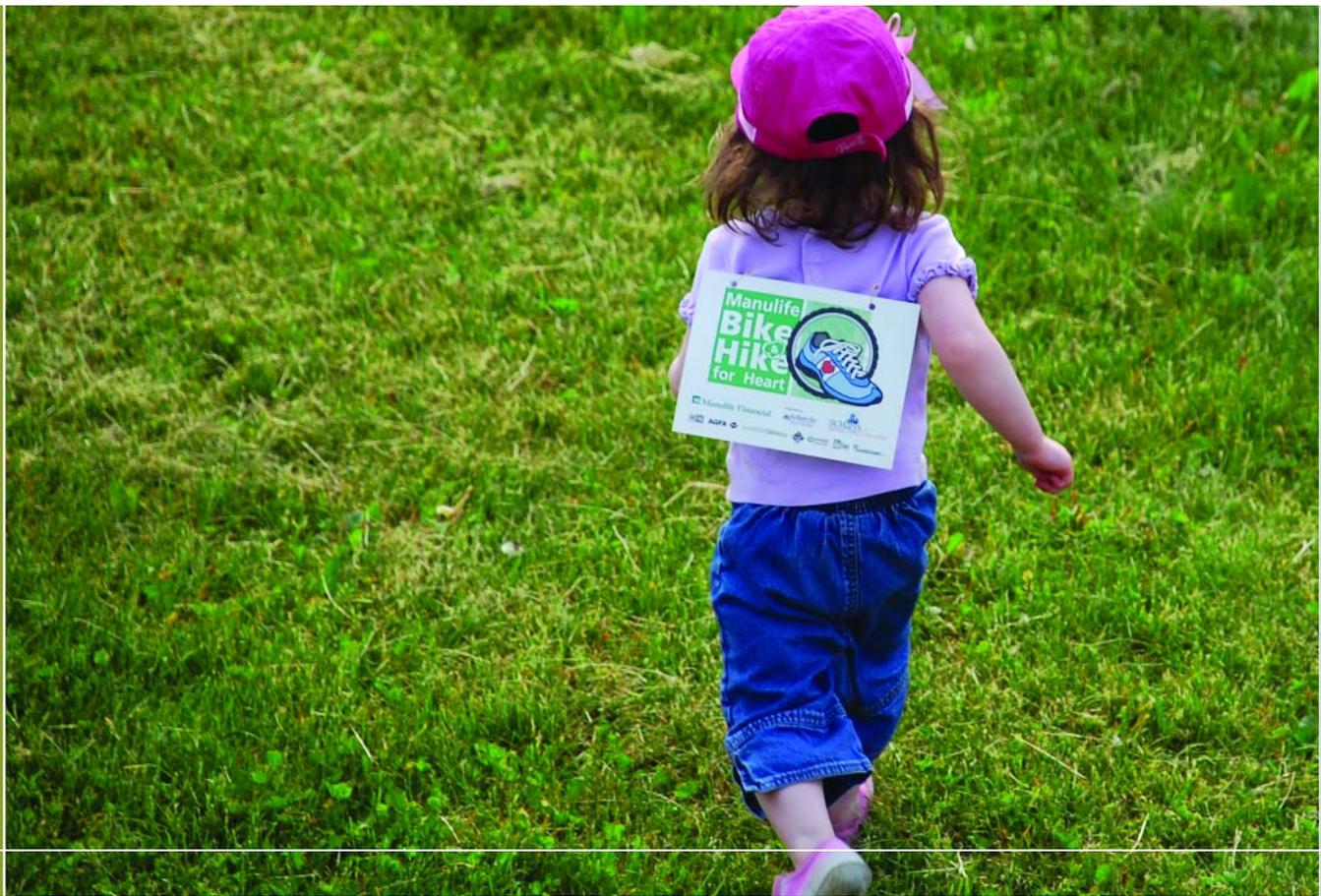


2007 Public Accountability Statement



CANADA UNITED STATES HONG KONG CHINA INDONESIA SINGAPORE JAPAN TAIWAN MACAU MALAYSIA
PHILIPPINES VIETNAM THAILAND UNITED KINGDOM GERMANY BELGIUM BERMUDA BARBADOS AUSTRALIA

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Manulife Financial's 2007 Public Accountability Statement is produced and filed as the consolidated public accountability statement required for Manulife Financial Corporation, The Manufacturers Life Insurance Company and the following affiliates:

- Manulife Bank of Canada
- Manulife Canada Ltd.
- First North American Insurance Company
- John Hancock Life Insurance Company ("John Hancock")

All dollar amounts in this report are in Canadian dollars unless stated otherwise.

Manulife Financial Corporation and its subsidiaries are referred to herein as "Manulife" or the "Company." This Public Accountability Statement is published for the fiscal year January 1, 2007 to December 31, 2007.

Our Vision and Values

Setting a Direction

Our Vision

Our vision is to be the most professional life insurance company in the world, providing the very best financial protection and investment management services tailored to customers in every market where we do business.

By "professional" we mean being a pre-eminent financial institution, respected for its integrity as well as its demonstrated ability to create value for customers and reward shareholders. We mean being an organization with whom people want to be associated and we mean being the best at what we have chosen to do.

Our Values

In pursuing our vision, management guides Manulife's operations in accordance with certain core values. Represented by the acronym PRIDE, our values are:

Professionalism – To be recognized as having professional standards. Our employees and agents will possess superior knowledge and skill for the benefit of our customers.

Real Value to Our Customers – We are here to satisfy our customers. By providing the highest-quality products, services, advice and sustainable value, we ensure that our customers receive excellent solutions to meet their individual needs.

Integrity – All of our dealings are characterized by the highest levels of honesty and fairness. We develop trust by maintaining the highest ethical practices.

Demonstrated Financial Strength – Our customers depend on us to be here in the future to meet our financial promises. We earn their confidence by maintaining uncompromised claims-paying ability, a healthy earnings stream, and superior investment performance results, consistent with a prudent investment management philosophy.

Employer of Choice – Our employees determine our future success. In order to attract and retain the best and the brightest employees, we invest in the development of our human resources and reward superior performance.

Dominic D'Alessandro
President and Chief Executive Officer



Message from the President

Manulife is a global leader in the financial services industry. Our products help protect individuals and businesses from crises and unforeseen events while at the same time helping them plan for a secure tomorrow. We take our obligations as a business leader very seriously, including those to the communities where we work and live.

In 2007, Manulife donated more than \$25 million to 600 non-profit organizations around the globe. While we recognize the importance of our financial contributions, we believe that real leadership is shown through the commitment our employees make of their own time to these organizations. Employee volunteerism is a cornerstone of our community support. Last year, 18,000 Manulife employees and distribution partners donated 60,000 volunteer hours. The value of an investment like this tends to be measured in what is given, but as volunteers, we also gain a great deal – inspiration, personal growth, career development and a deeper connection to our communities.

Manulife focuses its support on well-managed, non-profit organizations that encourage health and wellness, champion youth and strengthen our communities. We support organizations like the Montreal Neurological Institute, which is making significant advances in neuroscience, and we invest in youth around the world. In Boston, we are one of the largest job providers for local youth; in Canada and Japan, we encourage young entrepreneurs through Junior Achievement; and in the Philippines, we help children with disabilities.

Another focus of our community outreach is a local elementary school in a diverse and economically disadvantaged neighbourhood near our head office in Toronto. We also support Habitat for Humanity in Canada, Thailand and the U.S., literally helping build homes and futures for those in need.

Manulife aspires to the highest standards of environmental responsibility. Pursuing our wide focus on sustainable business practices, we seek to be a leader in environmental management through our operations and investments. Recently, Manulife financed an organization seeking to convert unused land in Nevada into a solar-power generation centre. This centre, the largest of its kind in the U.S., now helps the local power utility meet its renewable energy supply targets. Projects like this allow us to use our considerable investment expertise and long-term perspective for the benefit of our communities.

I am pleased that our Company was ranked first overall in *The Globe and Mail's* annual assessment of corporate governance in Canada. We have led these rankings for four of the last six years, which speaks to the discipline and high standards we bring to all of our endeavours.

Prudence, integrity and commitment are some of the attributes that distinguish Manulife. For many years I have spoken of our vision to create the most professional life insurance company in the world. The following pages illustrate some of the ways our Company, employees and partners strive to embrace this ideal in every community where we live and work.

A handwritten signature in green ink that reads "D'Alessandro". The signature is fluid and cursive, with the first letters of the first and last names being capitalized.

Dominic D'Alessandro
President and Chief Executive Officer

Commitment to Corporate Governance

We deliver solid performance through sound practices

Integrity in Business Practice

Manulife Financial has a set of values that guide our conduct, and one of those values is integrity. As a company that makes promises to its customers, we know that our reputation for being straight, fair and providing value where we say we will is critical to our success. In every place where we operate we insist that our employees follow our Code of Business Conduct and Ethics. The Code governs our behaviour globally.

Corporate Governance

We are committed to being a leader in Canada in corporate governance, ensuring that our governance policies and practices are consistent with our vision of being the most professional life insurance company in the world. Good corporate governance is critical to Manulife's long term success.

The Board of Directors is responsible for the stewardship of Manulife and for the supervision of the management of the business and the affairs of the Company. All but one of the directors – President and Chief Executive Officer Dominic D'Alessandro – are independent of management, as are all members of Board committees. Additionally, every Board and Committee meeting includes an in-camera session without management present.

Doing the right thing at Manulife starts at the top, with our Board of Directors. Our leadership in this area has been recognized consistently. In four of the six years that *The Globe and Mail* has conducted its annual "Board Games" survey, we ranked first. Strong governance practices are necessary to merit the trust of our customers, shareholders and employees.

We invite you to review our governance program at www.manulife.com/governance, which also includes a link to our most recent proxy circular.



For the past few months, Report on Business has been examining the boards of directors and income trusts in the S&P/TSX index as of Sept. 30. This chart shows the scores in the index. The marking system probes governance practices in four key areas:

RANK	COMPANY	Board Composition (out of 37)				Compensation (out of 25)				Shareholder rights (out of 25)			
		1	2	3	4	1	2	3	4	2007*	2006	2005	2004
1	Manulife Financial Corp.	36	24	28	10	98		96		96		96	
2	Gildan Activewear Inc.	35	25	27	9	96		86		86		86	
3	Canadian National Railway Co.	35	25	25	10	95		87		87		87	
3	Toronto-Dominion Bank	33	24	28	10	95		93		93		93	
5	Bank of Montreal	36	24	26	8	94		91		91		91	
5	Canadian Pacific Railway Ltd.	35	23	26	10	94		90		90		90	
7	Potash Corporation of Saskatchewan Inc.	35	22	26	10	93		89		89		89	
7	Sun Life Financial Inc.	32	24	27	10	93		90		90		90	
7	TransAlta Corp.	35	22	28	8	93		88		88		88	
10	Agrium Inc.	32	23	27	10	92		87		87		87	
10	Royal Bank of Canada	33	22	28	9	92		92		92		92	
10	SNC-Lavalin Group Inc.	36	24	24	8	92		94		94		94	
13	TSX Group Inc.	35	22	25	9	91		88		88		88	
14	Alcan Inc.	34	21	26	9	90		80		80		80	

2007 Awards and Recognition

Manulife has received many awards recognizing the Company for overall excellence, as well as specific achievements in corporate governance and charitable and community programs. A few examples are listed below.

Toronto

Manulife volunteers win United Way Leadership Campaign Award

Manulife employees Bill Dawson and Joanna Lohrenz were presented with the 2007 Leadership Campaign Award from the United Way of Greater Toronto.

Hong Kong

Manulife earns Caring Company title for fifth consecutive year

For the fifth year in a row, Manulife (International) Limited was awarded the Caring Company title by the Hong Kong Council of Social Service in recognition of the Company's ongoing commitment to sponsoring and taking part in charitable activities in the local community.

Indonesia

Manulife Indonesia named Best Life Insurance Company in 2007 by Media Asuransi

Manulife Indonesia was named Best Life Insurance Company in 2007 in the class of companies with equity in excess of IDR 250 billion.

Boston

John Hancock Funds wins top award for Communications Excellence

John Hancock Funds won the best overall communication award in the large company category from the Mutual Fund Education Alliance.

Hong Kong

Manulife voted fourth consecutive Gold winner in the Trusted Brands Award

Manulife (International) Limited again won the Trusted Brands Gold Award in the insurance company category, organized in Hong Kong by *Reader's Digest*.

Halifax

Employee wins Canadian Forces award for contribution at United Way

Manulife's Christa Webber, Eligibility Administrator, Plan Member Administration became the first civilian ever to be honoured with the Canadian Forces' Base Commander's Bravo Zulu Award, which she received for her work as a United Way loaned account development officer (ADO) at Canadian Forces Base Halifax.

Asia

Life Insurance Company of the Year, Asia Insurance Review Awards 2007

Manulife was named Life Insurance Company of the Year at the Asia Insurance Review Awards 2007. The judges cited the Company's "continued commitment to professionalism, excellent customer service and innovation with first-to-market products."



Kitchener-Waterloo

Manulife finalist for Volunteer Impact Award

Manulife was nominated for a Volunteer Impact Award by the Volunteer Action Centre in Kitchener, Ontario, and was chosen as a finalist in the category of Corporate Community Partner in recognition of its community and volunteer involvement and community building. The Action Centre works to provide inspiration and leadership for the volunteer sector by connecting talent and community.

Toronto

Manulife honoured as one of Canada's top 50 corporate citizens

Manulife was honoured as one of Canada's top 50 corporate citizens by *Corporate Knights*, a magazine focused on encouraging and tracking responsible business behaviour. The awards take into consideration a company's overall social, governance and environmental performance.

Hong Kong

Community Chest Awards

Community Chest presented Manulife with two recognition awards – the Challenge Cup for Overall Top Fundraiser and Top Fundraiser of the Hong Kong and Kowloon Walk – for raising HK\$600,000 in the Walk for Millions. This is the sixth consecutive year Manulife has won the Challenge Cup.

Toronto

Manulife rated among world's most valuable brands

Manulife was rated Canada's third most valuable brand and the top Canadian brand among the world's 250 most valuable brands list by Brand Finance.

Hong Kong

Manulife Hong Kong ranked fourth in the Greater China Region in Fortune Magazine's Top Companies for Leaders

Manulife Hong Kong was ranked fourth in the Top Companies for Leaders survey conducted by *Fortune Magazine*, Hewitt Associates and the RBL Group. Organizations from 41 countries took part in the study, which ranked leadership performance both regionally and globally.

Boston

John Hancock named one of America's Greatest Brands

For the second consecutive year, John Hancock was named one of America's Greatest Brands by members of the American Brands Council. The honour points to last year's launch of The Future is Yours brand platform and the supporting Future Promises advertising campaign.

Hong Kong

Manulife Hong Kong is awarded Next Magazine's Top Service Award

For the eighth consecutive year, Manulife Hong Kong was awarded *Next Magazine's* Top Service Award in the insurance company category. The accolade is bestowed every year following a public ballot and is a confirmation of Manulife's high standing in Hong Kong.



Building our Communities Globally: Our Promise

We help our customers secure their futures and their families' futures with a broad range of wealth management and insurance products. We pride ourselves on being able to deliver on our promises to customers and others. One of our promises is to help build stronger communities where we live and work. In 2007, Manulife donated \$25 million to assist more than 600 non-profit organizations around the world. Our help focused on community-building in four main areas: community service, youth, health care and local volunteering.

Manulife is officially designated a Caring Company by Imagine Canada. The Company has made a commitment to annually donate at least one per cent of pre-tax domestic Canadian profits to charities in Canada, including cash, employee time and in-kind donations.

As a Caring Company Manulife contributes to the community through:

- generating wealth and jobs;
- following ethical and environmentally responsible business practices; and
- directly investing in the human and social capital of our communities and supporting charitable and non-profit organizations that serve these communities.



Supporting Our Communities

Manulife's corporate philanthropy operates under a decentralized model that emphasizes giving back to the communities where it does business and encourages employees to do the same. Local managers choose the area of focus for philanthropy, identify partners and determine how best to encourage employee involvement.

Our divisions around the world work together wherever possible to find ways to collaborate with local communities, including their support of the United Way and Habitat for Humanity.



The United Way

Supporting the United Way is one of the most effective ways Manulife helps build stronger communities. Concurrent campaigns by our Corporate, U.S. and Canadian divisions raised \$3.7 million this year, a record for Manulife.

Corporate Division raised \$1.5 million for the United Way this year. Two of our employees, Bill Dawson and Joanna Lohrenz, were presented with the 2007 Leadership Campaign Award from the United Way of Greater Toronto. Under Bill and Joanna's leadership, Corporate Division experienced a 19 per cent increase in leadership donors (those giving \$1,000 or more) over 2006.

Raising \$1.7 million across the rest of Canada, Canadian Division easily beat its goal in a campaign which drew close to 400 new donors. Our Halifax office stood out as the location with the highest employee participation rate in 2007.

In the United States, John Hancock and its associates contributed nearly \$525,000 to the United Way of Massachusetts Bay, surpassing previous levels of giving by 35 per cent. As the majority of our U.S. employees are based in the Boston area, this support for the United Way is a shining example of how John Hancock gives back to its communities.

"The Sponsored Employee Program with United Way is a unique environment both for professional and personal development. Your mind, body and soul are prepared by observing first-hand the needs of our communities. As your mind fills with the hopes and dreams of people in need, your heart opens to give all you can. The trust placed in your hands to ensure that workplace campaigns succeed and agencies have the financial resources to continue their programs into the next year is a true privilege."

Amy Feng

Intermediate Customer Service Associate
John Hancock Life Insurance

Sponsored Employee Program

Each year, Manulife participates in the United Way's Sponsored Employee Program. For 15 weeks from September to December, selected employees receive their regular salary from Manulife while they work out of United Way offices.

After an intensive one-week training program, they develop strategies, motivate canvassers, run workplace campaigns and deepen relationships with the non-profit organizations delivering services. In return, sponsored employees see first-hand the positive results of the United Way's work while gaining new skills.



Habitat for Humanity

Our employees have been involved with Habitat for Humanity since 2004 and are known for their determination and hard work on home-building projects. This year was no exception as Manulife employees helped make the dream of home ownership a reality for families in Halifax, Toronto, Kitchener-Waterloo, New Orleans and Sua Yai in Thailand. Toronto-area employees participated in a landscaping blitz for 40 residences, helping to provide 150 women, men and children with a safe, decent place to call home. Other Toronto volunteers made history as they helped put the finishing touches on the Green Build, the first official energy-efficient build in Canadian Habitat history.

Employees in Kitchener-Waterloo and Halifax were invited to take a day off with pay to volunteer in Manulife-sponsored home builds. More than 600 employees in Kitchener-Waterloo and 100 in Halifax took part in building homes for two local families.

“We really gave it 110 per cent. There is a real sense of satisfaction at the end of the day when you realize you’ve done something you’ve never tried before and helped people in our community.”

Sanda Silaghi
Business Information Associate
Corporate Division

“Through their professionalism and dedication, Manulife employees were the perfect example of what can be accomplished through volunteering.”

Neil Hetherington, CEO
Habitat for Humanity Toronto

John Hancock continued its support of Habitat for Humanity with a newly developed program, Boston Women Build in the Bayou. Led by Carol Fulp, Vice President of Community Relations, 35 Boston women leaders launched the build of The Boston House, a Habitat for Humanity home in New Orleans in May.

Contributing both financial resources and volunteer time, Manulife continues to support the building of new homes in Sua Yai in Thailand. Families who previously lived in substandard conditions and were in danger of being evicted now have decent, affordable homes.



Supporting Youth

Manulife understands that children need more than schools to achieve their full potential. They require books and school supplies, healthy food, warm and comfortable clothing and mentors who inspire them. In 2007, we contributed both time and money to creative projects supporting youth and education around the world.

In Boston, we increased our funding of summer jobs for local youth from 75 positions in 2006 to 200 in 2007. Looking for maximum impact with this expansion, we established John Hancock Scholars, a summer jobs and life skills training initiative for Boston teens to find employment at the Company and in community agencies. Seventy John Hancock employees volunteered as mentors and coaches, helping 200 youths.

John Hancock also partnered with Boston public schools to create the essay competition, *The Promise of America: Past • Present • Future*. Ninth and tenth graders in Boston public schools were nominated to write essays examining the contributions made by John Hancock himself, how his contributions affect Americans today and how his legacy encourages us to build a brighter future. This educational endeavour reinforced the importance of American history, values and literacy to Boston high school students.

We donated \$50,000 to Breakfast for Learning, operated by the Canadian Living Foundation. This gift paid for 45,000 nutritious breakfasts for 1,400 children in Montreal, Halifax, Toronto, Kitchener-Waterloo and other cities.

Toronto-area employees generously gave their time mentoring and tutoring students through the JUMP Math program and the Frontier College Homework Club. Volunteers with JUMP Math tutored students at Rose Avenue Public School struggling with math and having difficulty in the classroom. Partnering inner-city students from Rose Avenue Public School and Nelson Mandela Park Public School with Manulife employees for weekly sessions, the Homework Club offers mentoring, basic homework help and more challenging lessons for advanced students.

Junior Achievement, a worldwide organization providing educational, business and economics programs for young people, is supported by Manulife in both Canada and Japan. In Japan, we sponsored the second annual Manulife CAPS Contest for Japanese elementary school children. More than 150 students in the Tokyo, Osaka and Nagoya regions competed in one-day business simulations creating and operating a virtual hat shop, with the top eight teams advancing to the national finals held at Manulife Japan's Tokyo headquarters. Students gained hands-on experience in team-building, decision-making and the fundamentals of running a business.

Manulife has supported the Manulife Centre for Children with Specific Learning Disabilities in Hong Kong since 1999. The Centre helps children who have difficulties with word decoding, spelling, reading and writing, and also supports training and counselling for teachers and parents. Last year the Centre welcomed its 5,000th student and provided training for 240 teachers. It has taken a leading role in the holistic development of children with specific learning disabilities in Hong Kong.



“Our involvement with Rose Avenue Public School centres on doing our bit to help our neighbours,” said Donald Guloien, Senior Executive Vice President and Chief Investment Officer, Manulife Financial. “Literacy is so important: it provides access to the world and has the power to change lives.”

A major thrust of our community initiatives in the Philippines is focused on helping children with disabilities through organizations such as the Ephpheta Foundation, which provides life skills training for blind people; the Pangarap Foundation, which gives shelter and education to male street children; and Blessed Luisa School, which organizes sports festivals for schoolchildren who are physically and mentally challenged.

Employees also worked hard to provide books, learning tools and gifts for local children and schools around the world through the following initiatives, among others:

- Over the past three years our Corporate Division employees have run a clothing and book drive for Rose Avenue Public School in Toronto. With this year’s drive, the total number of books donated to the school by Manulife is now well over 10,000.
- Students at Nelson Mandela Park Public School, in Toronto’s Regent Park neighbourhood, received backpacks filled with school supplies from our Canadian Division employees.
- In Boston, employees collected and donated books and gifts during the holiday season for Boston-area children.

- Celebrating Children’s Day in Vietnam, employees donated gifts and notebooks to 3,000 children in remote areas.
- Our sponsorship of the Child Aid Concert in Singapore helped to support the *Straits Times* School Pocket Money Fund and *The Business Times* Budding Artists Fund.
- Supporting a number of schools across the country, Manulife Indonesia provided funds for renovations, school uniforms, books, school supplies, food and student scholarships.

“One thing I learned from this job is that you have to give it your all. Hard work does not come easy. Another thing I have learned is that people depend on you. You are a brick in the building. If you’re missing, then there is a gap and the building is not complete. Finally, everything pays off. Being an employee here has opened a whole new field of opportunities for me and I will take advantage of it.”

John Hancock Scholar participant



Supporting Health and Wellness

A significant portion of our community giving is directed to health-related initiatives that hold the promise of improving many lives. Our contributions had effects across Canada, the U.S. and Asia. Here are a few examples:

- In Canada, thousands of children from the Maritimes with cardiac conditions will benefit from a new digital echocardiograph imaging system at the IWK Health Centre in Halifax because of a donation from Manulife.
- Health care in Quebec City received a significant boost with a donation from Manulife to Laval Hospital that helped purchase a new state-of-the-art CT scanner, one of the first of its kind in Canada.
- Manulife supports the Alberta Diabetes Institute by funding a new research laboratory under the leadership of a world-renowned scientific investigator and professor in the Department of Agriculture, Food and Nutritional Sciences.
- In the U.S., John Hancock's Long Term Care Insurance business unit initiated a partnership with the Accelerated Cure Program. This organization's mission is to find a cure for multiple sclerosis through scientific research and increased public awareness. To date, John Hancock has contributed US\$175,000, along with pro-bono marketing, public relations and fundraising consulting services. A John Hancock officer joined the Accelerated Cure Program board and the organization is now included in the Boston Marathon fundraising program.
- Every year since 1994, Manulife has provided resources for The Chinese University of Hong Kong's psychological counselling service at its Cancer Patient Resource Centre. Our funding enables the Centre to take care of cancer patients' long term emotional and adjustment needs during and after their treatment. More than 240 patients and families have participated in 900 individual counselling sessions, and psycho-educational talks have benefited 500 patients and family members.
- We support Operation Smile in Vietnam. We have donated US\$20,000 to provide free surgery for 150 children born with facial deformities in Bao Loc, Lam Dong and the Central Highlands of Vietnam.



Supporting Volunteering

Employee volunteering is a critical element of Manulife's community partnerships. In 2007, 18,000 Manulife employees and agents donated 58,000 hours of their time.

Since 1999, Manulife has worked closely with Volunteer Canada on a number of community initiatives, including a project to promote employee volunteering. The Company believes it is important for all employees to find appropriate ways to give back to their communities.

Walking, running, biking and rowing for charity

In addition to mentoring students, collecting books, school supplies and toys, planting trees and building houses, employees ran, rowed, walked or biked for charities around the world in 2007, including:

- Manulife Bike and Hike for Heart in Kitchener-Waterloo benefiting St. Mary's Regional Cardiac Care Centre
- Manulife Run for Research in Toronto in support of neuroscience at Sunnybrook Health Sciences Centre
- Manulife Walk for Memories across Ontario in support of the Alzheimer's Society of Ontario
- Manulife Walk and Fun Run in Ottawa supporting breast cancer research
- Manulife Dragon Boat Festival in Halifax supporting the Nova Scotia Amateur Sport Fund
- Making Strides Against Breast Cancer Walk in Boston

- The Ollie Road Race supporting the South Boston Neighborhood House
- Boston Marathon employee fundraising program
- Annual Charity Walk in Vietnam for children in need
- Terry Fox Run in Japan, Malaysia, Thailand and Vietnam for cancer research
- Green Power Hike in Hong Kong to raise money for environmental, educational and conservation projects
- Stride for a Cure Walk for Hong Kong Cancer Fund
- Cancer Care Run in Thailand for cancer research

Lending our expertise to charitable boards

Charities need more than donations. They require people with business skills – accounting, legal, marketing, fundraising, human resources and public relations – to help run their organizations.

Connecting the corporate and charitable sectors, Altruvest Charitable Services addresses this need in Canada, seeking to make charities more efficient by improving their board governance. Manulife supports Altruvest and participates in two of its programs, BoardMatch Fundamentals (BMF) and BoardMatch Leaders (BML), which provide volunteers with the skills to become board members. Since 2003, 31 Manulife employees have registered in the BoardMatch programs.

In the U.S., John Hancock created BoardLink, an internal program that encourages executives to join non-profit boards. This program seeks to place managers and executives on the boards of John Hancock's most strategic non-profit partners. To date, more than 30 senior managers and executives have been placed on non-profit boards.





Blood Drives

Manulife runs regular blood drives in its offices in Canada, China, Hong Kong, Indonesia, Japan and the U.S.

"For 50 years, blood donations from Manulife employees have been a significant gift to the patients we serve. But blood is not the only thing they give. Many employees volunteer hours organizing and promoting the clinics within Manulife. Each year, the blood donor committee comes up with creative new ideas to promote these clinics."

Janine Smith

Clinic Recruitment Coordinator
Donor Services, Canadian Blood Services

We match employee contributions

One way Manulife encourages employees to support their communities is by matching their donations.

In Canada, Manulife's Helping Hands program supports our employees' volunteer efforts by providing \$500 grants to charities where they volunteer 25 hours or more a year. In 2007, we issued \$70,000 in Helping Hands grants.

PowerMatch is a program that supports employees' fundraising efforts. Employees who collect pledges for a registered charity fundraising event can apply for a matching donation of up to \$150.

In the United States, John Hancock matches up to 100 per cent of employee donations to charities to a maximum of US\$4,500. US\$1.2 million was given out in 2007.

Employee donations to the United Way campaigns in Canada and the U.S. are also matched.



Supporting the Olympics

Manulife is committed to excellence across every facet of its business. Much like the Olympic movement, Manulife helps people achieve their dreams. As the official worldwide life insurance partner of the Beijing 2008 Olympic Games, we are dedicated to promoting the Olympic spirit, encouraging friendship, sportsmanship and fair play for all.

Supporting athletes

We support many dedicated athletes who train long and hard to compete in the Games, as well as contributing to the overall development of sport in Asia.

In 2006, we launched the HK\$2 million Manulife Hong Kong Sports Scholarship Program to help local athletes achieve their full potential. During the second phase of this program in 2007, 10 athletes were chosen to receive subsidies totalling HK\$100,000 each for access to the best training facilities, specialist coaches and medical support.

In addition to our efforts in Hong Kong, Manulife sponsored athletes across Asia. Building on the success of our partnership with Chinese Taekwondo Olympian Luo Wei, Manulife-Sinochem's Olympic Ambassador, we sponsored the Chinese National Taekwondo Team.

Manulife Malaysia sponsored Rubenchandran Ramachandram – an Olympic hopeful chosen to represent Malaysia – in the Asian Fencing Championships, an Olympic qualifying event.

Thailand's champion weightlifter Pawina Thongsuk and Su Lie Wen, a taekwondo athlete from Taiwan, became the newest members of Team Manulife, a group of Olympic athletes who act as Manulife ambassadors.

Bringing the Olympic spirit to children

Manulife Hong Kong launched Manulife Olympic Smiles to bring the spirit of the Games to children. Children from the Caritas Nursery School in Tsui Lam, Kowloon were given Olympic mascot toys for their mini-sports day – a day which gave participants an early taste of the joys of athletic competition. At Heep Hong Society's May Wong Centre, senior management and employees visited the children and handed out Olympic toys.

Over the summer holidays, Manulife Hong Kong sponsored an equestrian summer training program, organized by the Changing Young Lives Foundation. Children participated in stable visits, riding instruction and photo opportunities with former champion horses.

Olympic Smile is one of our most important Olympic activities in China. We are setting up 100 Smile Libraries around China designed to encourage disadvantaged children to develop a love of reading. To date, employees and agents have donated 46,000 books.

Helping the Olympics go green

Employees and agents in our Beijing branch donned Olympic-branded vests to plant trees in Beijing, symbolizing our commitment to the theme of a Green Olympics in 2008.



Manulife Divisions: Delivering on Our Promise

Our divisions make a distinct impact by partnering with their communities and leveraging all of our resources, including our highly skilled and generous employees. Here are a few examples of how our divisions give back, and the impact this has on their communities.

Corporate Division: The Promise of Building Stronger Communities

Manulife gives back to the Toronto community – home to 4,000 employees and its corporate head office – in a number of ways. Two of these initiatives, our partnerships with the Toronto Region Immigrant Employment Council (TRIEC) and Rose Avenue Public School, focus on creating opportunities for skilled immigrants and children.

A promising new life in Canada

Manulife supports TRIEC, an organization dedicated to helping skilled immigrants find employment. We provide financial assistance to TRIEC, and Dominic D'Alessandro, our President and CEO, along with Diane Bean, our Executive Vice President, Human Resources and Corporate Affairs, are co-chairs of TRIEC.

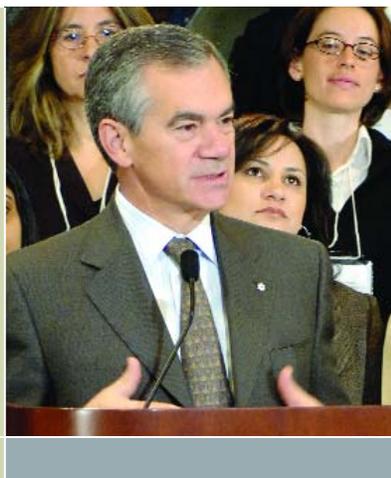
Manulife also sponsors and participates in TRIEC's Mentoring Partnerships, a collaboration of community and corporate partners bringing together skilled immigrants and established professionals in occupation-specific mentoring relationships. Manulife has contributed 39 mentors to the program.

In addition, Manulife works with CareerBridge, one of TRIEC's partners, to create paid internship opportunities for professional-level newcomers. Through a cross-divisional initiative, 24 interns have been placed on six-month contracts within our organization since 2005. Eleven of these have been hired full-time by Manulife, while the rest have successfully found employment elsewhere.

Manulife works closely with the Maytree Foundation, a private charitable foundation committed to reducing poverty and inequality in Canada, to deliver many of these programs. In 2007, the two organizations were recognized for their work with a Business and Community Partnerships Award from Imagine Canada. Canada's premier celebration of collaborations between corporations and non-profit partners, this award recognizes partnerships that go beyond financial support.

"As one of the most respected corporations in Canada and globally, Manulife is an ideal partner. Their leadership and ability to encourage other businesses' involvement is fundamental to the success of TRIEC."

Ratna Omidvar
Executive Director
The Maytree Foundation



TRIEC

Toronto Region Immigrant
Employment Council

Achieving equity of opportunity and outcome for all

In 2005, Manulife entered into a partnership with Rose Avenue Public School. This school has become the heart and soul of the vulnerable Toronto community of St. James Town. Here, in one of the most densely populated areas in the world, residents come from 100 countries and speak approximately 138 languages. The vision for Rose Avenue Public School and St. James Town is clear – achieving equity of opportunity and outcome for all, children and adults alike.

Key to this vision is providing resources and programs enabling students and community members to develop the skills and confidence they need to make better lives for themselves. In addition to providing day-to-day necessities like meals and warm clothes, Manulife's partnership with Rose Avenue focuses on initiatives which will have a lasting impact, including:

- The donation of 10,000 books to date. Many of the books purchased are dual-language books. Supporting languages like Tamil, Mandarin, Bengali and Somali, these books help parents whose first language is not English to read with their children and improve their own language skills in the process.

- Manulife has helped introduce students to the concept of critical thinking by sponsoring a chess program. In a neighbourhood where children are often faced with difficult and dangerous choices, this program teaches them the consequences of their actions and to think things through before they act.
- Manulife, the Toronto District School Board and the Jays Care Foundation worked together to give the school a new state-of-the-art athletic field with proper lighting for safety. We also helped fund a community coordinator to schedule the field's use outside school hours, ensuring it is a resource for the community, shared fairly. Community members are learning to organize themselves and work together as a result.
- In addition to supporting Breakfast for Learning Toronto, we contributed funds to purchase commercial stoves and a dishwasher. Cooking classes and programs to improve parents' understanding of Canada's Food Guide and nutritional labelling are underway. Every child now has a healthy snack every day, and community members can make important social connections through sharing recipes.

The impact of this special partnership is an enduring one – contributing to the development of responsible, well-informed and empathetic citizens who will be engaged participants in an increasingly global society.

“What we have created together is a remarkable partnership that will live on in the minds and hearts of all who have been part of this shared experience of caring, giving and receiving. Manulife's tangible and very substantial contributions to arts, athletics and academics at Rose Avenue are, in my experience, without comparison.”

Jim Kormos

Principal
Rose Avenue Public School



Canadian Division: The Promise of Healthier Communities

Most of our Canadian Division's community giving is focused on health-related initiatives that hold the promise of improving many lives. Here are two examples:

Thinking Ahead with the Montreal Neurological Institute

Manulife made a donation of \$1 million to McGill University's Montreal Neurological Institute (MNI). This gift was in support of the MNI's Thinking Ahead campaign, an ambitious five-year, \$40 million initiative to invest in people and expand their facilities and services. Our President and CEO, Dominic D'Alessandro, is co-chair of this fundraising campaign.

Manulife's donation will help MNI create a new facility housing a state-of-the-art brain imaging centre with advanced imaging technologies; create the first NeuroPalliative Care Centre in North America; develop a new centre dedicated to spine and spinal cord repair; attract the best and brightest scientists and clinicians; and lead the way in neuroscience clinical care and research.

"We are delighted that Manulife has chosen to play such a leading role in our campaign. Their support of the MNI will allow us to start up new research directions that ultimately we hope will markedly improve the quality of life for those of us who are debilitated by neurological disease."

Dr. David R. Colman
Director
Montreal Neurological Institute

At MNI, inpatients and outpatients are treated for medical problems related to the nervous system, including:

- Amyotrophic lateral sclerosis (ALS or Lou Gehrig's disease)
- Back problems
- Brain tumours
- Carpal tunnel syndrome
- Chronic pain
- Epilepsy
- Headaches
- Migraines
- Movement disorders
- Multiple sclerosis
- Parkinson's disease
- Strokes

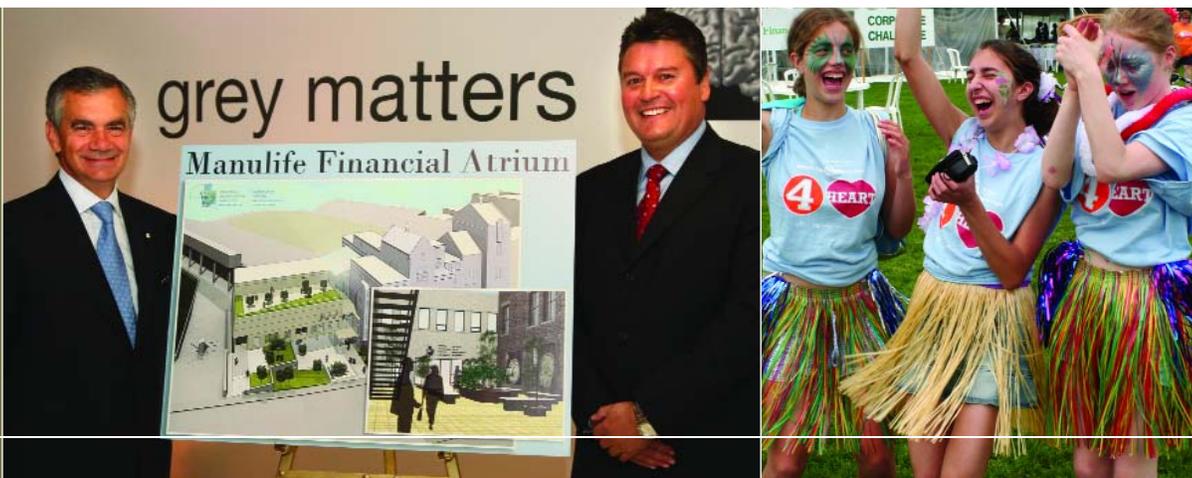
Throughout its history, MNI has always been on the leading edge of research and treatment of neurological disorders. With its Thinking Ahead campaign, MNI is poised to make advances that will have a significant impact on the world.

Biking and hiking for healthy hearts

More than 1,200 cyclists, walkers and volunteers took part in the 15th annual Manulife Bike and Hike for Heart, raising \$200,000. In its 15-year history, the event has raised \$2 million for heart health in Waterloo Region.

Donations to the 2007 Bike and Hike support St. Mary's Regional Cardiac Care Centre, which provides cardiac catheterization, cardiac surgery, angioplasty, cardiac care clinics and cardiac rehabilitation. The program, serving 500,000 residents in Waterloo and the surrounding area, offers diagnostics, intensive care and inpatient cardiac care through a full-service program.

By both managing and funding the event, Manulife ensures that every penny raised goes to the Cardiac Care Centre. In addition, hundreds of Manulife employees signed up as volunteers or event participants.



John Hancock: Helping Young People Realize their Promise

As a result of John Hancock's presence in the community in 2007, non-profits received US\$10.3 million in support through grants, sponsorships, matching gifts and Boston Marathon fundraising. In addition, John Hancock associates contributed nearly 7,500 corporate volunteer hours, helping approximately 7,000 youth, making John Hancock a leader in corporate volunteering in Boston. Following are just two examples of how John Hancock and its employees made a difference in 2007:

500 Women & Youth Build Boston

Launched in November 2007, 500 Women & Youth Build Boston continues the mission of Boston Women Build in the Bayou. This year-long project engages women from all sectors and walks of life to invest in Boston neighbourhoods through construction and rehabilitation projects in collaboration with YouthBuild Boston. The 500 Women & Youth Build Boston project is sponsored by John Hancock Financial and spearheaded by First Lady of the City of Boston Angela Menino and First Lady of the Commonwealth of Massachusetts Diane Patrick.

In line with John Hancock's longstanding work rebuilding communities, we are the major sponsor of this effort. The Company was instrumental in partnering with YouthBuild Boston, an award-winning non-profit dedicated to developing job skills. YouthBuild Boston's work aligns well with John

Hancock's mission of creating jobs for young people and developing positive programming for youth.

Activities include weatherizing the homes of low-income elderly residents, assisting local non-profits with interior and exterior renovations, and rejuvenating public parks and playgrounds. The activities link Boston professionals and YouthBuild trainees in mentoring relationships and allow women to provide "sweat equity" for 50 construction and rehabilitation projects.

Boston Marathon sponsorship

The year 2007 marked more than two decades of John Hancock's sponsorship of the world-famous Boston Marathon. Not simply a sporting event, the marathon generates \$100 million in the Boston metro area, and provides the largest number of press credentials of any one-day sporting event. It is clearly an important community event and a source of pride for Boston residents.

As the principal sponsor of the Boston Marathon, John Hancock provides select non-profit organizations with guaranteed marathon numbers used for fundraising. As participation in the Boston Marathon requires marathoners to qualify, many runners commit to raising money for non-profits to secure the privilege of official participation. In 2007, John Hancock distributed 780 marathon numbers to 30 non-profits, generating \$3.3 million for Boston area organizations. Of this, \$128,000 was raised by John Hancock employees from the U.S. and Canada.



Asia Division: Bringing Dreams to Life

In Asia, Manulife contributes to a wide variety of projects in the countries and regions where it operates: China, Hong Kong, Indonesia, Japan, Macau, Malaysia, the Philippines, Singapore, Taiwan, Thailand and Vietnam. The Company and its employees and agents in these territories support underprivileged children and the elderly, as well as charitable organizations focused on health, wellness and education. Manulife also contributes to disaster relief when its territories are afflicted.

Below are case studies from Hong Kong and Japan that illustrate the type of community activities undertaken in the region.

Manulife Centre for Children with Specific Learning Disabilities

Since 1999, Manulife has been the sole sponsor of the Manulife Centre for Children with Specific Learning Disabilities in the Department of Applied Social Sciences at the Hong Kong Polytechnic University (PolyU). The Centre helps children who have specific difficulties with word decoding, reading, spelling, writing and arithmetic skills, but who are often unusually gifted in such areas as sport, music or the arts.

“The Centre echoes Manulife’s commitment to support and promote activities for the betterment of the community. With unfailing support from the Manulife Charitable Foundation over the years, the Centre has launched a multitude of programs that provide opportunities for thousands of students with special educational needs to rebuild their confidence in learning and to see beyond the difficulties,” explained Dr. Alice Lai, Associate Professor, Department of Applied Social Sciences, Hong Kong PolyU.

Manulife’s contribution provides educational resources, as well as training and counselling, for teachers and parents. From 2005 to 2007, the Centre provided training for 240 teachers in collaboration with the Hong Kong Education and Manpower Bureau. Through its train-the-teachers program and resource-rich web site, the Centre has been able to share its knowledge and experience with a much larger audience.

The Centre has held 300 seminars, workshops and training camps to date, serving 5,000 local students with specific learning disabilities or other special educational needs. Parents say that it has helped engender a more positive attitude towards learning, a sense of responsibility and greater initiative in their children – along with fewer behavioural problems.

“Thank you so much for the rewarding experiences. I felt really supported and motivated after sharing with other parents and seeing my son actively enjoying himself so much in the learning activities.”

Parent of a child helped by the Manulife Centre for Children with Specific Learning Disabilities



Heep Hong Society

In 2007, Manulife committed HK\$300,000 to help the Heep Hong Society's Mary Wong Centre in Kwun Tong install a Sensory Integrative (SI) Room for children with sensory processing problems.

Established in 1963, the Heep Hong Society is Hong Kong's largest service provider of early intervention and education for children with special needs. The Manulife SI Room contains specially designed facilities for climbing, swinging, sliding, landing and tactile stimulation. These activities help develop motor functions, body coordination and organizational skills as well as improve attention span and learning abilities. The facility helps children suffering from developmental delays, autistic spectrum disorders, specific learning difficulties and coordination problems.

Michael Huddart, Executive Vice President and General Manager for Manulife in Hong Kong, commented: "We are known – indeed, officially recognized – as a Caring Company, committed to improving the quality of life for Hong Kong people. While all segments of our society are equally important, the future of Hong Kong rests with its youth and we would therefore like them to have every opportunity to develop to their fullest potential."

"Manulife's generous support will offer our children hope and provide them with the resources to realize their dreams."

Nancy Tsang

Director, Heep Hong Society

Making health care facilities more child-friendly in Japan

Manulife Japan, through its charity partnerships, is on the leading edge of the movement to expand corporate philanthropy in Japan.

Alleviating children's anxiety during hospital stays is an effective way to facilitate speedier recovery. The Children's Health Forum is a pioneering non-profit organization created by forward-looking experts in medicine and other fields to promote child-friendly environments and activities in children's health care facilities across Japan.

In 2005, Manulife Japan began a partnership with the Forum to raise funds for this cause. Since then we have raised 4 million yen from internal fundraising campaigns, which the Forum has used to fund over 15 programs. In 2006, Manulife invited Dr. Ted McNeill, Director of Social Work and Child Life at the Hospital for Sick Children in Toronto, to address the Forum's annual

"I've learned what I can do and how to live with my strengths and weaknesses. I have increased confidence and found myself more comfortable in spelling and memorizing things."

Child participant helped by the Manulife Centre for Children with Specific Learning Disabilities



conference for medical professionals from across Japan. This year, Manulife Japan presented the Forum with a further donation of 6 million yen to establish playrooms and programs in Japanese hospitals. The first two playrooms are scheduled to open in 2008.

The impact of this partnership has been felt on many levels including, most significantly, improving the lives of hundreds of children. In addition, internal fundraising drives raised employees' awareness of their potential to make a difference in society through their charitable contributions. Positive media coverage has also raised awareness, both within the medical community and among the general public, of the need to make health care facilities more child-friendly. This recognition in turn has provided the Forum with a platform from which to expand its activities to more facilities nationwide.

Helping communities rebuild

In Japan, natural disasters such as earthquakes and typhoons, which may lead to mudslides and flooding, occur frequently. In the days immediately following a disaster, emergency aid pours into the devastated area to assist with immediate

survival needs. But as months pass and media attention dies down, external aid wanes and long term recovery efforts become the responsibility of the local community.

Central Community Chest of Japan is a national federation of local fundraising groups and Japan's largest fundraising organization. In 2006, Manulife Japan and Central Community Chest of Japan together created a fund to support long term recovery programs for victims of natural disasters in Japan. To date, Manulife Japan has raised five million yen in employee donations and company-matching funds. With these contributions, Central Community Chest of Japan has solicited proposals from community organizations and funded seven recovery initiatives carried out by residents of disaster-affected areas.

This program has served as a win-win model for corporate and non-profit organization partnerships in Japan. Local communities benefit directly from the support, and the positive publicity generated raises awareness of the needs of those communities as well as the role of local volunteers. Raising Central Community Chest Japan's profile as a successful organization and Manulife's reputation as a socially responsible corporate citizen also serves as a model for other corporations.

"The flood was so widespread that even the streets around the sales office were flooded. In the northern area it was especially devastating: roads and homes were flooded, large and small debris was everywhere, and everything was coated in mud. I experienced first-hand our community's strong commitment to rebuilding, and I was proud that, as the local Manulife sales office, we were able to provide assistance. I drew a lot of strength from the smiles of appreciation I received."

Toru Izumiguchi, Manager
Kagoshima sales office, Manulife Japan



Commitment to Employees

Employees are at the centre of Manulife's success. Manulife prides itself on attracting and retaining exceptional individuals. With their commitment to Company values and customers, employees make our vision of being the most professional life insurance company in the world a reality. In turn, Manulife invests in the development of its people and rewards superior performance.

The key to attracting and retaining top talent is ensuring that employees enjoy challenging work while reaching their potential and realizing their aspirations. Support for employees includes innovative learning opportunities and continuous learning subsidies; open and constructive communication; recognition programs; and a variety of services such as financial counselling and development seminars. We rigorously maintain safe and accessible workplaces, support diversity and provide opportunities for employee advancement.

Employees benefit from:

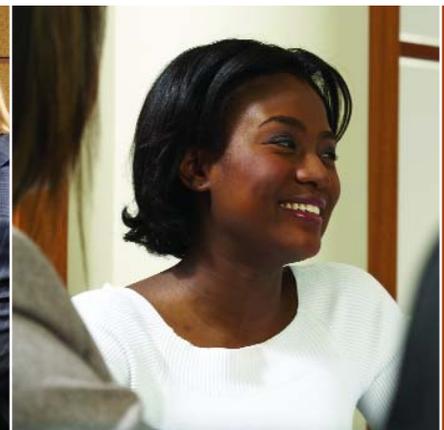
- our sustained financial success and industry leadership as the largest life insurance company in Canada, the second-largest in North America and the sixth-largest in the world as at December 31, 2007;
- our reputation as an employer of choice; Manulife won nationwide awards in 2007 for outstanding corporate culture and corporate governance;
- our commitment to innovation through the development of flexible, creative and intelligent solutions backed by unparalleled industry experience and financial strength;

- opportunities to demonstrate initiative and engage in projects and activities that will have a direct impact on the Company's future performance;
- the opportunity to respond to the annual global survey in which employees are encouraged to provide input to management regarding their workplace experience at Manulife;
- the Company's dedication to bias-free employee 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 to take on new and exciting challenges within one business unit or gain exposure to different parts of the business in other operating units of our multinational company; and
- geographic diversity, with operations in 19 countries and territories worldwide.

Manulife demonstrates its commitment to employee health and wellness through dynamic health promotion and injury prevention programs. Key to this in Canada is a Wellness Challenge designed to improve employees' physical, nutritional, emotional, psychological and social well-being. Individual, group and online support is provided for employees in partnership with community resources and Manulife's employee and family assistance provider. Some examples of individual support include one-on-one interventions such as ergonomic assessments and health counselling. The group

"I have had faith in Manulife's success ever since I first joined the Company. I dedicate myself to my work wholeheartedly with a real sense of responsibility and enterprise."

George Xu, Sales office General Manager
Jiangsu Manulife-Sinochem



programs cover such diverse topics as stress management, parenting, work-life management, parental return to work and annual flu immunization clinics.

Regular 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 success, as well as a group RRSP and pension plan. A variable incentive plan offers a yearly bonus structure to regular full-time employees and a flexible benefits plan allows staff to customize their benefits to meet their needs.

In addition, employees in Canada 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; and backup and extended daycare services through Manulife's association with a leading child-care provider.

Manulife is a global employer, with approximately 53,000 employees, independent contractors and agents located in 19 countries and territories. In Canada, our workforce number is close to 11,000 people in 10 provinces.

Outside Canada, we have almost 12,000 employees and independent contractors. In addition, 30,000 career agents sell Manulife products and services exclusively.

Workforce Data

For the year ended December 31, 2007

EMPLOYMENT – CANADA

Province	Full-Time	Part-Time	Total
British Columbia	179	6	185
Alberta	400	23	423
Saskatchewan	66	3	69
Manitoba	44	1	45
Ontario	8,117	517	8,634
Quebec	658	56	714
New Brunswick	1	–	1
Nova Scotia	719	19	738
Prince Edward Island	–	1	1
Newfoundland and Labrador	1	–	1
Total	10,185	626	10,811

EMPLOYMENT – OUTSIDE CANADA*

Location	Full-Time	Part-Time	Total
United States	5,539	152	5,691
Asia, excluding Japan and India	4,634	184	4,818
Japan	1,111	163	1,274
Other**	85	8	93
Total	11,369	507	11,876

*This does not include career agents.

**Caribbean, Europe and India

Manulife's global employee engagement survey indicates that our employees are highly engaged and fiercely proud to work for Manulife, viewing the Company as a meritocracy and a competitive, ethical and respectful place to work.



STARs of Excellence Award

The STARs of Excellence Award was commissioned by Manulife Financial and designed by Canadian artist Colin Gibson. Created to recognize and inspire accomplishment, the Award honours a select group of Manulife Financial employees and sales associates from around the world for their outstanding professional achievements and contributions to our success.

STARs of Excellence Citizenship Award

Each year, Manulife selects one employee from around the world for a special honour, the STARs of Excellence Citizenship Award. Established in 2000, the award recognizes the outstanding volunteer contributions of an individual to his or her community.

Employees are nominated for the award by their colleagues according to specific criteria. Nominees must go above and beyond the call of duty, supporting others through outstanding volunteer service and demonstrating leadership, dedication and a caring spirit.

2007 Citizenship Award recipient

Our 2007 Citizenship Award recipient was James Rae, Systems Designer, Reinsurance Division, Toronto.

For the past four years, James has devoted many evenings and most weekends volunteering for Evergreen, a charity devoted to creating and sustaining healthy, dynamic outdoor spaces. As an environmental steward, James does everything from tree planting to raising awareness for environmental issues. Through his work with Friends of the Don, he participates in numerous flower and tree planting activities throughout the city.

While green causes are his main passion, James is involved in other volunteer efforts. For the past three years, he has worked with Manulife's Homework Club, volunteering a great deal of personal time tutoring Grade 7 and 8 students. A big supporter of Manulife's United Way campaign, he has contributed at various times as a committee member, event planner and member of Manulife's house band, Retro Session.

"James is an example of true dedication to nature, and what it contributes to our city and community," said David Stonehouse, Executive Director of Evergreen at The Brick Works.

"I'd rather lead by example – let my actions speak louder than words."

James Rae

Systems Designer, Corporate Systems / Reinsurance



James Rae

STARs of Excellence attributes:

- Superior knowledge and skill
- Trust and integrity
- Action orientation
- Responsiveness

Commitment to the Environment

At Manulife, we are committed to minimizing our impact on the environment, from planting millions of trees on our timber properties every year, to building and maintaining a real estate portfolio with the most modern and energy-efficient practices, to encouraging all of our employees to look for ways to reduce their carbon footprint.

We have emphasized the importance of energy conservation, environmental risk management, recycling and healthy work environments since adopting a formal environmental policy more than 12 years ago. To meet these goals, we pair our own rigorous standards with independent benchmarks and audits while continuing to look for new opportunities to improve our performance and our impact on the world around us.

Our environmental policy serves as a common set of guiding principles for Manulife and all our subsidiaries, forming the core of our environmental stewardship protocols and philosophy. Each group supplements the policy with customized procedures and risk management practices relevant to their business.

The environmental policy and its related procedures are administered under the oversight of our chief environmental officer, who provides an annual environmental review to the Board of Directors.

Our Environmental Policy

Manulife Financial is committed to conducting all of its business activities in a manner that recognizes the need to preserve the quality of our environment. We will:

- promote environmental responsibility and conservation to employees with applicable job accountabilities;
- distribute the policy and all relevant procedures to employees with applicable job accountabilities for their guidance and implementation into business practices;
- ensure that the Company's risk analysis and risk management procedures include consideration of environmental matters;
- comply with all applicable environmental laws and regulations and, where possible, participate in ongoing dialogue with government and industry to establish and promote practical environmental goals; and
- establish procedures to ensure the effective implementation of these policies.

Maintaining green space

The grassy banks on the north side of Toronto's Gardiner Expressway were littered with trash two decades ago. Today, a number of corporations sponsor the planting and maintenance work required to keep this highly visible space green. Manulife's logo occupies the largest square footage along this gateway to Toronto and is surrounded by more than 37,000 thriving trees, shrubs and other plants. The Greening of the Gardiner project is just one example of our commitment to large-scale community initiatives – in this case, a partnership between the public and private sectors – that benefit the environment.



Manulife was the first life insurance company in North America to become a signatory to the United Nations Environment Programme Finance Initiative, an internationally recognized program that promotes and supports responsible environmental practices.

Integrated environmental guidelines

Manulife not only strives to protect the environment and minimize environmental risk, but also looks for suppliers who share this commitment. As part of an evolving environmentally responsible procurement process, we pursue several initiatives that build upon business relationships with environmentally responsible vendors who can assist us in reducing the environmental impact of our operations and services. These initiatives include:

- implementation of environmentally responsible procurement guidelines based on Canada's Environmental Choice Program and U.S. Environmental Protection Agency (EPA) recommendations;
- inclusion of environmental criteria in Manulife's standard request for proposal process; and
- implementation of Environmental Choice Program and EPA Energy Star certification criteria into the selection process for Manulife's photocopiers and fax machines.

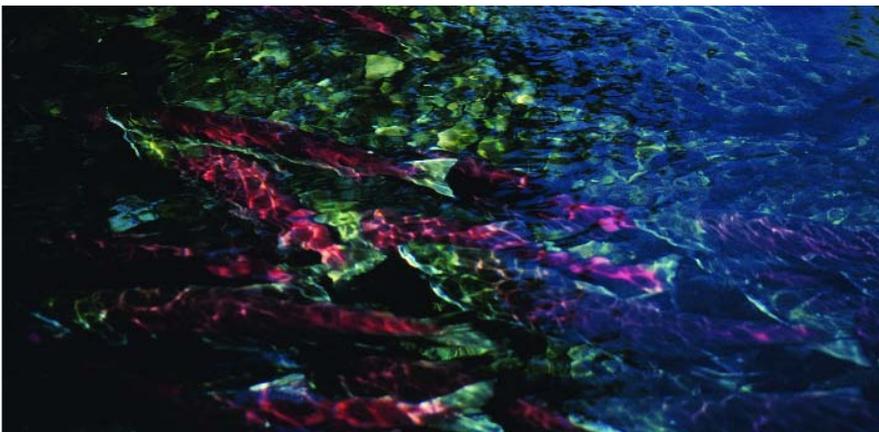
Incorporating these guidelines results in a variety of benefits, including preferred supplier relationships based on a shared commitment to the environment and a greater use of environmentally friendly products and services.

Supporting environmental innovation and renewable energy

Manulife is recognized as a leading arranger and provider of financing to the renewable power sectors in both Canada and the United States. We have invested more than \$1 billion in renewable energy. With dedicated project finance groups in Toronto and Boston, the Company has developed considerable expertise in the sustainable energy arena with investments across the full spectrum of renewable energy technologies, including wind, hydroelectric, geothermal, biomass, landfill gas and biomass waste-to-energy power projects.

We provided debt financing to MMA Renewables in the form of a US\$55 million loan for its project to put 72,000 solar power panels on 130 acres of unused land at a U.S. Air Force base in the Nevada desert, making it the largest photovoltaic power plant in the U.S. The 14-megawatt facility powers Nellis Air Force Base and helps local utility Nevada Power meet its renewable energy supply targets.

Regional Power, a Manulife subsidiary, develops and operates hydroelectric power plants in Canada, with six plants currently in operation and six others in various stages of development. The Sechelt Creek project in British Columbia is a 16-megawatt facility designed, developed and built by Regional Power. It began operating in 1997 and sells all its electricity to BC Hydro under a long term contract. It supplies enough electricity to power a community of 9,000 homes.





We Support Environmental Stewardship Programs

Managing forests wisely

As the world's largest manager of timberland investments for third-party investors, Manulife subsidiary Hancock Timber Resource Group adheres to a disciplined forest stewardship program to manage and protect its forest investments in a way that maintains and enhances economic, community and natural resource values. The timberlands we manage are certified as sustainably managed by respected third-party organizations and are subject to audits to ensure responsible management, promote continuous improvement and provide assurances to investors, as well as environmental and community stakeholders.

We have a long history of working with local communities, states and conservation groups to protect the environment. Our Sensitive Lands Program aims to protect environmentally and culturally sensitive lands that are occasionally acquired as part of large timberland acquisitions. To date, the program has protected approximately 320,000 acres across the United States. Not only are these transactions crucial in protecting the environment but they are also driven by business and client considerations.

As part of that program, in 2007 we completed the following transactions:

- Sold close to 10,000 acres on and around the Coosa River in Alabama to the Forever Wild Program, which will be protected permanently for recreational use in addition to protecting and eventually extending a rare mountain longleaf pine ecosystem inhabited by endangered woodpeckers.
- Sold five parcels of land containing 480 acres along the Klickitat River in Washington State to Columbia Land Trust, a non-profit organization dedicated to conservation in the Columbia River region, to provide a critical habitat for salmon and other wildlife. The property includes crucial spawning, migration and rearing habitat for endangered steelhead trout, chinook salmon and coho salmon.
- Planted approximately 41 million new seedlings on 85,000 acres of our timberland acreage in 2007, representing an ongoing renewal of the net productive acreage on lands managed on behalf of our investors. In addition to helping sustain our forestry investment, planting new trees is an important means of reducing the world's greenhouse gas emissions.



Managing our agriculture investments prudently

Among our diverse investment portfolio, our subsidiary Hancock Agricultural Investment Group has established itself as one of the largest owners of orchards and vineyards in the United States. We have long employed Integrated Pest Management (IPM) on our properties, a combination of chemical, biological and cultural approaches to lower the environmental impacts of pest management, along with scouting and targeted plant disease management, to reduce even further the footprint of agricultural operations on our environment.

We earned the IPM Innovator Award from the California Environmental Protection Agency as part of the Integrated Prune Farming Systems Implementation Group, which continues to advance IPM research in the prune industry.

Responsible resource development

NAL Resources, a mid-sized oil and gas company and subsidiary of Manulife, is committed to responsible resource development and continuous improvement in environmental, safety and social performance.

Following the clear principles and goals set out by the Canadian Association of Petroleum Producers (CAPP) Stewardship Initiative, we have earned CAPP's Platinum designation, the highest achievable level, every year since 2003. We have also achieved the highest possible status as Gold Champion Level Reporter in the Canadian Standards Association's GHG Challenge Registry, a voluntary program to reduce and document greenhouse gas emissions, every year since 2001.

Our Environmental Management Program commits to sustainable development that meets present needs without compromising the ability of future generations to meet their needs. Achieving this goal requires the integration of economic, safety and environmental considerations into all business activity decisions. We employ sound environmental practices that take into account the needs of the communities in which we work.

"My vision is to see how we can make trees even more valuable than they have been in the past. Our trees can do well today, both for our investors and worldwide society."

Dan Christensen

President

Hancock Timber Resource Group



Sustaining Energy Performance

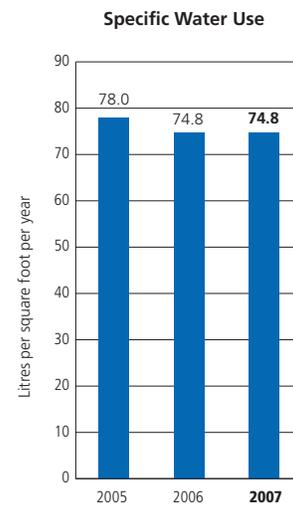
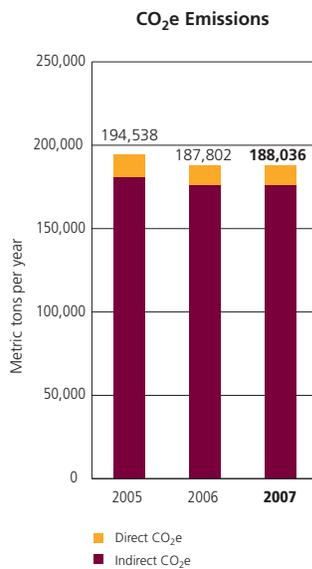
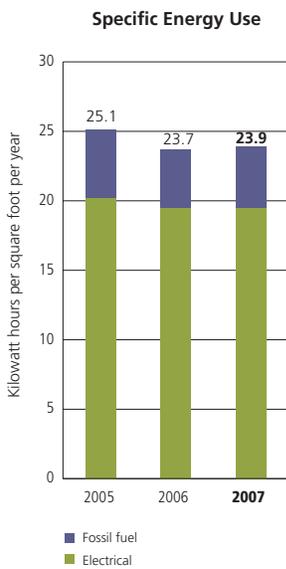
Energy conservation has long been a priority at Manulife. Our commitment to maintaining the value and integrity of our real estate assets goes hand in hand with our reputation as an industry leader and our dedication to environmental responsibility and the efficient operation of our properties. The Company is committed to incorporating the latest environmental technologies and systems into its projects and to fostering forward-thinking sustainable practices.

Manulife conducts annual energy audits on all Company owned and managed real estate properties to monitor and continuously improve efficiency and energy conservation. We have also made significant investments in building automation systems that have resulted in consistent improvements.

Despite an unusually cold winter in 2007, energy consumption for Manulife's 16.1 million square-foot managed office portfolio increased only 0.9 per cent to 23.9 kilowatt hours per square foot in 2007 from 23.7 kilowatt hours per square foot in 2006. This change in energy consumption equates to an increase of 234 metric tons of CO₂e emissions. On a weather normalized basis, this equates to a two per cent decrease in energy consumption.

Measuring efficiency

Company owned and managed office properties



We also continued to effectively manage water use, with no increase in our consumption, which remained constant at 74.8 litres per square foot in 2007.

This performance is a result of programs we continue to pursue to maximize the combined environmental benefits and financial return of building improvements through prudent energy use and environmentally conscious operations.

Some examples of these programs include lighting upgrades using new lower-wattage fluorescent lamps, compact fluorescent light bulbs and motion sensors; efficient heating and cooling equipment; installation of reflective film on south- and west-facing windows of buildings to block the sun's heat; and automatic flush valves and faucets in restrooms to conserve water.

Energy and environmental awards recognize Manulife

In 2007 we completed our goal of having all our eligible office properties in North America certified as BOMA Go Green Plus in Canada or as EPA Energy Star in the United States.



BOMA Go Green Plus is a Canadian environmental recognition and certification program for commercial office buildings. The program assesses how well a building is performing and includes tangible measures to track

environmental practices. Participants in this important initiative are recognized as leaders in environmental stewardship, helping to lead the way to healthier workplaces and sustainable building development and management practices.



EPA Energy Star buildings are among the most energy-efficient, using about 35 per cent less energy than conventional buildings yet meeting comprehensive standards for occupant comfort and indoor air quality.

We are especially proud that our head office complex in Toronto was awarded the 2007 Earth Award from the Building Owners and Managers Association of Toronto, recognizing it as the building that best demonstrates environmental leadership by earning the highest score in BOMA Toronto's Go Green program.



In addition, our Toronto and Ottawa real estate offices are now purchasing green power from Bullfrog Power. Bullfrog Power is a 100% green

electricity retailer in Ontario that sources electricity exclusively from wind and low-impact power producers who meet or exceed the federal government's EcoLogo standard for renewable energy. Our purchase of green power will support clean, renewable electricity from producers who are displacing polluting and CO₂-emitting producers on the Ontario grid.



Making recycling a priority

Manulife's long-established waste-recycling program achieved a recycling rate of 54.9 per cent by weight, with close to 7,800 tonnes of office waste – primarily paper, aluminum, metal and glass – diverted in 2007.

We participate in several community-based charitable programs that involve recycling printer cartridges and cell phones.

Our buildings also have less of an impact on the environment today thanks to our participation in Habitat for Humanity's ReStore program. When we remodel an office space to meet new needs, we collect reusable items – including doors and hardware – and donate them to Habitat for Humanity. That organization, in turn, gives these resources a second life in a new home for a family in need, diverting a significant amount of material from landfill sites.

Reducing waste

As part of a Company-wide effort to manage costs and minimize our impact on the environment, we run a campaign to educate our employees on small steps they can take to reduce their use of resources such as paper, printer toner, and data storage. Employees have responded positively, knowing that they are contributing to both our commitment to sustainability and the financial success of the Company.

Reducing paper use

Most of our employees around the world receive their salaries and benefit payments by direct deposit to their bank account. Converting our payroll and claims processing to electronic delivery has reduced our use of paper.

In some businesses, we offer paper-free accounts, where customers can elect to receive monthly account statements and other updates via e-mail.

We are also reducing the number of computer printers in our offices by connecting more employees to centralized printing locations. By doing this, Manulife purchases and maintains fewer printers, uses less paper, and reduces the cooling requirements in our offices, which ultimately lowers our energy consumption.

Reducing travel

As a global company with operations around the world, our employees often need to communicate and collaborate across vast geographies. We are increasingly using new technology, including web conferencing and virtual meetings, to reduce the need for business travel.

Sustainability going forward

In 2007, we developed a framework for reporting on a broader array of greenhouse gas emissions in an effort to develop a baseline to gauge our future conservation and sustainability efforts. We are in the process of validating and finalizing our approach.



Commitment to Clients

When our customers insure their families against the unexpected or invest money for the future, they need a financial services company that is able to keep its promises. As one of North America's most successful life insurance companies and a global leader, Manulife has the strength, stability and experience to be there for its customers, not only today but years from now.

Strength

Our consistently strong financial performance has earned us top marks from the independent credit rating agencies that evaluate the financial stability and capacity of life and health insurance companies to meet their obligations to policyholders and creditors. We are one of only two publicly traded life insurance companies in the world whose life insurance subsidiaries hold Standard & Poor's AAA rating.

In the opinion of this and other independent rating agencies, Manulife's ability to honour its commitments to its policyholders is extremely strong.

Stability

Manulife has successfully diversified its businesses and holdings, offering a range of financial products and holding many different types of investments in markets around the world. Our stable track record is our customers' assurance we'll be there for them every step of the way.

Global presence

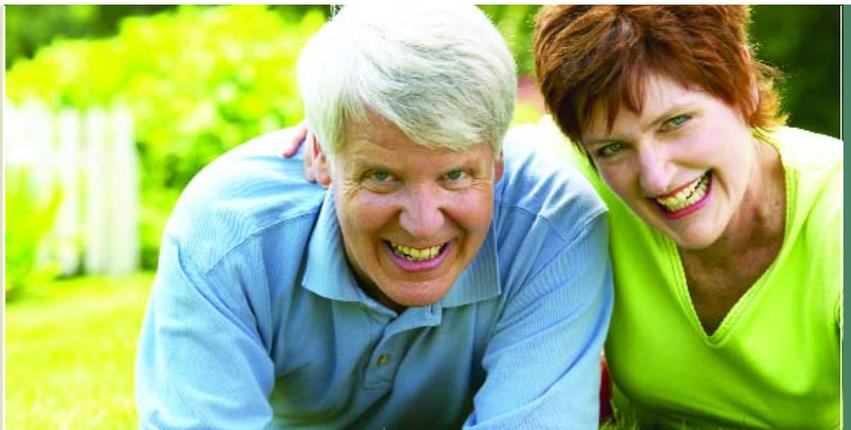
As the sixth-largest life insurance company globally, Manulife is a major player in the world's fastest-growing economies. We've been conducting business in Asia for more than 100 years and have one of the most extensive Asian operations of any life insurance company in the world. In North America, we are the second-largest life insurer based on market capitalization.

Our global presence brings diversity and stability to our earnings. It also brings a wealth of expertise, insight and innovative products to all our customers around the world.

Products

We draw on our global expertise to bring our customers the right solution at the right time in their lives. We've led the way with new products such as:

- IncomePlus – the first investment product in Canada to offer a guaranteed minimum withdrawal benefit that helps clients manage market and longevity risk;
- Long term care insurance – John Hancock was one of the first companies to help groups and individuals cope with the financial implications of a long term illness; and
- Manulife One – a unique and versatile banking solution to help customers save money and reduce debt.



Customer service awards

We have received several awards and acknowledgements for excellence in customer service, including:

2007 Call Audit Study

For the seventh consecutive year, Manulife Mutual Funds, a division of Elliott & Page Limited, was named best in its class in Canada for client service by Environics Research Group.

John Hancock Retirement Plan Services rated best-in-class in Chatham Partners Survey

In a survey conducted by Chatham Partners, John Hancock Retirement Plan Services was rated best in its class in more than 70 per cent of the categories.

Repeat winner of Hong Kong Quality Award

For the second year running, Manulife (International) Limited was recognized by readers of *East Week* magazine as Hong Kong's most top-quality insurance company.

Dalbar's 2007 Universal Life Policyholder Statement Analysis: First place ranking

As the only firm to achieve Dalbar's Excellent level for universal life policyholder statements, Manulife was named the leader in providing Canadians with informative, appealing and straightforward statements.

John Hancock Signature Services Unit named best-in-class by National Quality Review for 2007

John Hancock Signature Services, Inc., the transfer and shareholder services agent for John Hancock Funds, was awarded best-in-class honours and 5-star performer status for telephone customer service.

"Ensuring that we constantly innovate and bring fresh ideas to our customers, that we use technology wisely to deliver the highest-quality service to both our customers and producers, and that all of our products deliver value to our customers are features of all of our businesses everywhere in the world."

Dominic D'Alessandro
President and CEO
Manulife Financial



Financing Business

Canada

Manulife partners with Canadian businesses to help them develop and expand, providing them with the financial resources to reach 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 a strong track record and earnings stability. Commercial mortgage underwriting concentrates on the quality of the location, the physical characteristics of the real estate, the durability of lease income and market trends for the property type.

In 2007, the Company provided mortgage financing to 322 customers. New loan commitments totalled more than \$1.0 billion and loan renewals \$417 million. New loan commitments ranged in size from \$0.2 million to \$53 million, with an average loan size of \$5.4 million.

Mortgages are approved in accordance with Manulife's Mortgage Credit Policy and the Mortgages Guideline. The Mortgages Guideline is reviewed annually by the Board of Directors.

Beyond mortgages, Manulife participates in private placement transactions. Most involve fixed-income investments issued by mid- to large-sized Canadian corporations and institutions.

Commitments cross a diverse range of industry sectors, including leasing, financial, government, manufacturing and utilities. In 2007, the Company's approved private placement commitments totalled more than \$815 million and were made to 30 borrowers in 15 industries. Participation 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.

The Company helps businesses grow in at least one other significant way. Manulife Capital provides equity and mezzanine debt financing for private Canadian and U.S. companies operating in many industries. Manulife invests in companies that demonstrate a successful operating history and exhibit strong ongoing business fundamentals. In 2007, new commitments in this area totalled \$226 million, diversified across 10 corporate customers. Commitments ranged in size from \$5 million to \$50 million, with an average size of \$23 million.

New equity and mezzanine debt financing investments are approved in accordance with Manulife's Investment Guidelines.



United States

Helping U.S. businesses develop and expand, John Hancock provides clients with financial resources to reach their growth objectives. The Company provides debt financing to firms in the United States in a number of ways.

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. The REFG's Portfolio Management and Capital Markets group assists the entire team in pricing, allocating, segmenting and tracking investments, and handles investments in real estate securities.

New loan commitments totalled more than \$1.6 billion in 2007. Loan renewals totalling \$810 million, with an average loan size of \$10.7 million, were issued to 124 customers.

Additionally, the REFG capital markets group invested a total of \$60 million in 14 commercial mortgage-backed securities transactions.

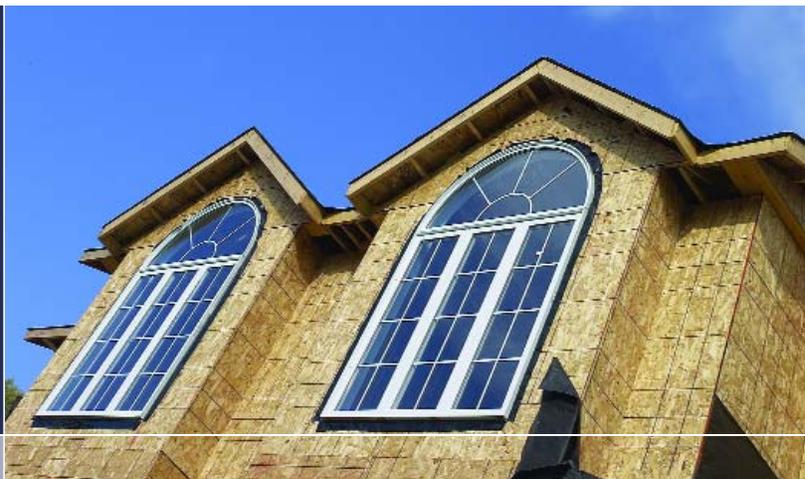
U.S. mortgages are approved in accordance with Manulife's Mortgage Credit Policy and the Mortgages Guideline. The Mortgages Guideline is reviewed annually by the Board of Directors.

John Hancock also participates in private placement transactions. Most involve fixed-income investments issued by mid- to large-sized U.S. corporations and institutions. Commitments cross a diverse range of industry sectors, including communications, health care, energy, transportation, forest products, financial, government, manufacturing and utilities. Approved private placement commitments totalled \$1.7 billion in 2007. Participation ranged from \$1 million to approximately \$200 million.

Investing in Affordable Housing

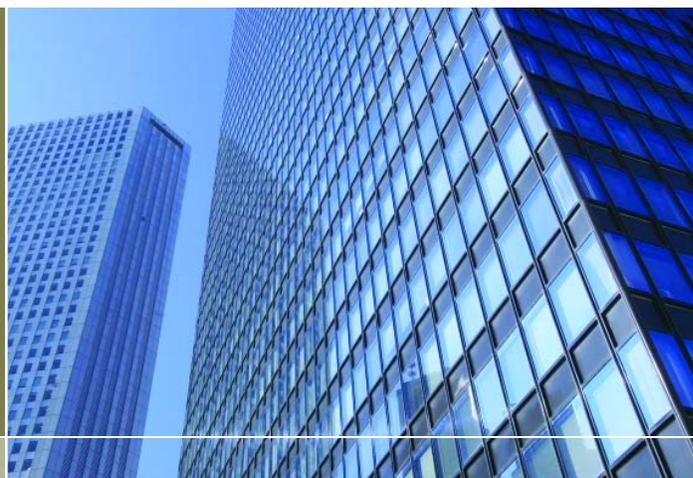
John Hancock's Tax Credit and Community Investment Group provides equity for affordable housing. This involves equity investments in affordable housing properties that generate federal, state and/or historic tax credits. John Hancock acquires, holds and disposes of interests through a limited partnership structure.

Approved equity commitments totalled US\$38.6 million in six investments in 2007. As of December 31, 2007, the tax credit portfolio consists of 139 investments in 174 properties in 29 states and Puerto Rico with equity commitments totalling US\$687.3 million.



Amount of debt financing authorized in 2007 (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	\$0	\$94	\$641	\$3,617	\$2,752	\$104,018	\$247,462	\$358,584
Alberta	0	0	174	669	2,821	44,794	366,830	415,288
Saskatchewan	0	0	0	0	0	13,345	40,000	53,345
Manitoba	0	0	211	0	0	12,658	14,500	27,369
Ontario	0	289	948	6,239	17,279	185,748	1,214,585	1,425,088
Quebec	0	81	540	2,576	4,759	40,071	194,780	242,807
New Brunswick	0	0	419	938	0	9,163	29,925	40,444
Nova Scotia	0	80	371	0	2,430	19,764	105,935	128,580
Prince Edward Island	0	0	233	0	0	0	12,430	12,663
Newfoundland and Labrador	0	0	0	0	0	3,450	0	3,450
Yukon, Northwest Territories and Nunavut	0	0	0	0	0	0	0	0
Total Canada	0	544	3,537	14,039	30,042	433,010	2,226,446	2,707,618
Total U.S.	0	0	0	0	0	178,831	3,156,071	3,334,902
Grand Total	\$0	\$544	\$3,537	\$14,039	\$30,042	\$611,841	\$5,382,517	\$6,042,52



Number of customers to which debt financing was authorized in 2007

	\$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	0	1	4	10	4	39	13	71
Alberta	0	0	1	2	4	17	20	44
Saskatchewan	0	0	0	0	0	5	2	7
Manitoba	0	0	1	0	0	6	2	9
Ontario	0	4	6	18	23	79	62	192
Quebec	0	2	4	8	7	18	13	52
New Brunswick	0	0	2	2	0	4	3	11
Nova Scotia	0	1	2	0	3	9	11	26
Prince Edward Island	0	0	1	0	0	0	1	2
Newfoundland and Labrador	0	0	0	0	0	1	0	1
Yukon, Northwest Territories and Nunavut	0	0	0	0	0	0	0	0
Total Canada	0	8	21	40	41	178	127	415
Total U.S.	0	0	0	0	0	38	130	168
Grand Total	0	8	21	40	41	216	257	583



Accessible Banking and Taxation

Manulife Bank is more than a virtual bank. Our service-focused Internet and telephone banking systems ensure accessibility throughout Canada and are available in both official languages. The bank is also supported by personal contact through one of the largest financial advisor networks in the country.

Manulife Bank's innovative mortgages, loans and deposit products are distributed across Canada by advisors associated with Manulife Financial. Through this vast network of professionals, more than 8,400 financial advisors actively help clients integrate banking solutions into their overall financial plans.

Our flagship product, Manulife One, puts clients in control of their entire banking portfolio and provides immediate access to their daily finances. Manulife One clients are supported by our team of 125 banking consultants across Canada. To highlight how this unique financial tool can save homeowners thousands in interest costs, we conducted our first full-scale consumer advertising campaign in 2007, focusing primarily on all-in-one account education.

In 2007, Manulife Bank enhanced its service to clients in the following ways:

- We implemented new technology that streamlined the administration process by automating title searches and legal notifications. This has reduced the time it takes to open a typical Manulife One account and consolidate all banking into an efficient all-in-one account. The single all-encompassing monthly administration fee for all standard banking transactions is only \$14 per month (\$7 for seniors), making it a very affordable banking services package.
- We improved our interactive voice recognition system to make it easier for clients to obtain information. Our customer service centre's hours allow clients to speak personally to a bank service representative from 8:00 a.m. to 8:00 p.m., regardless of their time zone.

For online users, the Manulife Bank web site is updated frequently to inform clients and visitors of improvements and changes to products and services. Manulife Bank is also a member of The EXCHANGE[®] Network (with 2,100 ABMs across Canada), allowing clients to make deposits and withdrawals without being charged a convenience fee.

Our network of independent financial advisors, banking consultants and use of technology provides customers access to our products virtually anywhere, anytime in Canada. We believe this commitment to service is part of our ability to offer "Banking, the way it *should* be."[®]



Manulife taxation report

Taxes, levies and assessments are a significant component of Manulife's expenses. In addition to Canadian income and capital-based taxes, in Canada we are 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 2007, Manulife incurred \$589 million of income and other taxes paid or payable to all levels of government in Canada. These taxes consisted of \$256 million in income taxes, \$4 million in capital taxes and \$329 million in other taxes.

Taxes paid or payable in Canada

For the year ended December 31, 2007

(\$ Thousands)	Income Taxes	Capital Taxes
Federal	\$ 162,758	\$ 0
Provincial and territorial:		
British Columbia	6,560	0
Alberta	10,952	0
Saskatchewan	964	1
Manitoba	1,470	45
Ontario	63,240	2,824
Quebec	6,071	6
New Brunswick	952	0
Nova Scotia	1,891	670
Prince Edward Island	249	0
Newfoundland and Labrador	1,042	0
Yukon, Northwest Territories and Nunavut	97	0
Total provincial and territorial	93,488	3,543
Total	\$256,246	\$3,546

Note: Income tax amounts are estimates based on information available for the year as at December 31, 2007.







www.manulife.com



Contact Us

Manulife Financial Corporation's 2007 Public Accountability Statement is also available to view and download from our web site at www.manulife.com.

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Donations and Sponsorships

All requests for charitable donations or sponsorships should be submitted using our online application process at www.manulife.com/community. Here you will find more information about Manulife's philanthropic partners and initiatives, as well as guidelines and criteria for corporate support.