

# 2010 Public Accountability Statement



Manulife Financial Corporation



# Our vision

To be the most professional financial services organization in the world, providing strong, reliable, trustworthy and forward-thinking solutions for our clients' most significant decisions.

# Our values

**Professionalism**  
**Real value to customers**  
**Integrity**  
**Demonstrated financial strength**  
**Employer of choice**

# Financial strength

Financial strength is a key factor in generating new business, maintaining and expanding distribution relations and providing a base for expansion, acquisition and growth.

As at December 31, 2010, Manulife Financial had consolidated capital levels of C\$31.2 billion, and a market capitalization of US\$30.5 billion. Manulife Financial's key operating subsidiary, The Manufacturers Life Insurance Company, has claims paying and financial strength ratings that are among the strongest in the life insurance industry.

<b>RATING AGENCY</b>	<b>RATING</b>
A.M. Best	A+ (Superior – 2 <sup>nd</sup> of 15 ratings)
Dominion Bond Rating Service	IC-1 (Superior – 1 <sup>st</sup> of 6 ratings)
Fitch Ratings	AA- (Very Strong – 4 <sup>th</sup> of 21 ratings)
Moody's Investors Services	A1 (Good – 5 <sup>th</sup> of 21 ratings)
Standard & Poor's	AA- (Very Strong – 4 <sup>th</sup> of 21 ratings)

# Manulife Financial is...

...a leading international financial services company providing financial protection, wealth and asset management solutions for our clients' most significant financial decisions. We operate in 22 countries and territories worldwide.

# Our products

For more than 120 years, our clients and their families have looked to Manulife for strong, reliable, trustworthy and forward-thinking solutions. Today, our international network of employees, agents and distribution partners offers individual and group life and health insurance, long-term care protection, pension and annuity solutions, mutual funds and banking products. We also provide asset management services to institutional customers worldwide as well as reinsurance solutions, specializing in life retrocession and property and casualty reinsurance.

Manulife currently ranks as one of the largest public life insurance companies in the world, as measured by market capitalization. We operate under the Manulife brand name in Canada and Asia and primarily under the John Hancock brand name in the United States.

# Table of contents

■ Message from the President and CEO.....	1
■ Our approach to giving.....	3
Charitable giving highlights – Corporate.....	6
Charitable giving highlights – Canadian Division.....	10
Charitable giving highlights – U.S. Division – John Hancock ...	16
Charitable giving highlights – Asia Division.....	20
The Dominic D'Alessandro Community Award.....	23
■ Our commitment to the environment.....	25
Our environmental policy.....	25
Measuring efficiency.....	26
Sustainable investing.....	27
■ Our business conduct and corporate governance.....	31
Our commitment to our clients.....	31
Our commitment to our employees.....	33
A leader in corporate governance.....	35
Financing business – Canada.....	36
Financing business – United States.....	37
Debt financing.....	38
Accessible banking.....	39
Taxation.....	40
Business achievement awards.....	42
Community service awards.....	44
■ Contact information.....	Back Cover

# Message from the President and CEO

## A strong tradition of leading by example

Throughout 2010, Manulife Financial continued to seek to distinguish itself as a strong, reliable, trustworthy and forward-thinking Company. Our longstanding tradition of public accountability, which we detail in this report, is rooted in these attributes.

As I write this, we continue to witness a series of tragedies in Japan – a country where Manulife has a long-established presence and more than 4,000 employees and agents. Following the March 11, 2011 earthquake, we moved quickly to confirm the safety of our people, to assist them in situations where their lives were directly disrupted, and to ensure continuity of service to customers. At the same time, we began directing funds toward relief efforts. Together, with our employees' donations, Manulife has committed a minimum of \$1 million to help the citizens of Japan rebuild their country. We continue to monitor the situation closely and will respond further as appropriate.

The situation in Japan is one where our responsibility to assist communities where we live and work was immediately apparent. Most of the time, the instances in which we do so are less dramatic, but still important. This past year, our Company donated \$23.4 million to more than 600 non-profit organizations. Through these donations, we supported positive change in the

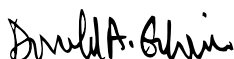
lives of countless people globally. The impact of this financial support was amplified by our employees, who volunteered nearly 54,000 hours of their time.

At Manulife, we believe in the power of volunteering, and the positive effect that results when people give their time and skills to help others. In Canada, for example, we commissioned innovative research to determine what motivates people to volunteer and partnered with Volunteer Canada and Get Involved to create a website ([www.getvolunteering.ca](http://www.getvolunteering.ca)) connecting people with volunteer opportunities. We worked in partnership with the Canadian Broadcasting Corporation to present *Canada's Champions of Change*, a one-hour television program shown live during prime time, that showcased Canada's top volunteers, as chosen by Canadians from coast to coast.

In Hong Kong, 3,000 Manulife employees and agents participated in the 'Walk for Millions' to support local charities. In Boston, our volunteers helped raise millions of dollars through our long-time association with the Boston Marathon – an event in which some of the most senior executives at John Hancock Financial play a significant role. As well, Carol Fulp, a Senior Vice President with John Hancock, has contributed to the public good in a unique way: she was named last September by President Barack Obama to a one-year appointment as a public delegate on the American Delegation to the Sixty-Fifth Session of the United Nations General Assembly.

In the pages that follow, you'll find details of Manulife's commitment to public accountability through our charitable giving, corporate governance and environmental practices.

I'd like to take this opportunity to acknowledge the confidence our customers, communities and employees place in Manulife. In 2011, we remain committed to earning that confidence through leading by example in everything we do.



Donald A. Guloien  
President and Chief Executive Officer



Donald Guloien congratulates finalist Eliza Olson during *Canada's Champions of Change* finale.

Photo by George Campana

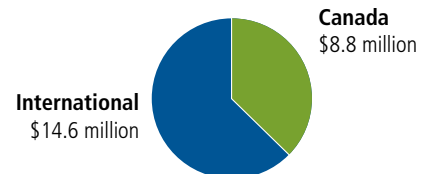




# Our approach to giving



In 2010, Manulife donated \$23.4 million to more than 600 non-profit organizations around the world.



Manulife focuses its charitable giving efforts in three key areas that are consistent with our business goals and which reflect our strong desire to make positive, meaningful differences in the communities where we do business. Those three areas are:

## Building stronger communities

We understand that people thrive when the cities, towns and neighbourhoods in which they live are safe, active and healthy. That's why Manulife chooses to support initiatives that cultivate stronger communities and which create opportunities for people to work, learn and succeed.

## Promoting health and wellness

Manulife has a keen interest in promoting health and wellness. This past year, Manulife supported a wide range of charities, initiatives and innovative programs aimed at improving health and wellness.



*Manulife employee volunteers in Asia*

## Harnessing the power of volunteering

Volunteerism extends the reach of our community support initiatives and is a powerful way to magnify the impact of our corporate donations. In 2010, 12,409 Manulife employees and distribution partners donated 53,981 volunteer hours to a wide range of charities – a gift of time valued at \$1,964,351. We're extremely proud of our employees for continuing to serve as the living, breathing examples of Manulife's charitable giving strategy in action.

By choosing to focus our charitable giving efforts in these three distinct, yet deeply interconnected areas, we were able to maximize the positive impact of our giving strategy in 2010.

In the following four sections, we'll shine the spotlight on a number of Manulife's charitable giving highlights from our various divisions in 2010 – initiatives that in some way contributed to our goals of helping to build stronger communities, promote health and wellness and harness the power of volunteering in the places where our employees live and work around the world.



### Manulife's long tradition of giving to the United Way

Many of the charitable causes Manulife supports transcend geographical boundaries, allowing our employees in different countries to rally to support a common goal. One such charity is the United Way, which Manulife has proudly supported for more than 50 years.

In 2010, Manulife continued its longtime tradition of supporting the United Way. This annual campaign represents one of the cornerstones of our Company's charitable giving efforts and helps us contribute in meaningful ways to help build stronger communities throughout North America.

---

**In 2010, Manulife and its employees throughout North America donated \$4.6 million to the United Way, helping to build stronger communities for the future.**

---

Manulife's annual United Way campaign is run entirely by employee volunteers, who work tirelessly to organize events, collect donations and motivate their co-workers to get involved. Once again, our employees rose to the

occasion, selflessly donating their time and funds to make the 2010 United Way campaign an incredible success, contributing a total of \$4.6 million (including corporate matching donations) throughout North America.

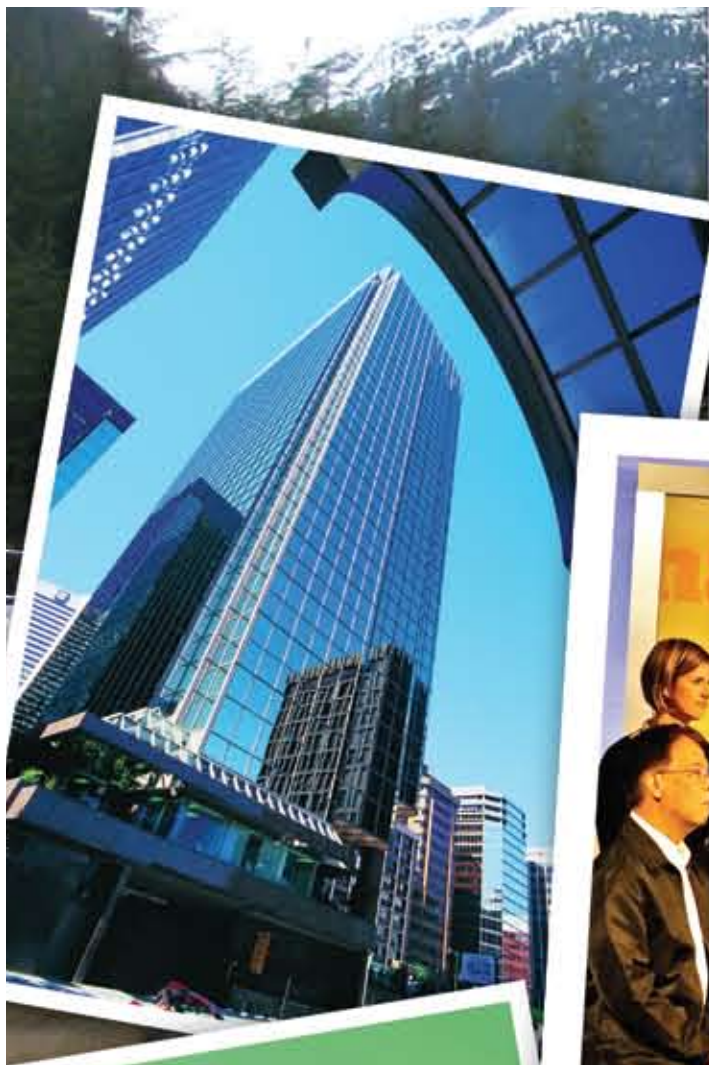
This past year, for the first time, Manulife implemented a United Way leadership council for its annual campaign in the United States. "We identified a different volunteer from each business unit to help execute the fundraising campaign," says Gina Goldych, Director, Performance Measurement & Analytics for Investment Management Services with John Hancock Financial Services. "This new structure helped to give the campaign a much more personal feel this year, which I believe is part of the reason we exceeded our fundraising targets. In addition, many of our people say they appreciate the fact that with the United Way, they have the flexibility to decide which charity their donations go to."

"Volunteering for the United Way really lets you connect with people from other business units and work together for the good of the community. It's a very worthwhile experience," she says.



*Manulife President and CEO Donald Guloien hosts fellow CEO's in a putting challenge on Manulife's lawn as part of the annual United Way Campaign.*





reliable



# Charitable giving highlights – Corporate



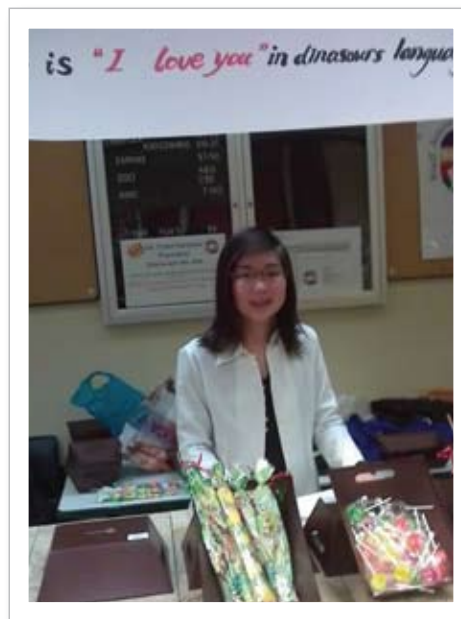
Our promise is to help create a better future for Canadians by looking forward and imagining the life we want for ourselves, our children and our grandchildren. At Manulife, this means creating products and services that help our customers secure their futures and their families' futures. And it means building strong, resilient communities by supporting initiatives and programs that encourage innovative, forward-thinking ideas that help us create the future of our dreams.

## Creating future business leaders

One of the surest routes to understanding and succeeding in business is practice. That's the idea behind Junior Achievement's Company Program. This unique program helps young people to better appreciate and understand the role of business in our society by encouraging them to start their own small enterprise. Students get to experience the thrills and the challenges associated with creating their own business while benefitting from the support and guidance of volunteers from the local business community. For more than 10 years, Manulife volunteers have donated their time and skills to help high-school students design, organize and operate a real business and develop a practical understanding of how a small enterprise functions.

One of those volunteers this past year was Victor Apps, Senior Reporting Analyst with Manulife Financial. "I saw an email about the program and I knew immediately that I wanted to get involved," says Victor. "I used to be involved in teaching and this seemed like a great opportunity to work with these students and help them through the process of creating a company. It was great to see their ideas and their drive. These young people were really motivated to be there and they had a very successful experience in creating a small business selling T-shirts featuring custom designs."

## The Junior Achievement Company Program gives young people the skills and confidence to start a business.



*A Manulife-sponsored Junior Achiever sells candy kebabs.*



### Manulife's long tradition of giving the gift of life

Organized blood donation clinics have been a mainstay of Manulife's charitable giving efforts since 1951, when the first blood donor clinic was set up in the Company's Toronto offices. And ever since then, Manulife's employees have upheld a long tradition of rolling up their sleeves, donating thousands of units of blood and, in the process, supplying our hospitals with a ready supply of life-giving blood.

---

#### **Manulife's blood donor clinics have been helping to save lives for almost 60 years.**

---

This past year, Manulife also contributed \$35,000 and provided volunteers to help support the annual public Blood Donor Clinic in the Manulife Centre in Toronto. In 2010, this event collected 8,565 units of blood from members of the public and another 411 units from Manulife employees, helping nearly 27,000 patients in hospitals across Canada.

"Manulife represents a true shining example of dedication and commitment and that is something Canadian Blood Services is proud to partner with," said Canadian Blood Services CEO, Dr. Graham Sher.

As someone whose mother's life was saved because of blood donations, Liana Scott was eager to get involved in Manulife's blood donor clinics. "I really enjoy contributing to this important cause that Manulife has supported for so long," says Liana, Director, Financial Processes with Manulife. "Part of my role includes putting up blood donor clinic notices on the intranet and trying to encourage people to get involved. I can definitely tell everyone from personal experience that this blood is actually saving lives."



*Manulife Blood Donor Clinic committee members*

### Reaching out to help hundreds of families displaced by a fire

Residents of Toronto's St. James Town were going about their lives on a seemingly typical evening in late September when suddenly, the quiet was shattered by wailing sirens. When all was said and done, more than 1,200 residents were forced to leave the high-rise building they called home as a result of the six-alarm blaze.

St. James Town is one of the highest-density neighbourhoods in all of Canada and the majority of residents are from low-income families. In 2005, Manulife entered into long-term partnerships with a number of non-profit organizations in the area to support the residents of St. James Town. In the wake of the fire, which took almost eight hours and more than 100 firefighters to douse, hundreds of families were forced from their homes for an extended period. The neighbourhood needed support more than ever.

Manulife, working with City Hope, was honoured to play a key role in the relief efforts. Through our collaboration with, and financial support of, City Hope, we helped ensure displaced families received clothing, toiletries, school supplies and other essential items. And when residents were unable to return to their homes in time for Thanksgiving, City Hope hosted a number of Thanksgiving dinners to help feed hundreds of families dealing with the aftermath of this devastating fire.



*Manulife collaborated with City Hope to clothe and feed hundreds of families forced from their homes due to fire.*

---

**"Immediately after the fire we were able to sit down with our community partners from Manulife and Rose Avenue School to determine how best to meet the needs of the affected families from 200 Wellesley Street. We are so grateful to Manulife for their commitment to this community and for the support we received during this crucial time." Kevin Moore, CityHope**

---

### Building homes, building futures

Manulife continued its longstanding tradition of supporting Habitat for Humanity in 2010. Hundreds of Manulife employees volunteered their time and elbow grease to help build houses for low-income families in communities across Canada, including Halifax, Kitchener-Waterloo, Burlington and Toronto.

One of those volunteers was Shibani Altenstad, a crew leader for Manulife's 2010 Habitat for Humanity build in Toronto. "It's a very rewarding experience to see the direct impact you have," she says. "Financial assistance is certainly important, but this goes far beyond simply writing a cheque. When you're on a Habitat for Humanity build, you're actually working alongside the family that's going to be living in that home. Each family is required to invest 500 hours of sweat equity into the creation of their homes, so during the build, you're working side by side with them, getting to know the recipients of the volunteer efforts you're putting forth. Having been involved in several key dedication ceremonies, I can say it's really quite an emotional and rewarding experience to see these families finally receive the key to their new home for the very first time." What's Shibani's advice to those who might be thinking about volunteering? "Just do it. You'll get far more back from volunteering than you'll give."

---

**"Whether it's a house you've helped to build or the look on a child's face when you've helped them solve a math problem, volunteering allows you to have such a positive and immediate impact." Shibani Altenstad, Director, Product Development, Manulife Financial**

---



*Manulife employees at Habitat build site 1500 Weston Road, Toronto.*

### Improving childhood literacy through the Frontier College Homework Club

Literacy is absolutely essential in order for children to realize their full potential and take advantage of the opportunities life has to offer. For 12 years, Manulife has been actively supporting the Frontier College Homework Club – a charitable initiative aimed at helping kids with their homework, reviewing their class work, helping them read books, write stories, research assignments and play word games.

In 2010, 50 Manulife employees volunteered their time to help students in grades seven and eight become better readers, writers and thinkers as part of the Frontier College Homework Club. In addition, Manulife provided the club with \$18,500 in funding and hosted homework clubs in two of our Toronto office buildings.

---

**"Volunteering changes you for the better. I've learned as much from it as the kids have!"**

***Ardith Quanbury, MIS Specialist, John Hancock Retirement Plan Services***

---

This past year, Manulife employees assisted 76 students from two schools in low-income communities in Toronto, donating more than 1,000 volunteer hours in one-to-one and small-group tutoring sessions.

"This past year was my fifth with the homework club. It's a wonderful chance to give back to the community," says Ardith Quanbury, MIS Specialist with John Hancock Retirement Plan Services.



*Kate Knowles, Manulife employee, works with a student at the Manulife Homework Club.*





*Luminato Information Booth at Yonge Dundas Square, Toronto.*

### Shining a spotlight on arts and creativity through volunteering

For 10 extraordinary days each summer, Toronto's stages, streets and public spaces are illuminated with arts and creativity. The Luminato festival is an annual celebration of theatre, dance, music, literature, food, visual arts, film and more, attracting more than a million participants each year. Manulife began its relationship with Luminato in 2007 and plays a key role in the success of the festival each year, through financial support and providing employee volunteers to help ensure the festival's many activities run smoothly.

"I've been volunteering with Luminato for three years now. I'm an accountant by trade, so participating in

the festival gives me a great opportunity to contribute to the arts," says Agnes Mark, Director, Market Data Expense Management with Manulife. "It's an honour to represent Manulife, which is the volunteer sponsor, and to interact with people who are attending the festival. There's a whole group of us who get involved. It's a worthwhile experience to help promote the cultural landscape and at the same time, it's a lot of fun."

# Charitable giving highlights – Canadian Division

---



“Volunteerism has always been part of who we are as a Company. The driving force of Manulife’s commitment will be, and has always been, our employees and their long tradition of giving back.”

Nicole Boivin, Senior Vice President, Human Resources and Communications,  
Canadian Division

---

## Our pledge to Canada: The Manulife volunteer commitment

At Manulife, we recognize that volunteers are Canada’s lifeline. From teaching art to our seniors to coaching kids at hockey, from donating blood in our hospitals to giving time at our community centres – volunteers across the country are improving the lives of their fellow Canadians, one hour at a time.

In 2010, we announced the ‘Manulife Volunteer Commitment’ – a nationwide pledge to promote volunteerism by inspiring, supporting and engaging Canadians.

- We’re **inspiring** Canadians to get involved and give back to the community. By participating in groundbreaking programs such as *Canada’s Champions of Change*, Manulife is educating Canadians about volunteerism’s value to the future of our country and encouraging them to get involved.
- We’re **supporting** the development of tools and resources that help grow the potential of Canada’s volunteering community. For example, this past year, Manulife commissioned a landmark research report that shines a spotlight on the behaviours and attitudes of volunteers in Canada, helping us better understand what makes volunteers tick.

- And we’re helping to grow Canada’s army of volunteers by **engaging** them through a number of exciting initiatives, such as the new website [www.getvolunteering.ca](http://www.getvolunteering.ca), an online hub that connects people with great volunteering opportunities.

At Manulife, we believe that every volunteer, every volunteer act and every hour given back helps Canadians prepare to build a stronger future. And preparing for the future is something that our people get behind every day.

Manulife also has a highly-engaged workforce. Our people have a long tradition of giving their time as volunteers to a wide range of charitable organizations. In fact, it was our employees who, through their continued selflessness, inspired us to create the Manulife Volunteer Commitment. In the months and years ahead, Manulife will continue to support volunteering initiatives that make the most of Canadians’ skills, talents and interests to help build a better future for everyone.

In the pages that follow, you’ll read about some of the many ways Manulife gave back in Canada in 2010 – not only our financial support, but also through our employees’ donating the precious gifts of their time and skills to help their fellow Canadians.





Photo by George Campana

*Manulife was honoured to be presenting sponsor of Canada's Champions of Change.*

### Championing change on national television

Manulife was proud to serve as the presenting sponsor of *Canada's Champions of Change* – a groundbreaking, televised search for the country's most passionate volunteers. The popular program encouraged Canadians to nominate individuals who were making significant contributions through their volunteering efforts.

From nearly 2,000 nominations, a panel of judges narrowed the field to 10 finalists. Then, the Canadian public had their say, casting more than 115,000 votes online. In the end, there were two grand prize winners: Bobby Hayes of Saint John, New Brunswick and Bob Davisson of Medicine Hat, Alberta each received \$25,000 for their respective charities, while the other eight finalists each received \$10,000. The \$130,000 in prize money was donated by Manulife, which was honoured to play a role in this special event.

### Gens de cœur

In Quebec, we partnered with Radio-Canada Television on a similar program called *Gens de cœur*, which was unique to Quebec's francophone community. Finalist Dr. Robert Patenaude was awarded the \$20,000 top prize, a donation to his supported charity, the Institute for Research in Immunology and Cancer (IRIC).

*The official announcement of the Manulife Volunteer Commitment – June of 2010.*



Manulife wants to help Canadians  
put something aside for the future.

Their time.

#### **The Manulife Volunteer Commitment.**

Inspired by the longstanding community work of our employees and financial advisors who represent us, Manulife is making a major commitment to supporting volunteerism in Canada. Working with leading non-profit partners, we're creating an online hub that will match people with great volunteer opportunities. We commissioned a landmark research report on what makes volunteers tick. We're the primary sponsor of a national program, Canada's Champions of Change. And there's a lot more to come.

Every volunteer, every volunteer act, and every hour given back helps Canadians prepare to build a stronger future for our country. And preparing for the future is something that Manulife gets behind every day. To learn more or to get a copy of the research report, visit [manulife.ca](http://manulife.ca).



 **Manulife Financial**  
For your future™

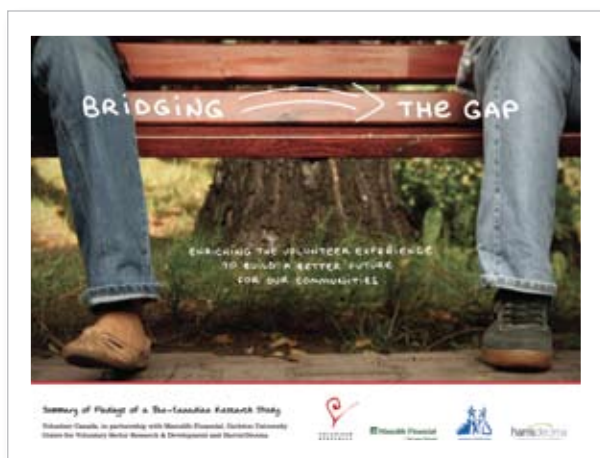
Manulife, Manulife Financial, the Manulife Financial For Your Future logo, the Block Design, the four Cubes Design, and Strong Reliable Trustworthy Forward-thinking are trademarks of The Manufacturers Life Insurance Company and are used by it, and by its affiliates under license.



### Developing a better understanding of what makes volunteers tick

There's never been a greater need for volunteers than right now. And one of the most critical steps in the volunteerism cycle is engaging people to act. In order to better understand what motivates Canadians to give back, Manulife commissioned a landmark research report that provides the most current and in-depth information on the changing nature of Canada's volunteers with a focus on youth, families, employer-supported volunteers and boomers.

The report, titled *Bridging the Gap*, reveals compelling answers to some important questions around what makes volunteers tick. By answering these central questions, we hope to better understand how to inspire future volunteers and to help Canada's volunteering community grow to its full potential.



To read the report, please visit [www.manulife.ca](http://www.manulife.ca) and click on 'Our volunteer commitment'.

### Empowering our employees with 'Community Spirit Days'

Manulife continues to focus on initiatives that foster a spirit of volunteering and which support our employees in their volunteer pursuits. By harnessing this power of giving back, our aim is to build a better future for the communities where our employees live and work. Our Community Spirit Days are just one of the ways we encourage and support our employees' volunteering efforts. Employees have a day off with pay to volunteer for a charity of their choice. 2010 was the second year for this popular program. Nearly 500 Manulife employees took advantage of this unique opportunity to volunteer their time – more than doubling the number of participants from 2009.

---

**"I love to brag about this program to my friends and family. Most people can't believe that my employer gives me a day off with pay to give back to my community." Diana Jordan, Service Coordinator, Group Retirement Solutions**

---



Manulife employees spend Community Spirit Day making meals for Toronto's homeless.

### Helping families cope with Alzheimer's Disease

For the 10th consecutive year, we proudly sponsored the Manulife Walk for Memories, a popular fundraising event that supports the Alzheimer Society of Toronto. Every dollar raised from the event goes toward providing counseling, education and information to those living with Alzheimer's and other dementias and their families. Funding is also directed toward research to help find the cure for this devastating disease.

In 2010, the event raised an impressive \$547,000, far exceeding the goal of \$400,000. Close to 1,200 walkers, family, friends and volunteers came out to remember and honour family and friends who have been touched by Alzheimer's. More than 50 Manulife team members, clad in green Manulife T-shirts, took part in the annual event.



*Manulife Walk for Memories participants raise funds for the Alzheimer Society of Toronto.*

---

**"We really made an effort to get Manulife employees involved in the Walk for Memories this year and it paid off." Elizabeth Boyd, Team Manulife Captain, Director, Corporate Secretary and Corporate Law**

---

### Helping to get food to those who need it most

This past winter, 180 Manulife employees participated in two separate Food Sort Challenge events held in Waterloo and Toronto. The events were organized to help local food banks overcome one of their most pressing logistical challenges of the year – sorting through the massive food donations received during the lead up to the holiday season. Teams competed to see which group could sort the most food. The event made for some friendly competition and fun for the participating teams. Most importantly, however, it helped prepare the food banks to deliver the donated food to local agencies so it could be distributed to emergency food recipients in a timely fashion.



*Manulife employees take part in Food Sort Challenge.*



*Families take part in the Manulife Bike and Hike for Heart.*

### Hitting the streets for cardiac health

Nearly 1,000 cyclists, walkers and volunteers took part in the 18th annual Manulife Bike and Hike for Heart in Waterloo to support heart health. The annual event saw cyclists tackle a 20-kilometre tour through the streets of Waterloo, while walkers strolled along three

and five-kilometre courses. The 2010 event raised \$200,000 for the St. Mary's Regional Cardiac Centre in Kitchener. Since it was first launched in 1993, the Manulife Bike and Hike event has raised more than \$3.1 million for heart health in the Waterloo Region.



# Charitable giving highlights – U.S. Division – John Hancock



Social responsibility is not just a mission; it is a commitment. As Boston is Manulife's U.S. headquarters and John Hancock's home for almost 150 years, our corporate resources primarily serve Boston and the surrounding communities. We make an impact by creating programs and partnering with many of the Boston area's forward-thinking non-profit organizations.

## Funding cancer research with the 'Expect Miracles Foundation'

The Expect Miracles Foundation (formally Mutual Funds against Cancer) is one of the leading advocates in the fight against cancer within the financial services industry. All proceeds raised by the organization benefit the Center for Applied Cancer Science (CACS), part of the Belfer Institute for Innovative Cancer Science at Dana-Farber Cancer Institute. CACS research focuses on the six deadliest cancers: lung, melanoma, colon, pancreatic, glioblastoma and multiple myeloma.

With key support from John Hancock, the 16th annual Expect Miracles Charity Golf Classic raised more than US\$600,000 for the fight against cancer. The sold-out event included the second annual Expect Miracles Kids Golf Clinic, sponsored exclusively by John Hancock. As part of the clinic, 15 children receiving cancer treatment (and their families) had an opportunity to take part in some light-hearted lessons on the fundamentals of golf.



*Bruce Speca, Expect Miracles board member and John Hancock Senior Vice President, with employee volunteers and golf clinic participants.*

### Raising funds and promoting wellness with the Boston Marathon

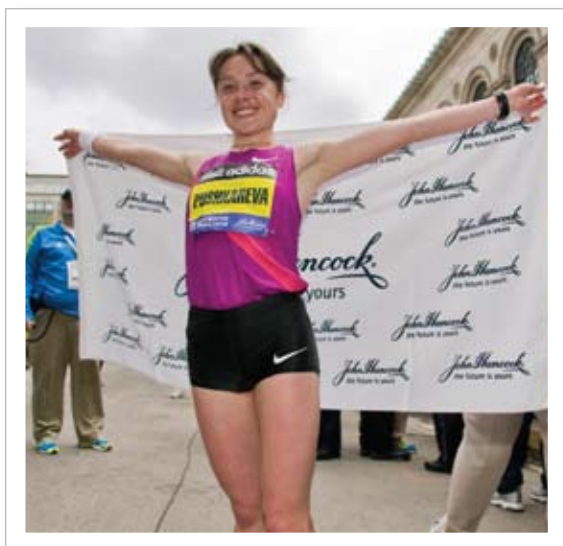
2010 marked John Hancock's 25th year as the principal sponsor of the renowned and historic Boston Marathon. Our continued financial support of the Boston Athletic Association, which has directed the race since 1897, helps ensure the stability of this historic marathon.

---

**"Without the John Hancock employee-training program, I wouldn't have been able to make my dream of running the Boston Marathon a reality."**  
**Susan Cranston, AVP Group Small Business Marketing and Advisor Services, Manulife Financial Canadian Division.**

---

Whenever John Hancock sponsors a major event such as the Boston Marathon, it's vital that the community benefits from our involvement. Each year, we donate hundreds of guaranteed entries to select non-profit organizations. Each non-profit then uses their entries to recruit runners who pledge to raise money for that organization's mission. This past year, nearly 1,000 of these non-profit runners raised US\$4.3 million to support a wide range of worthwhile causes – an increase of 18% over 2009. In addition, more than 300 of our employees participated on race day by volunteering along the 26.2-mile course.

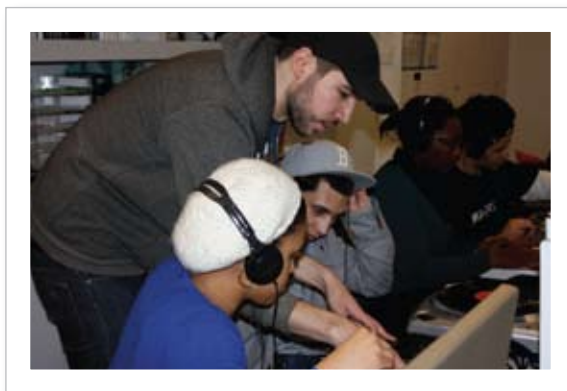


*John Hancock elite athlete*

### Using the arts to engage and inform the leaders of tomorrow

The Institute of Contemporary Art (ICA) is Boston's first new art museum in more than a century. Building on our commitment to help revitalize the South Boston Waterfront, John Hancock has put its support behind the ICA, allowing the museum to expand its offerings in the performing arts, film, media and technology.

As part of this strategic partnership, the ICA established the John Hancock Teen Education Program, which uses the arts to create engaged and informed future leaders and arts audiences. Through programs such as the Teen Arts Council, Teen New Media classes and Fast Forward, the ICA serves nearly 2,000 teens each year.



*Students learning at the John Hancock Teen Education Program.*

### Helping people with intellectual disabilities through Best Buddies

For the second consecutive year, dozens of John Hancock employees participated in the Best Buddies Challenge – a charity bike ride along Massachusetts' South Shore to Cape Cod. Over the past two years, Team John Hancock has raised more than US\$100,000 to support Best Buddies.

---

**"The Best Buddies Challenge is much more than a ride. It's about changing the lives of individuals with intellectual disabilities and coming together to make a difference."**

***Sarah Johnson, Internal Sales Manager for Structured Settlements, John Hancock.***

---

This charitable organization was founded in 1989 by Anthony Kennedy Shriver to help create one-on-one partnerships between volunteers and people with intellectual disabilities, helping these individuals to secure rewarding jobs, live on their own, become inspirational leaders and make lifelong friendships. John Hancock is extremely proud to serve as a major corporate sponsor of Best Buddies and its important social mission.



*Carl Lewis, Olympian and Best Buddies Board Member with Katie Meade, Best Buddies Ambassador.*

### Supporting advances in physical activity, nutrition and obesity prevention

As a leading insurance provider and a principal sponsor of the Boston Marathon for more than a quarter of a century, John Hancock continues to demonstrate its longstanding commitment to helping people live fitter, healthier lives. To help address the alarming rise in obesity and the general decline in physical fitness over the past 30 years, we helped create the John Hancock Research Center on Physical Activity, Nutrition, and Obesity Prevention at Tufts University.

Through the financial support of John Hancock, the Center has become a driving force in the fight against these serious public health challenges. In addition to conducting innovative research in the areas of physical activity, nutrition and obesity prevention, the Center helps train future leaders and has become a catalyst for promoting healthier lifestyles, giving people of all ages the information and tools they need to lead longer, healthier lives.



---

**John Hancock's financial support helped to create a research center aimed at promoting healthier lifestyles and preventing obesity.**

---





*Carol Fulp, Senior Vice President, Brand Communications and Corporate Social Responsibility, John Hancock (far right), with Caroline Kennedy and Michael Reed, 2010 High School Essay Contest Winner (middle).*

### Promoting civic responsibility with the 'profile in courage' essay contest

As part of John Hancock's tradition of supporting civic responsibility, we are honoured to sponsor the annual John F. Kennedy Profile in Courage Essay Contest for High School Students™.

This national contest invites students from across the nation to submit an essay highlighting the political courage of a U.S. elected official. In 2010, 1,863 essays were submitted by students from across the United States.

The winning essayist was Michael Reed, a junior at Chattanooga Center for Creative Arts in Tennessee. Michael's first-place essay earned him a US\$10,000 prize (a US\$5,000 cash award and US\$5,000 to grow in a John Hancock Freedom 529 College Savings Plan). You can read Michael's winning essay by visiting [www.kennedyfoundation.org](http://www.kennedyfoundation.org).

# Charitable giving highlights – Asia Division



Manulife's commitment to Asia extends into the local communities in which we operate. Manulife takes its responsibility as a good corporate citizen very seriously and regularly participates in activities of an educational and philanthropic nature in each territory of business in Asia.

## Providing deserving students with opportunities to learn

This past year, to commemorate the 40<sup>th</sup> anniversary of diplomatic relations between Canada and China, Manulife's joint venture Manulife-Sinochem made a gift to the Manulife Bethune Charity Fund in the Bethune College of Medicine in Jilin University. This donation will be used to sponsor economically-disadvantaged students demonstrating solid academic performance.

Manulife also established a new endowment for an International Scholarship in the Faculty of Graduate Studies for a Junior Fellow at Norman Bethune College at York University in Toronto. The goal of this grant is to attract top-quality graduate students from York University's partner institutions in China so they may continue their pursuit of academic excellence at York University.



*Dedication ceremony of Manulife Bethune Charity Fund and Manulife-Sinochem Special Schools Project, October, 2010, Canadian Pavilion, Shanghai Expo, China.*

## Helping to improve the lives of stroke patients

Manulife Malaysia donated much-needed rehabilitation equipment to Persatuan Kebajikan Bagi Orang Istimewa Kampar, a non-profit organization that provides free services to individuals with disabilities. This equipment will be invaluable in helping the organization to fulfill its mandate of providing services including occupational therapy, physiotherapy, reflexology, early intervention and basic education programs. The Centre currently treats 50 mentally-challenged children through its early intervention program and 80 stroke patients who visit the Centre for therapy and rehabilitation assistance.

**"Manulife's contribution will definitely help our centre to provide better rehabilitation services to our stroke patients." Mrs. Ang Kok Yeang, Chairperson of Persatuan Kebajikan Bagi Orang Istimewa Kampar**



*Agency Manager, Chai Yoong Ching trying out the rehabilitation equipment donated to Persatuan Kebajikan Bagi Orang Istimewa Kampar.*

### Building 124 homes for underprivileged families in the Philippines

In December 2010, Manulife Philippines Group announced an ambitious charitable initiative to build 124 homes for underprivileged families in Muntinlupa City. Manulife is providing financial and volunteer support for the unique community-building program. And Manulife employees have eagerly committed to help build 40 houses per year over the next three years to meet the program's bold objective. "As a reliable community partner, Manulife is pleased to be able to help build homes for underprivileged Filipino families for their future," said Indren Naidoo, Manulife Philippines President and Chief Executive Officer. Manulife is undertaking this ambitious home-building project in conjunction with Gawad Kalinga (GK) Community Development Foundation Inc. and the local government of Muntinlupa City.

### Helping seniors to see clearly once again

In China, Manulife-Sinochem's ambitious '37°C Charity Sale' generated enough funds to provide 450 free cataract correction surgeries to underprivileged seniors in five cities in Sichuan. The sale, which was named after the optimal human body temperature, was organized in cooperation with the Sichuan Disabled Foundation. More than 10,000 Manulife-Sinochem agents and staff attended the charity sales of special light fixtures called 'Love Lights'. The sale lasted for two-and-a-half months and generated sales of nearly 30,000 lights in 41 cities.

---

**"We take our corporate social responsibilities very seriously and contribute to the communities in which we work through participation in many charity events such as this." James Lin, President, Manulife-Sinochem**

---



*James Lin, President of Manulife-Sinochem;  
Ding Er Zhong, Deputy Chairman of Sichuan  
Disabled Foundation*

### Bringing smiles to the faces of children with serious illnesses

In 2010, Manulife Philippines celebrated the 10th anniversary of its partnership with Migi's Corner Foundation, a special charity that provides recreational activity spaces in hospitals for children battling serious illnesses. In addition to its financial support of the program, Manulife Philippines' employee volunteers do their part by helping to stock these recreational areas with toys, books and furniture. Throughout their 10-year partnership, Manulife Philippines and Migi's Corner have created these recreational activity corners in 10 separate locations, helping to bring smiles to the faces of hundreds of children fighting serious illnesses.

### A tradition of assisting kids with learning disabilities

2010 marked the 11<sup>th</sup> anniversary of the creation of the Manulife Centre for Children with Specific Learning Disabilities at the Polytechnic University of Hong Kong. The Centre is committed to assisting children with learning disabilities such as dyslexia, attention-deficit and hyperactivity disorders, etc. and empowering their parents to help these children reach their full potential. Over the past 11 years, the support of the Manulife Charitable Foundation has helped the Centre hold more than 300 seminars, workshops and training programs for 8,000 local students with various educational needs. In addition, training was provided to more than 6,000 parents, teachers and other in-service professionals.



*Michael Huddart, Executive Vice President and  
Chief Executive Officer, Manulife Hong Kong,  
at the Manulife Centre for Children with  
Specific Learning Disabilities of the Hong Kong  
Polytechnic University.*





*Bob Cook, Senior Executive Vice President and General Manager, Manulife Asia, and Michael Huddart, Executive Vice President and Chief Executive Officer, Manulife Hong Kong (both at left) leading a strong team of more than 3,000 agents and staff from Manulife to embark on the Walk for Millions.*

### **Walking in support of children and youth**

A team of more than 3,000 Manulife employees and agents came out to participate in the Walk for Millions in Hong Kong. This annual walk is the flagship fundraising event for the Community Chest of Hong Kong, an independent, non-profit organization that is widely considered to be one of the most important charities in Hong Kong.

This was the 16<sup>th</sup> year that Manulife fielded a team for the charity walk. Over that time, more than 14,900 Manulife employees and agents have taken part in the walk, helping to raise more than HK\$10 million to support services operated by social welfare agencies of the Community Chest of Hong Kong.

---

**Manulife is proud to have been recognized as a Caring Company for the eighth consecutive year in 2010 by the Hong Kong Council of Social Service.**

---

# The Dominic D'Alessandro Community Award

---



This award recognizes the outstanding volunteer contributions of an individual to his or her community.

---

This award honours the legacy of Dominic D'Alessandro, who served as President and CEO of Manulife from 1994 to 2009.

Employees are nominated by their colleagues and must demonstrate having gone above and beyond the call of duty in support of others through outstanding volunteer service, leadership and dedication. The award recipient is selected by a global panel of Manulife's community relations experts.

Peter Shum, Executive Regional Director in Kowloon South District in Hong Kong is a passionate leader with a reputation for inspiring others to get involved in community-minded initiatives in Hong Kong and Greater China. Peter, who joined Manulife Hong Kong in 1973, established the Peter Shum Charity Engineering Fund in 2003 to help orphans and children with physical and mental disabilities get access to a proper education and healthy living environments. And since 1991, Peter has been actively involved with the Scout Association of Hong Kong. Through his tireless efforts, he has helped thousands of children and young leaders to develop their skills and enhance their lives. Congratulations, Peter, on your well-deserved award.



*We are very pleased to recognize Peter Shum as the recipient of the 2010 Dominic D'Alessandro Community Award.*





forward-thinking



# Our commitment to the environment



Manulife's commitment to the environment reflects our responsible and forward-thinking approach to our business.

We are proud to conduct our global businesses in a manner that reflects the highest standards of environmental responsibility. Whether we're reducing waste, conserving energy or planting thousands of trees, our actions underscore our respect for the planet and our concern for future generations.

We recognize our obligation to protect and sustain the world's resources and we conduct our business in a way that is consistent with that obligation.

## Our environmental policy

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

Manulife will:

- Promote environmental responsibility and conservation to all employees;
- Distribute the policy and all relevant procedures to employees with applicable job accountabilities for their guidance and implementation into business practices;
- Ensure 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 the ongoing dialogue with government and industry to establish and promote practical environmental goals; and
- Maintain procedures to ensure the effective implementation of the environmental policy.

## Energy conservation and CO<sub>2</sub>e reduction

Because we own and operate most of the buildings in which our employees work, we have a direct ability to manage and reduce the carbon emissions we produce as part of our day-to-day operations. Our Real Estate group has worked for more than 25 years to make these facilities, and those we manage on behalf of our tenants, as energy-efficient and sustainable as possible. Each year, we set goals for performance improvement in these buildings. We are pleased to report that ongoing improvements and retrofit programs have allowed us to meet those ambitious targets each year.

In addition, Manulife conducts regular energy performance reviews in all Company-owned and managed real estate properties. This helps us monitor and improve energy efficiency and conservation efforts. We have also made significant investments in building automation systems that have resulted in consistent improvements.

## Continued excellence

On the whole, these efforts helped reduce energy consumption by nearly 4,090 metric tonnes of CO<sub>2</sub>-equivalent (CO<sub>2</sub>e) emissions in 2010. This represents a reduction of 2.7 per cent compared with levels in 2009.

Manulife achieved similar reductions in water use, with consumption down 6.1 per cent to 69.5 litres per square foot in 2010, compared with 74.0 litres per square foot in 2009. We are extremely proud of the positive impact these programs are having and remain committed to pursuing ongoing energy efficiencies in the future.

Building upon a long trend of excellent energy management, our overall energy efficiency continued to improve in 2010, with energy consumption for our 18.4 million square foot managed office portfolio decreasing 2.8 per cent to 20.8 kilowatt hours per square foot in 2010 from 21.4 kilowatt hours per square foot in 2009.

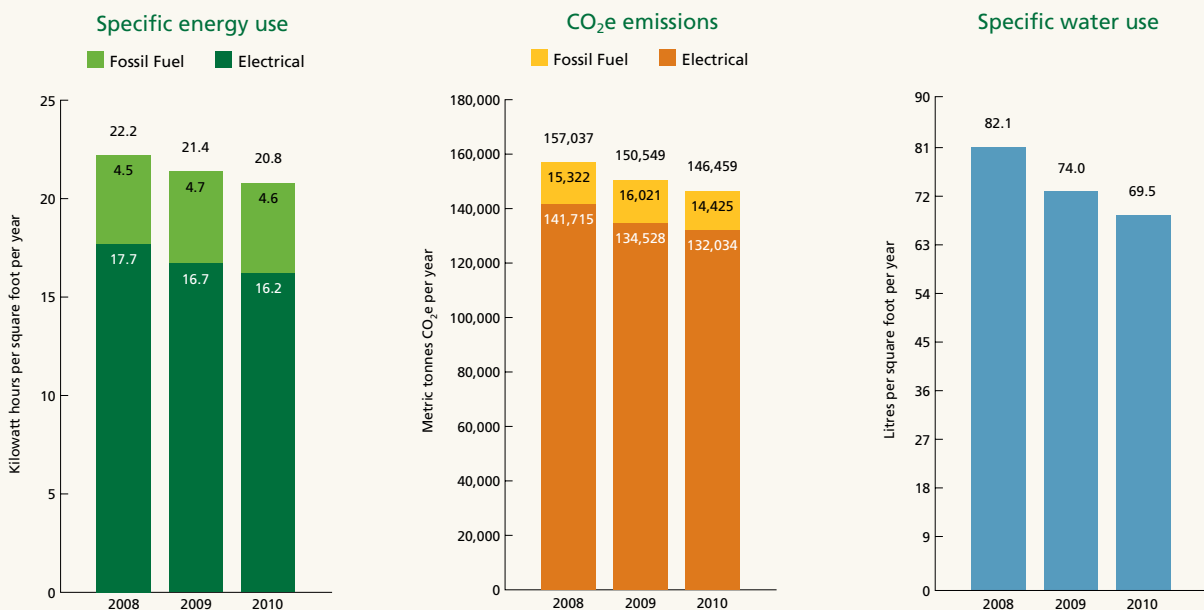
## Helping our customers and employees 'live green'

As part of its focus on sustainable business practices, Manulife continues to migrate customers and producers toward electronic statements wherever possible. In 2010, in the United States alone, John Hancock companies were able to reduce annual paper consumption by 29.8 million sheets. Manulife remains enthusiastic in its promotion of e-delivery services and will continue to achieve dramatic reductions in paper use in the years ahead.

Manulife's procurement and purchasing policies for office equipment closely monitor the need for reduction and energy efficiency. Our purchase of white paper included the highest possible content of recycled material. And a significant 53.4% of the 1,613.9 tons of purchased paper was made with recycled material.

## Measuring efficiency

Company-owned and managed office properties



## Sustainable investing

Our investments not only provide a strong and sustainable future for our clients, they can also be beneficial for the environment. Through sustainable investing in renewable energy and managing our forest lands wisely, as well as our many volunteer programs aimed at helping the environment, we are doing our part to protect fragile communities and habitats around the world.

## Supporting renewable energy

Manulife is recognized as a leading arranger and provider of financing to the renewable power sectors in Canada and the United States. Our dedicated project groups in Toronto and Boston have developed expertise in the sustainable energy arena, with investments across the full spectrum of renewable energy technologies, including wind, hydroelectric, geothermal, biomass, solar, landfill gas and biomass waste-to-energy projects.

In 2010, our collective investments in renewable energy projects were \$798 million, a substantial increase from the 2009 total of \$650 million. In addition to our direct investment we arranged an additional \$405 million in project financings last year. Since we created our dedicated teams in this area, Manulife's aggregate investment in renewable and energy-efficient projects has exceeded \$4.0 billion in financing.

Some examples of North American projects we invested in last year:

- The 120-megawatt Windstar wind energy project, located in California
- The 90-megawatt Thames River wind project, located in Ontario
- The 49-megawatt Blue Mountain geothermal project located in Nevada
- The 20-megawattt Bear hydroelectric project located in British Columbia
- The 48-megawatt Pointe-Aux-Roches wind project, located in Ontario
- The 100-megawatt Mount Louis wind project, located in Quebec
- The 78-megawatt Raleigh project, located in Ontario

These projects will generate sufficient clean, renewable energy to power tens of thousands of homes across Canada and the U.S. We are proud of our role as a leading provider of financing to the renewable power industry.



## Protecting our forest investments

The Hancock Timber Resource Group, a Manulife subsidiary, is the world's largest manager of timberland investments for institutional and private equity investors with approximately 5.3 million acres under management. With a disciplined approach to forest stewardship, our goal is to manage and protect our forest investments in a way that maintains and enhances economic, community and natural resource values.

Timberlands we manage globally are third-party certified against recognized industry benchmarks including the Forest Stewardship Council, the Sustainable Forestry Initiative and the Australian Forestry Standard. They are subject to audits which provide assurances to stakeholders that the lands will be managed responsibly and sustainably, and that continuous improvement in management practices will be sought.

Our Company has a long history of working with communities, governments and conservation groups to protect the environment. During 2010, our Sensitive Lands Program, which aims to preserve environmentally sensitive lands that are occasionally acquired with large timberland acquisitions, has protected approximately 430,000 acres globally, an area approximately the size of the city of Toronto. Not only are these transactions crucial to protecting the environment, but they are also driven by business and client considerations.



Last year we completed the sale of 13,350 acres of land in Dragon Run Swamp in Virginia to The Nature Conservancy which subsequently placed a conservation easement on the land. The easement, which was approximately the same size as Manhattan Island and the largest in Virginia history, was on one of the most ecologically important areas in the Chesapeake Bay region.

We also actively work to replenish our timberlands, and in 2010, planted approximately 40.6 million seedlings on 91,539 acres of our timberland. 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 and farmland investments

Another Manulife subsidiary, Hancock Agricultural Investment Group is one of the world's largest institutional managers of farmland. We manage approximately 260,000 acres of permanent and row croplands in the United States, Australia and Canada. We believe environmentally responsible farmland stewardship is consistent with generating and preserving long-term investment value for its clients. We adopt technology and evolve management practices to reduce the environmental impact of our operations. For example, we utilize soil moisture monitoring equipment to more efficiently match the water application to the particular needs of an orchard or vineyard. In addition, rather than burning material generated from annual prunings of vineyards and orchards, we now shred the material and place it back on the ground where it breaks down into nutrients and is absorbed back into the soil.



### Living our commitment to the environment

In addition to our many environmentally focused policies and initiatives at the corporate level, Manulife and its employees around the world also show support for the environment through a long list of activities and initiatives at the local level. Here are just a few examples of that commitment in action in 2010:

---

**"We hope this community exercise will provide invaluable benefit to the community today and for future generations of Indonesians."**  
**Alan Merten, President, Director and CEO of Manulife Indonesia**

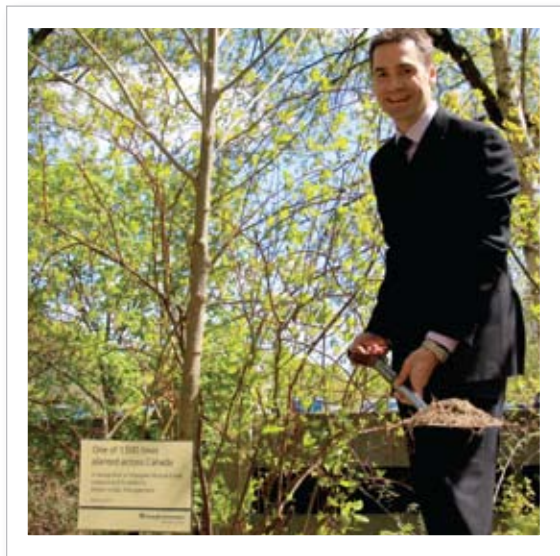
---

#### *Seedlings for the future in Indonesia*

Manulife Indonesia took part in a unique mangrove conservation program this past year, in collaboration with Jakarta Green Monster, a group of volunteers committed to maintaining urban wetlands. Mangroves are an important component of the local wetland ecosystem, acting as a breeding ground for many vital marine organisms. As part of the program, 600 seedlings were planted in two key mangrove areas. These seedlings are expected to contribute to the future sustainability of mangroves in the area.

### ***Planting 1,500 trees across Canada***

In 2010, to celebrate reaching \$15 billion in assets under management, Manulife Mutual Funds, in conjunction with Tree Canada, planted 1,500 trees across Canada. The planting of these trees helped reflect Manulife's strong commitment to the environment, while also symbolizing the Company's prospects for long-term growth.



*Paul Lorentz, President, Manulife Investments, Canadian Division, planted a tree at 200 Bloor St. E. in Toronto early in 2010 to commemorate Manulife Mutual Funds, surpassing \$15 billion in assets under management.*

### **A continuing tradition of sustainable building management**

Every day, Manulife reinforces its commitment to environmental sustainability through our forward-thinking building management practices. Once again in 2010, Manulife was delighted to receive a number of awards and distinctions recognizing our continuing work in this area. The following are just two of the many such awards Manulife received last year.

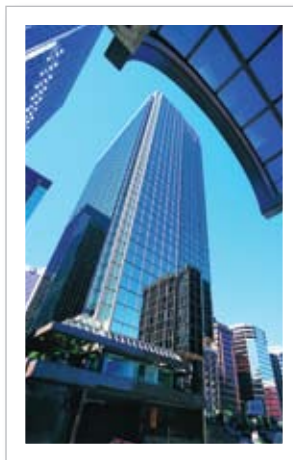
### ***Chicago***

The Building Owners and Managers Association of Chicago awarded Manulife its annual 'The Office Building of the Year' (TOBY) Award for excellence in office building management and sustainability initiatives in the 500,000 to 1,000,000 square foot category for the Company's 191 North Wacker Drive building.



### ***Vancouver***

The Building Owners and Managers Association of Canada named Manulife Place in Vancouver, British Columbia as the recipient of the 2010 The Office Building of the Year (TOBY) Award in the 100,000 to 249,000 square foot category. This 21-storey tower, completed in 1989, houses numerous commercial offices as well as the Consulate General of the United States and was selected for its exemplary building management and sustainability initiatives.







strong





# Our commitment to our clients

---



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

---

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

## Financial strength

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

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

## Prudent risk management

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

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

### Strong capital levels

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

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

### Diverse business platform

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

### High-quality investment portfolio

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

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



# Our commitment to our employees

---



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

---

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

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

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

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

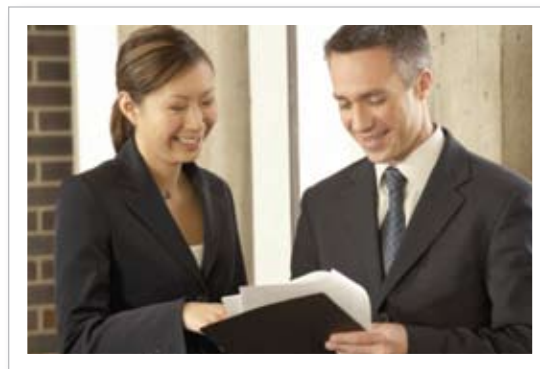
- opportunities for employees to demonstrate initiative and engage in projects and activities that may have a direct impact on the Company's future performance;
- our dedication to bias-free employment practices and to the attraction and retention of employees with diverse backgrounds, reflecting the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

projects and different parts of the business in other operating units of our multinational Company; and

- true geographic diversity, with operations in 22 countries and territories around the world.

## Supporting the health and wellness of our employees

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





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

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

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

### Manulife named one of the Best Employers for New Canadians

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



**Best Employers  
for New Canadians**

**2010**



SUPPORTED BY:  
**ALLIES**

### Workforce data

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

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

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

\* Caribbean, Europe, Latin America and India

<b>Worldwide workforce</b>	<b>23,978</b>	<b>841</b>	<b>24,819</b>
----------------------------	---------------	------------	---------------

# A leader in corporate governance



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

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

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

**The Code is available on the Company’s website at [www.manulife.com](http://www.manulife.com).**

## A leader in corporate governance

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

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

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

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

## Privacy

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

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

**To view our complete Statement of Corporate Privacy Principles, please visit [www.manulife.com](http://www.manulife.com).**

# Financing business – Canada



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

## Investing in our local economies

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

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

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

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

## Private placement

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

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

## Equity and mezzanine debt financing

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



# Financing business – United States



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

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

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

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

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



*Capstar Plaza, Austin, Texas*

# Debt financing

## Amount authorized in 2010

(\$ thousands)	\$0-\$24,999	\$25,000-\$99,999	\$100,000-\$249,999	\$250,000-\$499,999	\$500,000-\$999,999	\$1,000,000-\$4,999,999	\$5,000,000 and greater	Total
British Columbia	–	–	150	500	2,424	32,124	154,551	189,749
Alberta	–	50	159	–	617	25,625	275,030	301,481
Saskatchewan	–	–	–	419	–	1,831	13,135	15,385
Manitoba	–	–	–	–	–	4,262	–	4,262
Ontario	–	202	1,153	3,611	9,520	89,651	988,773	1,092,910
Quebec	–	80	358	345	1,053	11,627	218,292	231,755
New Brunswick	–	–	–	–	–	6,784	6,860	13,644
Nova Scotia	–	–	182	–	689	–	60,000	60,871
Prince Edward Island	–	–	–	–	827	–	–	827
Newfoundland and Labrador	–	–	150	–	–	–	–	150
Yukon	–	–	–	–	–	–	–	–
Nunavut	–	–	–	–	–	3,250	–	3,250
Northwest Territories	–	–	169	–	–	–	–	169
Total Canada	–	332	2,321	4,875	15,130	175,154	1,716,641	1,914,453
Total U.S.	–	–	–	–	–	54,618	3,678,806	3,733,424
Total Asia	–	–	–	–	–	–	–	–
<b>Total</b>	–	332	2,321	4,875	15,130	229,772	5,395,447	5,647,877

## Number of customers to whom debt financing was authorized in 2010

	\$0-\$24,999	\$25,000-\$99,999	\$100,000-\$249,999	\$250,000-\$499,999	\$500,000-\$999,999	\$1,000,000-\$4,999,999	\$5,000,000 and greater	Total
British Columbia	–	–	1	2	3	14	7	27
Alberta	–	1	1	–	1	10	14	27
Saskatchewan	–	–	–	1	–	1	1	3
Manitoba	–	–	–	–	–	2	–	2
Ontario	–	3	7	11	13	39	33	106
Quebec	–	1	2	1	2	4	4	14
New Brunswick	–	–	–	–	–	2	1	3
Nova Scotia	–	–	1	–	1	–	2	4
Prince Edward Island	–	–	–	–	1	–	–	1
Newfoundland and Labrador	–	–	1	–	–	–	–	1
Yukon	–	–	–	–	–	–	–	–
Nunavut	–	–	–	–	–	1	–	1
Northwest Territories	–	–	1	–	–	–	–	1
Total Canada	–	5	14	15	21	73	62	190
Total U.S.	–	–	–	–	–	10	114	124
Total Asia	–	–	–	–	–	–	–	–
<b>Total</b>	–	5	14	15	21	83	176	314

# Accessible banking



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

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

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

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



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

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

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

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

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



# Taxation

## Canada

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

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

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

## Taxes paid or payable in Canada

For the year ended December 31, 2010

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

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



# Business achievement awards



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

## Toronto

### *Manulife Mutual Funds earns two Canadian Investment Awards*

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

## Thailand

### *Manulife receives prestigious award from the Thai government*

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



*Manulife employees accept Prime Minister Award*

## China

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

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



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



## Hong Kong

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

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



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

## Boston

### ***John Hancock Life Insurance earns six awards for sales/marketing***

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

## Shanghai

### ***Manulife-Sinochem earns Government Excellence Award***

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

## Boston

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

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

## Indonesia

### ***Manulife wins two Life Insurance Company Awards***

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



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

# Community service awards



Manulife receives numerous awards and distinctions each year recognizing our contributions to the community. A complete listing can be found at [www.manulife.com](http://www.manulife.com).

## Toronto

### ***Manulife wins top fundraising award at Manulife Walk for Memories***

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



*Team Manulife accepts top fundraising award at Walk for Memories.*

## Hong Kong

### ***Manulife wins Volunteer Movement Gold Award***

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

## Hong Kong

### ***Manulife named Caring Company for eighth consecutive year***

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



## Boston

### ***American Heart Association deems John Hancock 'Fit Friendly'***

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



### Manulife is officially designated a Caring Company by Imagine Canada

As a Caring Company, we agree to:

- Commit a minimum of one per cent of pre-tax domestic profit to support charitable and non-profit organizations measured on a five-year rolling average;
- Encourage and facilitate personal giving and the volunteer activities of our employees;
- Support and sustain at least one community investment project that is championed by the Chief Executive Officer and that leverages the skills and competencies of the Company to make a difference in the community;
- Demonstrate leadership by annually publishing a public report that displays the Caring Company trustmark and describes our community investment and citizenship activities;
- Pay membership fees on an annual basis for the period of our commitment; and
- Encourage other companies, as appropriate, to pledge to Imagine Canada's Corporate Citizenship Commitment.



Manulife Financial's 2010 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  
Manulife Trust Company

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

Manulife Financial Corporation and its subsidiaries, including The Manufacturers Life Insurance Company, are referred to herein as "Manulife" or the "Company". This Public Accountability Statement is published for the financial year ended December 31, 2010.



# www.manulife.com

**Contact us**

Manulife Financial Corporation's 2010 Public Accountability Statement is also available to view and download from our website at [www.manulife.com](http://www.manulife.com).

Manulife Financial Corporate Communications  
200 Bloor Street East, North Tower 2  
Toronto, Ontario, Canada M4W 1E5  
Fax: (416) 852-9300  
E-mail: [corporate\\_communications@manulife.com](mailto:corporate_communications@manulife.com)

**Donations and sponsorships**

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

Manulife Financial Annual Report available online at [www.manulife.com](http://www.manulife.com)

We encourage shareholders to help our environment and reduce paper use by signing up to receive documents electronically. For details about electronic document delivery or more information about other e-services, please contact our local stock transfer agents, listed in the annual report.

Manulife Financial and the block design are registered service marks and trademarks of The Manufacturers Life Insurance Company and are used by it and its affiliates, including Manulife Financial Corporation.

May 2011

 **Manulife Financial**  
| **For your future™**