Manulife
Investment Management

Factsheet
December 31, 2025

Global Quality Value Strategy

Style:	Global Large Cap Value
Strategy Inception:	January 2010
Benchmark:	MSCI World (Net) Index
Number of Holdings:	40–70
Expected Tracking Error:	3–6%

Investment philosophy[1]

The Global Quality Value Team believes a long-term orientation and focus on fundamentals, quality, ESG and valuation will continue to drive strong risk-adjusted outperformance with downside market protection.

Investment process[2]

Idea generation

- Ideas can come from a variety of resources including proprietary research, conferences and engagement with management
- Quality, global valuation and ESG screens

Fundamental research

- Understand quality of the business
  - Franchise with an enduring business
  - Management team that are good stewards of capital allocation
  - ESG strategy
  - Strong balance sheets with appropriate leverage
  - Sustainable free cash flow
- Build the model
  - Common model format
  - Full historical detail
  - Five years of proprietary divisional forecasts
- Multi-scenario valuation analysis
  - Consistent approach to valuation measures as appropriate by company or sector
  - Keen focus on downside risk

Portfolio construction

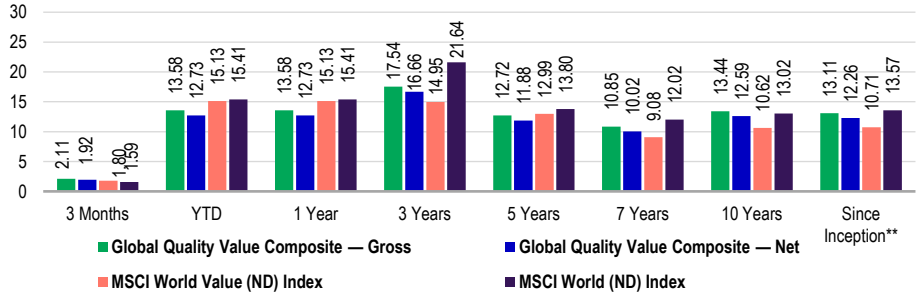
- Assess upside/downside profile of each stock
- Asset portfolio risk: unintended sector/industry/security exposures
- Diversification and liquidity considerations

Risk management

- ESG exposure analysis
- Combining portfolio manager independence and third party cross checks
- Risk management integrated into process
- Detailed valuation analyses mitigates investment risk
- Daily relative risk monitoring of overall portfolio
- Monthly risk meeting

Composite Performance*

Returns (%) as of December 31, 2025



Calendar Year Returns (%)	2025	2024	2023	2022	2021	2020	2019	2018	2017
Global Quality Value Composite (gross)	13.58	21.51	17.66	-7.75	21.52	6.70	24.54	-1.23	10.11
Global Quality Value Composite (net)	12.73	20.60	16.78	-8.44	20.61	5.90	23.61	-1.97	9.28
MSCI World Value (net) Index	15.13	29.43	20.47	-12.19	20.78	13.87	21.22	-0.49	14.36
Excess return (gross)	**-1.55**	**-7.92**	**-2.81**	**4.44**	**0.74**	**-7.17**	**3.32**	**-0.74**	**-4.25**
Excess return (net)	**-2.40**	**-8.83**	**-3.69**	**3.75**	**-0.16**	**-7.97**	**2.39**	**-1.48**	**-5.08**
MSCI World (net) Index	15.41	21.58	8.52	0.27	20.91	-2.90	15.59	-2.75	13.04
Excess return (gross)	**-1.83**	**-0.07**	**9.14**	**-8.03**	**0.62**	**9.59**	**8.95**	**1.52**	**0.70**
Excess return (net)	**-2.68**	**-0.98**	**8.26**	**-8.72**	**-0.29**	**8.79**	**8.02**	**0.78**	**-0.13**

Gross performance results do not reflect the deduction of investment management fees and are net of commissions and foreign withholding tax. Changes in exchange rates may have adverse effects. Net performance results reflect the application of the highest incremental rate of the standard investment advisory fee schedule to gross performance results. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. Investment management fees are available upon request.

Strategy Highlights

Quality focus

- Focus on companies that have enduring businesses; strong management teams that are good stewards of capital allocation; strong balance sheets with appropriate leverage; ESG strategy and sustainable free cash flow.

Valuation focus

- Seeking the greatest risk-adjusted upside to intrinsic value.

Downside resiliency

- Greatest risk is the permanent loss of capital. Keen attention to quality and the downside of every stock.

Transparency, repeatability and consistency

- Consistent and straight-forward investment philosophy that employs detailed and repeatable methods to uncover and value candidate investments.

Investment team	Years of experience
Paul Boyne	38
Edward Ritchie	30
Felicity Smith	40
Stephen Hermsdorf	29

1 This material contains information regarding the investment approach described and is not a complete description of the investment objectives, risks, policies, guidelines, or portfolio management and research that supports this investment approach. There is no guarantee that investment objectives will be met. The investment process may change over time. **2** No investment strategy or risk management techniques can guarantee returns or eliminate risk in any market environment. *Past performance is not indicative of future results. Performance shown is the Manulife Investment Management (US) Global Quality Value Composite as of December 31, 2025 in CAD. Returns greater than one year are annualized. **Composite Inception date, January 2010.

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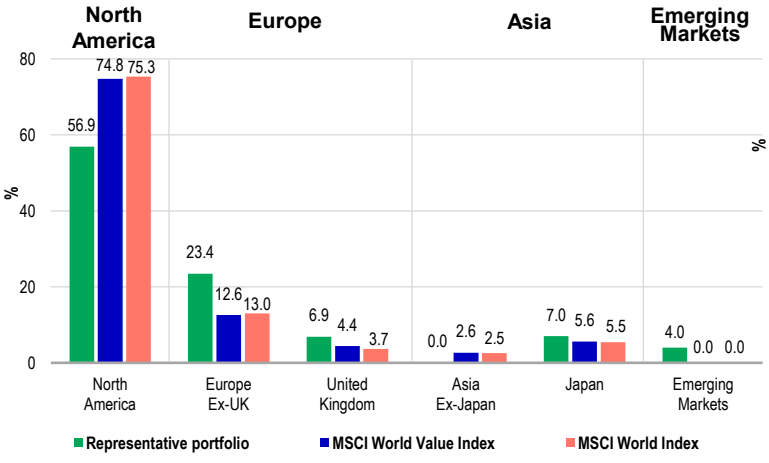
Representative portfolio characteristics[3]

	Representative portfolio	MSCI World Value Index	MSCI World Index
Wtd. Avg. Market Cap (C$M)	326,454	384,098	1,030,000
Number of Holdings	64	876	1,309
Number of Countries	13	23	25
Price/Book Ratio (x)	2.13	2.45	3.76
P/E Ratio (1 yr. forward) (x)	15.71	15.65	19.89
Return on Invested Capital (%)[5]	7.56	7.32	9.39
Dividend Yield (%)	1.86	2.44	1.55
Net Debt / EBITDA (x)[5]	2.08	2.37	1.82
Active Share vs.		88.54	88.60

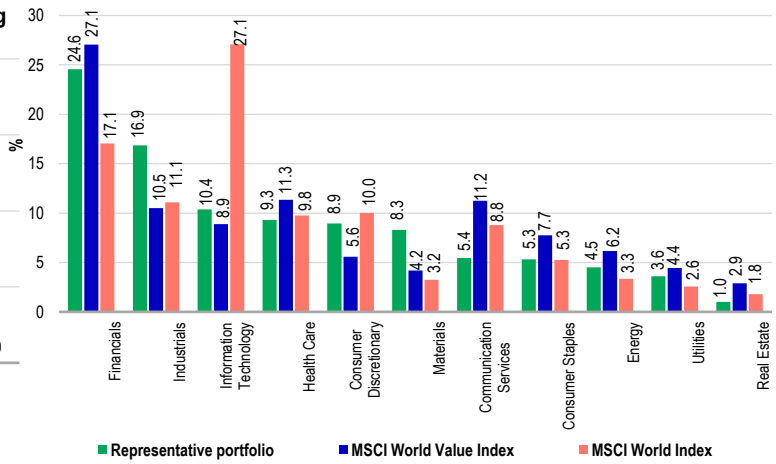
Representative portfolio top ten active holdings (% Wt.)[3]

	Country	MSCI ESG Rating	Representative portfolio
Microsoft	United States	A	2.83
McKesson	United States	AA	2.70
ING	Netherlands	AAA	2.48
Deutsche Bank	Germany	AA	2.25
CRH	United States	AAA	2.25
Ryanair	Ireland	A	2.08
CSX	United States	AA	2.06
Sumitomo Mitsui Trust	Japan	AA	2.04
National Grid	United Kingdom	AAA	2.04
Taiwan Semiconductor	Taiwan	AA	2.01
Total			**22.74**

Regional weights (%)[3]



Sector allocation (%)[3]



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The strategy seeks to provide long-term capital appreciation through investment in high-quality global companies bought at what the team considers the right price. Their long-term approach is designed to deliver strong risk-adjusted performance with downside market protection.

3 Representative portfolio characteristics — Holdings, sector weightings, market capitalization and portfolio characteristics are subject to change at any time and are based on a representative portfolio, and may differ, sometimes significantly, from individual client portfolios. Top ten holdings information shown combines share listings from the same issuer, and related depositary receipts, into a singular holding to accurately present aggregate economic interest in the referenced company.