

USD Global Health Fund

An investment fund option for variable life insurance products of **The Manufacturers Life Insurance Co., (Phils), Inc.**

Investment Objective

The Fund aims to maximize total return by investing substantially all of its assets in one or more collective investment schemes which aims to provide medium to long term capital growth by investing mainly in equity and equity-related securities in health care and related industries globally, which are listed on any stock exchange. The Target Fund may invest in companies which derive a significant portion of their earnings from medical and pharmaceutical products and services. The remaining assets may include bonds and deposits.

Fund Information

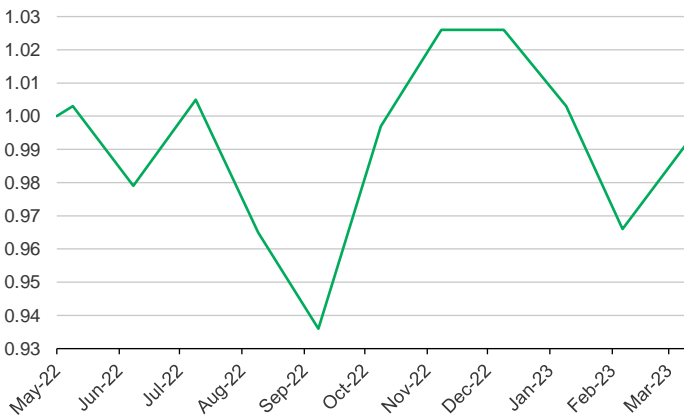
Inception Date May 2022	Fund Size USD 209.16 thousand	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 0.991	Management Fee 2.25% per annum	Bloomberg Ticker PHEQUUH	

Performance Return (March 31, 2023)

USD Global Health Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	2.59%	-3.41%	n.a.	n.a.	n.a.	-0.90%
Annualized	n.a.	n.a.	n.a.	n.a.	n.a.	-0.90%

Past performance is not an indication of future results. Information about the portfolio's holdings, asset allocation, or country diversification is historical and is not an indication of future portfolio composition, which will vary.

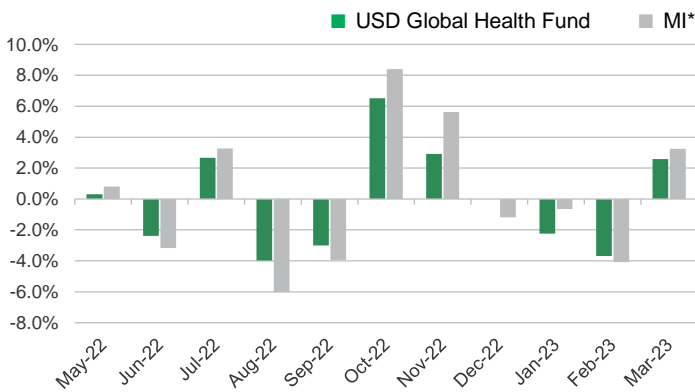
Monthly Net Asset Value per Unit



Top Five Holdings

Eli Lilly and Company	6.74%
UnitedHealth Group Incorporated	6.74%
Novo Nordisk A/S Class B	5.79%
Thermo Fisher Scientific Inc.	5.30%
AstraZeneca PLC	5.18%

Monthly Performance

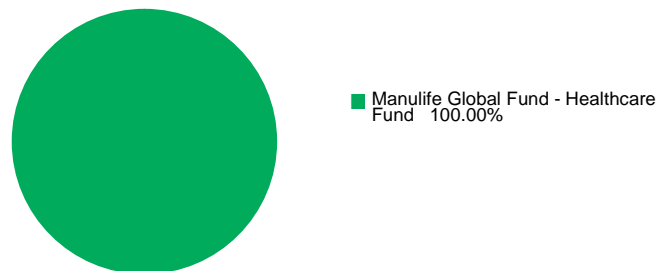


*100% MSCI World/Healthcare NR USD index

This is not a deposit product. Earnings are not assured and principal amount invested is exposed to risk of loss. This product cannot be sold to you unless its benefits and risks have been thoroughly explained. If you do not fully understand this product, do not purchase or invest in it.

Portfolio Breakdown

Asset Allocation (at Market Value)



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Market Review

World equity markets produced a modest gain in March, which represented a positive outcome given the challenging nature of news flow. Two key events had the potential to weigh on sentiment in the month. First, the US Federal Reserve Board (Fed) indicated it would need to continue tightening monetary policy in order to fight persistent inflation. As a result, optimism that the Fed was nearing the end of its long series of rate hikes—a factor that contributed to the market rally in January—began to fade. Second, the failure of Silvergate Bank, Silicon Valley Bank, and Signature Bank in the United States, as well as troubles for the European financial institution Credit Suisse, raised fears that a banking crisis may be in store. These concerns rapidly dissipated, however, contributing to a strong rally in the final week of the month. America's technology sector and global semiconductor stocks generated particularly robust returns, providing an important boost to the major world indexes.

The healthcare sector provided a positive return during the period and modestly outperformed global markets, as measured by the MSCI World Index. The healthcare technology and pharmaceutical sub-sectors performed well, whilst healthcare providers and services and life science tools and services companies detracted from performance.

Outlook

We believe exposure to the healthcare sector offers the potential for a strong long-term performance. In particular, we believe the pandemic has invariably created structural changes to the healthcare industry, providing enhanced investment opportunities across select segments of the sector. We continue to deploy our bottom-up fundamental investment process informed by assessment of emerging scientific and medical trends coupled with our intrinsic valuation analysis. This approach should ensure that our allocation of capital is focused on companies tackling important unmet medical needs, pursuing underappreciated market opportunities, and/or demonstrating an ability to bend the healthcare cost curve.

Within the biopharmaceuticals sub-sector, we are focused on companies with best-in-class product portfolios, serving patients in disease states with inelastic demand. Our findings related to structural changes in the healthcare industry support the urgency to effectively manage other pre-existing disease states (cancer, metabolic syndrome, asthma, and other immunologic disorders), which our research suggests predisposing these comorbid patients to higher morbidity and mortality from Covid-19. Accordingly, this has led us to establish/increase positions in biopharmaceutical companies over-indexed to cardiovascular disease, Alzheimer's disease, and diabetes. We have also maintained select positions in certain companies with direct exposure to Covid-19 therapeutics and vaccines, consistent with our thesis that the endemic state of the virus will persist.

Fundamentals within specific pockets of both the healthcare equipment and supplies and life science tools and services industries remain attractive. Specifically, we believe select companies will continue to reap the benefits of the excess cashflows generated from Covid testing, consistent with the emerging endemic state of the virus. We believe several of these companies will generate above-market returns, as the incremental research, capex, and pipeline investments they have implemented reach fruition in the coming quarters and years.

Within the healthcare providers and services industry, we see value in select supply chain companies, specifically pharmaceutical wholesalers. We expect these companies to see improving margins from accelerating drug inflation and continued recovery in prescription volumes. We have also increased our positioning in select healthcare insurers, commensurate with improved profit profiles associated with the Covid-19-induced reduction in office visits and surgeries in the medicare population.

Mergers and acquisitions activity in healthcare remain abundant as we have entered the later stages of a multi-year capital markets financing window. The historic run of initial public offerings and secondary offerings has waned. We believe the Fund is well positioned in this regard, as demonstrated by the recent completion of an acquisition of one of our healthcare IT companies.

Notwithstanding aforementioned headline risks, we believe that the defensive characteristics of the sector coupled with solid organic growth in select companies should provide strong outperformance over a full market cycle.

The investment fund option for The Manufacturers Life Insurance Company's variable life insurance product is managed by Manulife Investment Management and Trust Corporation.

The Fund mentioned in this document is specific to variable life insurance contracts and is not considered a mutual fund. Yields depend on interest and foreign exchange rate levels, both of which may fluctuate. Other factors that affect yield include changes in the credit standing of the issuers and changes in the value of the stocks and dividends received. Further, investments of the Fund may provide that their values be determined based on prices or yields of other securities, instruments or foreign currencies, and such provisions may result in negative fluctuations in the value of these investments and, in turn, the Fund's yields. Thus, the performance of the separate account(s) is not guaranteed and the value of the policy could be less than the capital invested. THE VARIABLE LIFE POLICYHOLDER SHALL BEAR ALL INVESTMENT RISKS. Past performance of the Fund is not necessarily indicative of future performance. Yields are not guaranteed.

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