

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

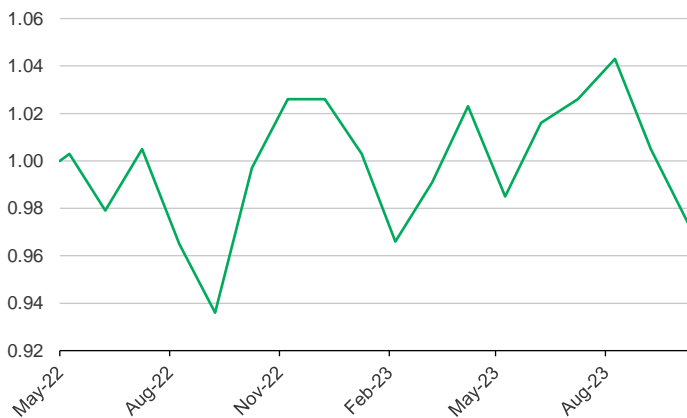
| | | | |
|--------------------------------------|--|------------------------------------|-----------------------------------|
| Inception Date May 2022 | Fund Size USD 250.18 thousand | Fund Currency US dollar | Dealing/Valuation Daily |
| Price (NAV/unit) USD 0.974 | Management Fee 2.25% per annum | Bloomberg Ticker PHEQUUH | |

Performance Return (October 31, 2023)

| USD Global Health Fund (net of management fee) | 1 Month | YTD | 1 Year | 3 Years | 5 Years | Since Inception |
|---|---------|--------|--------|---------|---------|-----------------|
| Absolute | -3.08% | -5.07% | -2.31% | n.a. | n.a. | -2.60% |
| Annualized | n.a. | n.a. | -2.31% | n.a. | n.a. | -1.81% |

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.

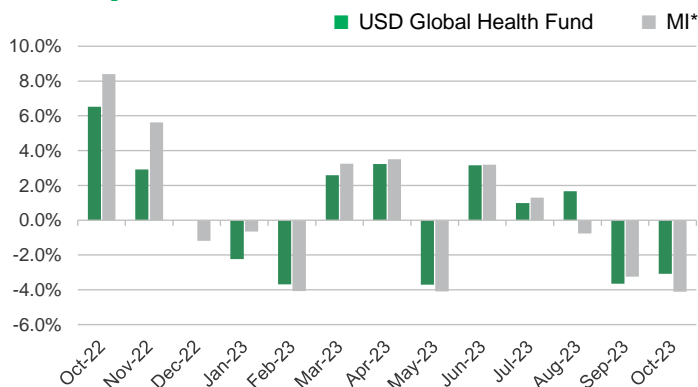
Monthly Net Asset Value per Unit



Top Five Holdings

| | |
|---------------------------------|-------|
| Eli Lilly and Company | 9.13% |
| UnitedHealth Group Incorporated | 7.70% |
| Novo Nordisk A/S Class B | 7.31% |
| Merck & Co., Inc. | 5.39% |
| AstraZeneca PLC | 4.64% |

Monthly Performance

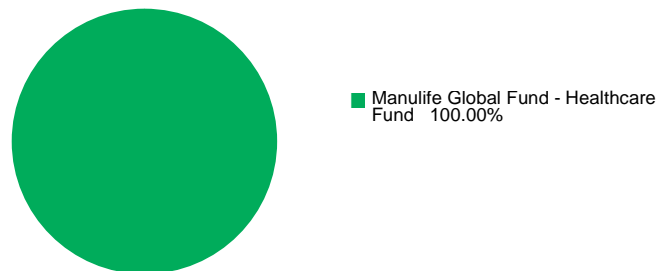


*100% MSCI World/Healthcare NR USD index

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)



USD Global Health Fund

Market Review

The global equity markets suffered losses in October, with nearly all geographic regions participating in the sell-off. Whilst economic growth appeared to be slowing, persistent inflation fuelled worries that central banks would need to keep interest rates elevated for an extended period. Bond yields spiked in response, fuelling instability throughout the financial markets. The jump in yields was caused in part by concerns about the long-term implications of a pronounced increase in the US government debt. The global indexes were further pressured as the seven mega-cap US technology stocks that play a large role in headline returns detracted from performance. Geopolitical factors also contributed to the downturn, with worries that the conflict in the Middle East could spiral into a wider war depressing investors' appetite for risk. Amid these challenging headlines, corporate earnings failed to provide a lift to the markets due in part to cautious guidance from company managements.

The global healthcare sector also declined and lagged during the period, as measured by the MSCI World Index. The life sciences tools and services sub-sector fell by more than 10%, whilst the healthcare providers and services sub-sector was positive.

Outlook

We believe exposure to the healthcare sector offers the potential for strong long-term performance. In particular, the COVID-19 pandemic has created structural changes within healthcare that provides enhanced investment opportunities across select segments of the sector. We expect merger and acquisition activities to remain abundant, as healthcare companies with strong balance sheets utilise excess capital to expand pipeline and product offerings. 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 aforementioned 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 pre-dispose these comorbid patients to higher morbidity and mortality post-COVID-19. Accordingly, this has led us to favour biopharmaceutical companies over-indexed to cardiovascular disease, Alzheimer's disease, and diabetes.

Fundamentals within select areas 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-19 testing consistent with the emerging endemic state of COVID-19. 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 maintained 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.

Overall, we believe that the defensive characteristics of the sector coupled with solid organic growth in select companies should provide strong performance 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.

The information and/or analysis contained in this material have been compiled or arrived at from sources believed to be reliable but The Manufacturers Life Insurance Company ("Manulife Philippines") does not make any representation as to their accuracy, correctness, usefulness or completeness and does not accept liability for any loss arising from the use hereof or the information and/or analysis contained herein. 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. Neither Manulife Philippines or its affiliates, nor any of their directors, officers or employees shall assume any liability or responsibility for any direct or indirect loss or damage or any other consequence of any person acting or not acting in reliance on the information contained herein.

The information in this material may contain projections or other forward-looking statements regarding future events, targets, management discipline or other expectations, and is only as current as of the date indicated. There is no assurance that such events will occur, and may be significantly different than that shown here. The information in this material including statements concerning financial market trends, are based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. This material was prepared solely for informational purposes and does not constitute a recommendation, professional advice, an offer, solicitation or an invitation by or on behalf of Manulife Philippines to any person to buy or sell any security. This material should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any investment products or to adopt any investment strategy. Nothing in this material constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances, or otherwise constitutes a personal recommendation to you. Past performance is not an indication of future results.

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