

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 177.74 thousand	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 0.936	Management Fee 2.25% per annum	Bloomberg Ticker PHEQUUH	

Performance Return (September 30, 2022)

USD Global Health Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-3.01%	n.a.	n.a.	n.a.	n.a.	-6.40%
Annualized	n.a.	n.a.	n.a.	n.a.	n.a.	-6.40%

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.

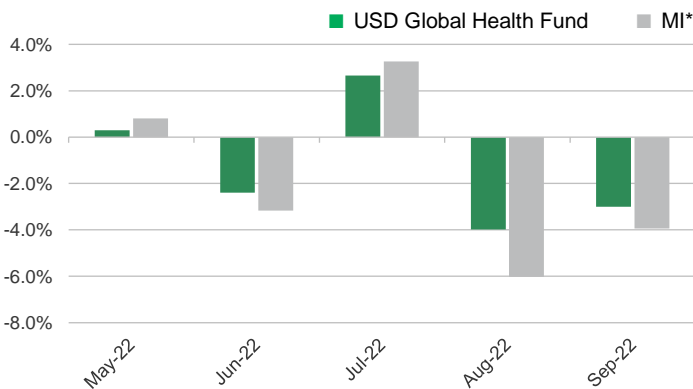
Monthly Net Asset Value per Unit



Top Five Holdings

Eli Lilly and Company	8.05%
UnitedHealth Group Incorporated	7.87%
Pfizer Inc.	6.06%
Johnson & Johnson	5.74%
Thermo Fisher Scientific Inc.	5.12%

Monthly Performance

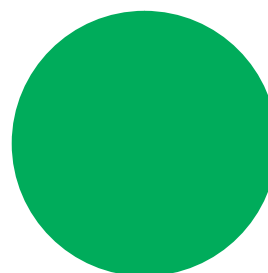


*100% MSCI World/Healthcare NR USD index

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)



Manulife Global Fund - Healthcare Fund 100.00%

USD Global Health Fund

Market Review

World equity markets fell sharply in September in response to a wide range of negative headlines. Persistent inflation, together with comments from central bank officials, indicated that interest rates may need to rise even further than investors had been anticipating as recently as the summer. The outlook for global economic growth dimmed as a result, raising the possibility that corporate earnings estimates could decline in kind. The month also brought an escalation of the rhetoric surrounding the Russia-Ukraine war, as well as a spike in global bond yields and unusual instability in the world currency markets.

In this environment, nearly all sectors and geographical locations posted losses. The downturn brought the year-to-date return for the MSCI All Country World Index to -25.63% as at September 30 and caused the Index to finish the month at levels last seen in the fourth quarter 2020. European stocks were notable laggards, as concerns surrounding the burgeoning energy crisis, the likelihood of a recession in 2023, and a shifting political picture conspired to dampen investor sentiment.

The health care sector declined during the period, although it performed better than most global markets, as measured by the MSCI World Index. It provided some protection in the negative market environment and was the best performing sector for the month. The health care technology and life science tools & services sub-sectors underperformed compared to the overall sector. Biotechnology and pharmaceutical companies outperformed in the tough market environment.

Outlook

We believe select companies within the health care sector offer the potential for strong long-term outperformance. 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 health care 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 (cancer, cardiovascular disease, diabetes, etc.). In addition, we have selectively rounded up positions with direct exposure to covid therapeutics and vaccines, consistent with our continued thesis that the pandemic/endemic will persist for several more quarters if not years. We also continue to monitor potential volatility given possible US drug pricing actions corresponding with recent congressional legislative initiatives. Drug pricing and access provisions of the recently passed Inflation Reduction Act appear neutral in our view but warrant continued scrutiny and analysis.

Fundamentals within specific pockets of both the health care equipment & supplies and life science tools & services industries remain attractive and valuations have come in as a result of recent pressure on both sub-sectors. Specifically, select established leaders in the covid diagnostics space offer a unique investment opportunity as we believe the durability of these businesses is currently being underappreciated by the market. In addition, we expect certain companies to experience disproportionate disruptions as a result of the ongoing pandemic and have reduced our exposures accordingly.

Within the health care providers & 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 health care insurers commensurate with improved profit profiles associated with the pandemic induced reduction in office visits and surgeries in the medicare population.

Mergers and acquisitions activity in the health care sector appears to be increasing as we have entered the later stages of a multi-year capital markets financing window, and we expect the historic run of initial public offerings and secondary offerings to continue to wane over time. We believe the Fund is well positioned in this regard, and recently saw the completion of an acquisition of one of our health care information technology companies in the fourth quarter.

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.

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.