

USD Global Market Leaders Fund

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

Investment Objective

The Fund aims to achieve capital growth from investing at least 80% of its net assets in a concentrated portfolio of equity and equity related securities of large capitalisation companies listed globally (including in emerging markets from time to time), including, but not limited to, common stocks and depositary receipts.

Fund Information

Inception Date January 2023	Fund Size USD 1.06 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 1.412	Management Fee 2.25% per annum	Bloomberg Ticker PHEQPUL	

Performance Return (December 31, 2024)

USD Global Market Leaders Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-1.94%	18.26%	18.26%	n.a.	n.a.	41.20%
Annualized	n.a.	n.a.	18.26%	n.a.	n.a.	19.00%

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.

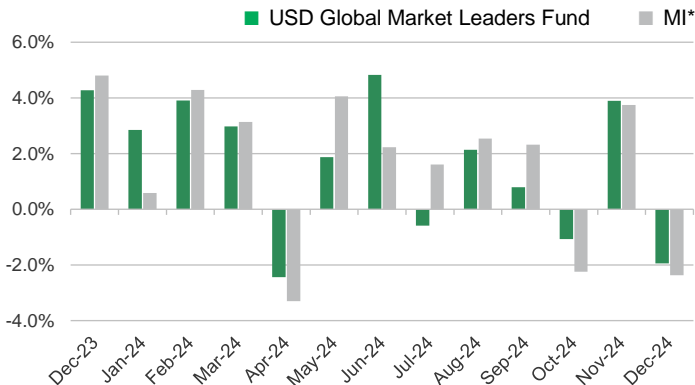
Monthly Net Asset Value per Unit



Top Five Holdings

Microsoft Corporation	5.22%
NVIDIA Corporation	4.48%
Amazon.com, Inc.	4.46%
Alphabet Inc. Class A	3.77%
Broadcom Inc.	3.17%

Monthly Performance

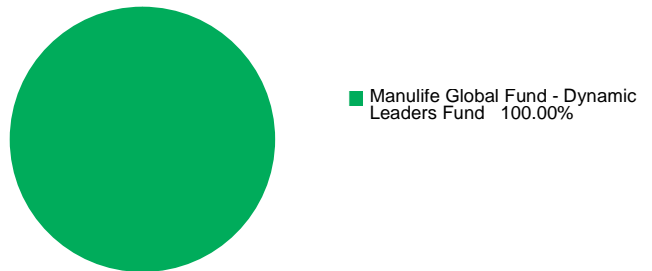


*100% MSCI ACWI NR USD Index

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

The global equity markets closed out a positive year with slightly negative returns in December. The uneven showing reflected worries about slowing economic growth outside of the United States and the possibility the U.S. Federal Reserve (Fed) will maintain a somewhat restrictive policy in 2025. On the other hand, continued rate cuts by the Fed and European Central Bank helped limit the downside.

All major regions posted negative returns for the month. As was the case throughout 2024, mega-cap technology stocks were the key engine of the United States' performance in December. Japan and the major continental European nations delivered positive relative returns for the month. The emerging markets outpaced their developed peers, led by China, Taiwan, and oil-producing nations in Africa and the Middle East.

Outlook

A humorous quote attributed to Mark Twain reads, "prediction is difficult, particularly when it involves the future." Despite this witty remark, the end of the year brings a tidal wave of predictions about the direction of the economy, interest rates, inflation, the markets, etc. It is a nearly impossible task to get right, no matter how smart the argument and backup presented may sound. If one was to be in the business of market forecasting, another saying may be more appropriate: "If you are going to make predictions, predict often." While the latter may sound a bit tongue-in-cheek, the reality is market participants receive new information every minute of every day that can help fine tune their compass.

Our approach in managing the Market Leaders portfolio is very straightforward: we are not trying to make precise market forecasts. Rather, we look to buy high quality industry leaders, with secular, stable, or cyclical growth tailwinds, that deliver consistently solid financial results. We spend a tremendous amount of time working on constructing a portfolio of these Market Leaders with a strong eye toward effectively managing risk, maintaining a long-term orientation and making adjustments as needed when opportunities arise.

So where are those opportunities today? They are very similar to where they were last year. We continue to favor technology, consumer discretionary and health care. Within technology, we remain overweight the software and semiconductor industries. The software companies we own are characterized by their tremendous margin profiles and/or free cash flow generation. The semiconductor companies for the most part, are levered to the tremendous capex directed toward the AI revolution occurring. In consumer discretionary, we continue to hold meaningful exposures to online retailers around the world. Within health care, we are underweight pharma but do have exposure to companies benefitting from the growth in obesity therapies. The primary drivers of our health care overweight remain in equipment and services across a wide range of companies with exposures to a wide range of end markets from cardiac to optical to orthopedic. Finally, although we are underweight financials as a sector, we have an overweight to the capital markets industry including exposures to alternative asset managers and wealth managers, exchanges and data providers.

Where we see the above areas as opportunities, we would be remiss if we did not share a word about risk. We are very comfortable with the financial position of the companies we invest in along with their growth prospects, otherwise we would not classify them as Market Leaders. That being said, the stocks of many of these fine companies have appreciated meaningfully and trade at statistical valuations some may consider "expensive". We will certainly monitor this risk on a case-by-case basis and again adjust as necessary. We will close with the following quote from Warren Buffett: "If you find three wonderful businesses in your life, you'll get very rich." While we are not promising riches, we do believe we own a portfolio with many more than three wonderful businesses that have potential to generate solid risk-adjusted returns over time.

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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