

Manulife Yield Opportunities Fund – video transcript

Narrators: Terry Carr and Roshan Thiru

[TWO MALES WEARING BLAZERS AND OPEN NECK SHIRTS APPEARS ON SCREEN AND BEGIN TO TALK]

Hi, I'm Terry Carr, Chief Investment Officer of Canadian Fixed Income. [SPEAKER APPEARS ON THE RIGHT OF THE SCREEN]. And I'm Roshan Thiru, the Head of Canadian Fixed Income. [SPEAKER APPEARS ON THE LEFT OF THE SCREEN]. [THE SPEAKERS NAME AND COMPANY APPEAR IN THE BOTTOM RIGHT OF THE SCREEN]

[A QUESTION APPEARS IN WRITING ON THE SCREEN]

Why was the Manulife Yield Opportunities Fund created?

[ANIMATION ON SCREEN WITH VOICEOVER]

We created the fund just after the 2008 credit crisis. We were very concerned for investors. They had been hit very hard in that downturn, and they were also exposed to a very low interest rate environment.

We needed to find a new solution that provided high income in a low interest rate world, but would not expose them to the same kind of equity market risk on a going-forward basis.

[A QUESTION APPEARS IN WRITING ON THE SCREEN]

How is it different from other balanced funds?

[ANIMATION ON SCREEN WITH VOICEOVER]

The Manulife Yield Opportunities Fund is actually quite different. It is a different construct than the 60/40 traditional balanced fund most people are familiar with.

Our focus is on creating higher income and lower volatility, so we use a variety of fixed income asset classes, from corporate debt, high yield, preferred shares, government debt – whatever will generate the targeted rate of return we seek and the lowest volatility, so the most safety for our clients.

[A QUESTION APPEARS IN WRITING ON THE SCREEN]

How would you summarize the investment approach?

[ANIMATION ON SCREEN WITH VOICEOVER]

Our investment approach is unique. We're focused on generating high income and capital preservation. We want to deliver a stable, high risk-adjusted return for our clients and ensure they're comfortable with the outlook.

It's also a team-based approach that focuses on high income generation, capital preservation and low volatility.

[A QUESTION APPEARS IN WRITING ON THE SCREEN]

Who makes the investing decisions?

[ANIMATION ON SCREEN WITH VOICEOVER]

It's a team decision. We have a variety of specialists on the team focused on specific asset classes.

The goal is to seize opportunities and avoid significant risk to generate a superior result for clients.

[A QUESTION APPEARS IN WRITING ON THE SCREEN]

How is risk managed?

Our approach to risk management is also team-based.

We are risk managers first and foremost. When we can't avoid risk, we manage it.

We manage risk through diversification, really knowing what we own in the portfolio and making sure that we are more than adequately compensated for it.

[A QUESTION APPEARS IN WRITING ON THE SCREEN]

How has the fund performed?

The 10-year rate of return to year-end is 6.88% and we are absolutely looking forward to maintaining it. And we've consistently met our distribution targets every year.

We've provided an income stream that our investors can rely on.

[LEGAL DISCLOSURE APPEARS ON SCREEN: Statements within this video reflect the outcomes of the underlying mutual fund. To receive payments out of a segregated fund contract please consider setting up Systematic Withdrawal Payments (SWP). Withdrawals may trigger capital gains or losses and may affect guarantees. See your Information Folder and Contract for more details.]

[A QUESTION APPEARS IN WRITING ON THE SCREEN]

Why is it a good choice for advisors?

The fund is an all-in-one income solution. The advisors can use it for clients seeking higher income with low volatility.

[A QUESTION APPEARS IN WRITING ON THE SCREEN]

What kind of investor should consider this fund?

[ANIMATION ON SCREEN WITH VOICEOVER]

This fund is for risk-sensitive investors who are looking for a regular stream of income over medium to long term.

Also, it can be held as an all-in-one income solution or as a core holding in a diverse portfolio to provide stability.

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[NEW FRAME: THE WORDS ‘TO LEARN MORE, CONTACT YOUR MANULIFE INVESTMENT MANAGEMENT SALES REPRESENTATIVE’ APPEAR ON SCREEN]

[NEW FRAME: THE WORDS “INVESTING. DO IT DIFFERENT.” WITH LEGAL DISCLOSURE BENEATH THEM. THE LEGAL DISCLOSURE READS AS FOLLOWS:
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Any amount that is allocated to a segregated fund is invested at the risk of the contractholder and may increase or decrease in value.

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[NEW FRAME: THE MANULIFE INVESTMENT MANAGEMENT LOGO APPEARS ON SCREEN]

[THE VIDEO ENDS]

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