

Investment policy statement

Manulife Fidelity Global Balanced Fund



Investment objective

Unless otherwise noted, the investment objective of the Underlying Fund is the same or substantially similar as the segregated fund objective.

The Fund uses a balanced approach by investing primarily in underlying funds that generally invest in global equity securities and fixed income securities.

Investment strategy

This Fund will invest in units of the Fidelity Global Balanced Portfolio, a mutual fund trust, or a substantially similar fund (the “Underlying Fund”).

The below investment strategy is that of the Underlying Fund and is taken directly from the Underlying Fund’s simplified prospectus. In all reference instances, consult the prospectus.

To meet the Portfolio’s objectives, the portfolio management team:

- Follows a neutral mix guideline of approximately 60% equity, and 40% fixed income and money market instruments.
- Depending on market conditions, may vary the asset mix by up to +/- 15% from the neutral mix if it believes this produces the best overall return.
- Uses an asset allocation strategy, and invests primarily in underlying funds, including other Fidelity Funds and ETFs.
- Invests in underlying funds that invest in any kind of equity or fixed income security, including global equity and/or fixed income securities.
- Decides which asset class a fund or security belongs to, based on its investment characteristics.
- Invests in underlying funds that invest in other securities that don’t fall within these classes.

- Invests in underlying funds, each of which may, in turn, invest more than 10% of its net assets in other underlying funds managed by Fidelity. We call these other funds third-tier funds for the Portfolio.
- May change the underlying funds invested in, or the percentage of the Portfolio’s assets invested in a particular underlying fund, at any time. The portfolio management team of the underlying funds may change the percentage of assets invested in a particular third-tier fund at any time.

The Portfolio may also hold cash.

In accordance with the limits, restrictions, and requirements under applicable law, or as permitted under the terms of exemptive relief obtained from the Canadian securities regulators and described in **Investment Restrictions** in Part A of this simplified prospectus, the Portfolio, the underlying funds, and any third-tier fund may:

- Engage in securities lending, repurchase, and reverse repurchase transactions.
- Use derivatives for hedging and non-hedging purposes.
- Invest in precious metals and other physical commodities through commodity funds and/or derivatives.
- Invest in securities of underlying funds, which may include liquid alternative mutual funds, that are selected in accordance with the Portfolio’s investment strategies.

With respect to the Portfolio's investments in underlying funds that are liquid alternative mutual funds, these funds invest in certain asset classes or use investment strategies, including commodities, derivatives, short selling, and leverage, that involve greater risk. Please refer to the section below **(What are the risks of investing in the fund?)** for more details of these and other risks to the Portfolio.

The Portfolio may hedge some or all of its foreign currency exposure. The portfolio management team makes this decision as part of the implementation of the overall investment strategy of the Portfolio based on a number of factors, including its view of the relative investment merits of the particular foreign currency versus the Canadian dollar. The Portfolio's exposure to foreign currency varies based on the extent of its foreign currency denominated investments, as well as the extent to which the portfolio management team decides to hedge the Portfolio's currency exposure. The Portfolio's foreign currency exposure may change at any time, and without notice.

Certain of the underlying funds may from time to time invest in asset-backed securities and mortgage-backed securities.

Portfolio management responsibility is at the level of:

- The underlying funds regarding the selection of any third-tier funds and other assets held by the underlying funds.
- Any third-tier fund regarding the selection of the assets held by the third-tier fund.

The Portfolio, the underlying funds, and any third-tier fund may depart from their investment objectives or strategies by temporarily investing all or a portion of their assets in cash or fixed income securities issued or guaranteed by a Canadian or U.S. government, government agency, or company. The portfolio management team may take this action to seek protection during a market downturn, or for other reasons.

Risks

Where a segregated fund invests in units of an underlying fund, the segregated fund may be exposed to the risks associated with the Underlying Fund. Unless otherwise noted, the risks associated with investing in units of the Underlying Fund is the same or substantially similar as the risks of investing in the segregated fund. For a comprehensive disclosure of the risks of investing in the segregated fund, refer to the simplified prospectus or other disclosure documents of the Underlying Fund.

Main risk

- credit risk
- currency risk
- equity risk
- foreign investment risk
- interest rate risk

Additional risk

- alternative mutual fund
- asset-backed securities and mortgage-backed securities
- borrowing
- commodity
- cybersecurity
- derivative
- ETF
- income tax
- large transaction
- leverage
- liquidity
- portfolio management
- repurchase transactions
- reverse repurchase transactions
- securities lending transactions
- series
- short selling
- small company
- specialization

Where can I get more information or help?

For more information, please read the information folder and contract, or you may contact us at:

Manulife
500 King St. N
Waterloo, ON N2J 4C6

manulife.ca

Canada, Outside of Quebec

1-888-790-4387

Quebec & French Business

1-800-355-6776

For information about handling issues you are unable to resolve with us, contact the OmbudService for Life and Health Insurance at **1-800-268-8099** or on the web at **www.olhi.ca**.

For information about additional protection that is available for all life insurance contract holders, contact Assuris, a company established by the Canadian life insurance industry. See **www.assuris.ca** for details.

For information regarding how to contact the insurance regulator in your province, visit the Canadian Council of Insurance Regulators website at **www.ccir-ccrra.org**.

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