

Investment Policy Statement**Manulife Simplicity Conservative Portfolio Segregated Fund****Investment Objective**

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

This Fund aims to generate income with an emphasis on preserving capital. It invests its assets in mutual funds focusing on Canadian fixed income and money market funds. The Portfolio may also invest in Canadian and foreign equity funds within permitted ranges.

Investment Strategy

This Fund will invest in units of the Manulife Simplicity Conservative Portfolio, a mutual fund trust, or a substantially similar fund (the “Underlying Fund”).

The investment strategy of the Underlying Fund is to employ a strategic asset allocation process to achieve the fundamental investment objective. The portfolio advisor and portfolio sub-advisor:

- Allocate assets among the Underlying Funds within the target weightings set for the Portfolio set out herein
- Rebalance the Portfolio's assets among the Underlying Funds to maintain the target weightings
- Ensure that each portfolio advisor or portfolio sub-advisor of an Underlying Fund is following the investment objective for the Underlying Fund

The portfolio sub-advisor provides the asset allocation services above in collaboration with the portfolio advisor.

The Underlying Fund primarily invests its assets in various Underlying Funds. These Underlying Funds may or may not be managed by us. The Underlying Funds may be changed without notice from time to time as well as the percentage holding in each Underlying Fund at the discretion of the portfolio advisor and portfolio sub advisor.

For more information about investing in Underlying Funds, please see “Investments in Underlying Funds” in the Prospectus of the Underlying Fund.

Target Weightings

The Underlying Fund invests 100% its assets in Underlying Funds. In addition, the Underlying Fund has allowable ranges for each asset class. These ranges are listed below.

	Minimum (%)	Maximum (%)
Short-Term/Money Market	0	25
Fixed income	40	85
Canadian Equities	10	40
U.S. Equities	0	20
Foreign Equities	0	20

The percentages listed above are approximate due to continuous market fluctuations and administrative efficiencies. As a result the actual percentages invested in the asset classes on any given day may not exactly conform to the percentages set forth above. Rebalancing will be done at the discretion of the portfolio advisor and portfolio sub-advisor.

Please see “Sustainability Integration” in the “Information Applicable to One or More Funds” section of the Underlying Fund’s Prospectus for more information about how the Underlying Fund uses ESG integration as part of its investment process.

The Underlying Fund may hold a portion of its assets in securities, cash or short-term money market instruments while searching for investment opportunities and/or due to general market, economic or political conditions.

The Underlying Fund may deviate from certain investment restrictions in NI 81-102 to permit the Underlying Fund to invest up to 10% of its net asset value in certain non-prospectus qualified pooled funds managed by Manulife IM Limited or an affiliate of Manulife IM Limited.

The Underlying Fund may also invest up to 100% of its assets in other investment funds, including Underlying Funds and ETFs, that may or may not be managed by the Manager (or one of its affiliates or associates), in order to gain indirect exposure to appropriate markets, sectors or asset classes. The Underlying Fund may invest in investment funds managed by unaffiliated investment managers if there are no suitable investment opportunities in affiliated funds. The Underlying Fund may also invest in additional types of ETFs and silver pursuant to regulatory relief or as permitted pursuant to NI 81-102, as described under “ETF Relief” in the Prospectus of the Underlying Fund. Investments by the Underlying Fund in securities of other investment

funds and/or silver may be done directly or indirectly, through a specified derivative, or, in the case of silver, in silver certificates. Underlying Funds will be selected with consideration for the Underlying Fund's investment objective and strategies, past performance and volatility, among other factors. Please see "Investments in Underlying Funds" in the Prospectus of the Underlying Fund.

The Underlying Fund may invest in or use derivatives for hedging and non-hedging purposes in a manner consistent with the investment objective of the Underlying Fund and as permitted by applicable securities legislation or by the exemption described under "Derivatives Relief" in the Prospectus of the Underlying Fund. Derivatives may be used for hedging purposes in the event of significant cash flows into or out of the Underlying Fund and to provide protection for the Underlying Fund. Derivatives may be used for non-hedging purposes in order to invest indirectly in securities or financial markets and to gain exposure to other currencies. You will find more information about derivatives, including the types of derivatives expected to be used by the Underlying Fund, under "Derivative Risk" in the Prospectus of the Underlying Fund.

The Underlying Fund may also enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool. For more information see "Securities Lending, Repurchase and Reverse Repurchase Transaction Risk" in the Prospectus of the Underlying Fund.

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. Below is a list of principal risks for the underlying mutual fund(s) in which the Segregated Fund invests. For complete definitions of each principal risk, refer to the general section of the mutual fund Prospectus.

- Asset-Backed and Mortgage-Backed Securities Risk
- Bail-In Debt Risk
- Capital Depletion Risk
- Counterparty Risk
- Credit Risk
- Currency Risk
- Default Risk
- Derivative Risk
- Equity Risk
- ETF Risk
- Foreign Market Risk
- Income Trust Risk
- Interest Rate Risk
- Multiple Series Risk
- Prepayment Risk
- Securities Lending, Repurchase and Reverse Repurchase Transaction Risk
- Small Company Risk
- Specialization Risk
- Substantial Securityholder Risk
- Tax Risk
- Underlying Fund Risk

For more information on the strategies, as well as objectives and risks of the underlying fund(s) in which the Segregated Fund invests, please refer to the Prospectus of the underlying fund(s) or contact us for a printed copy.

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

www.manulifeim.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 contractholders, 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**.

Manulife Investment Management

Manulife Investment Management is a trade name of The Manufacturers Life Insurance Company. The Manufacturers Life Insurance Company (Manulife) is the issuer of insurance contracts containing Manulife segregated funds and the guarantor of any guarantee provisions therein.

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