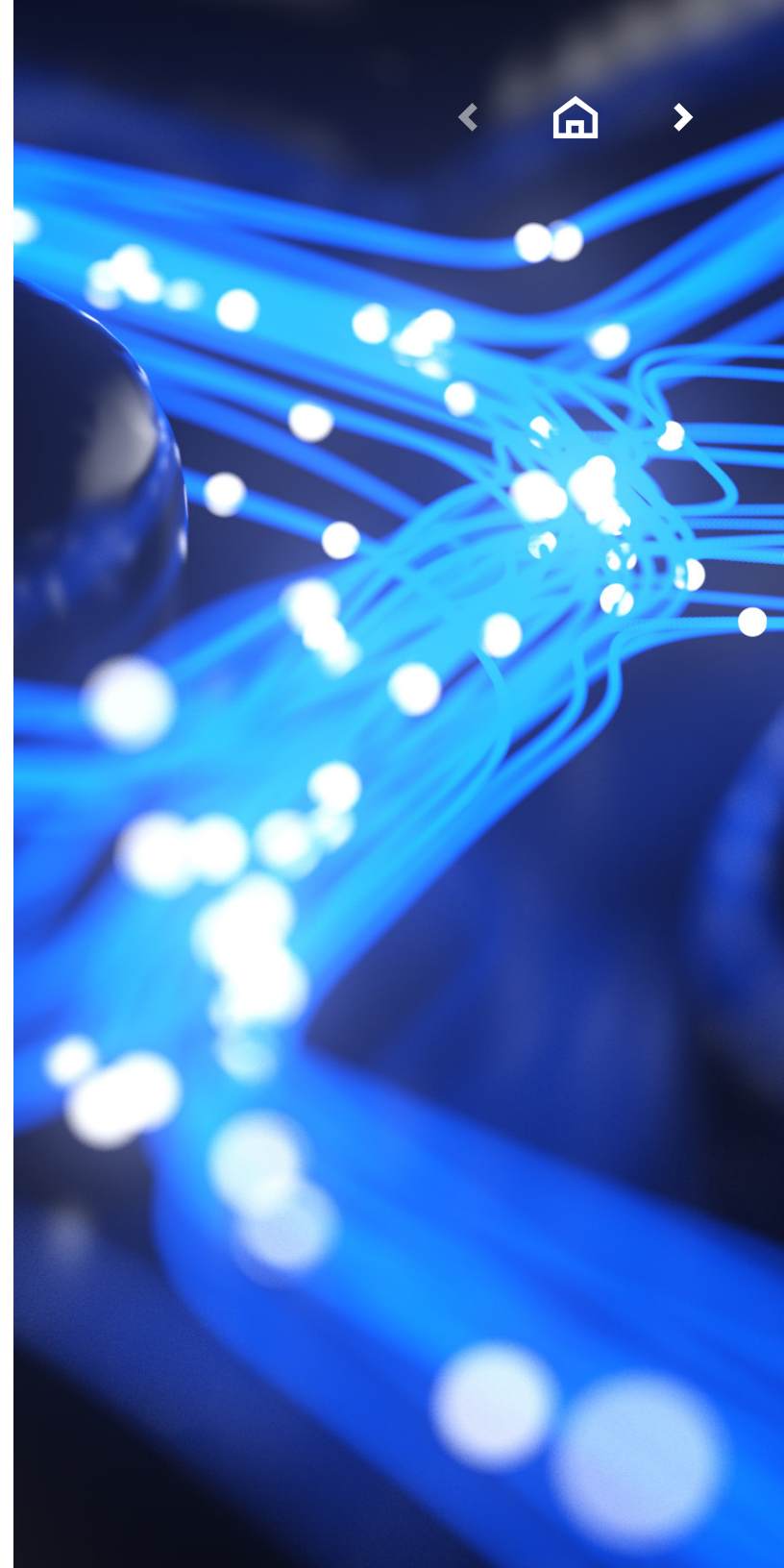


## Investor brochure

# Introducing Manulife Smart Balanced Dividend ETF Bundle

A convenient one-ticket solution building on the advantages of exchange traded funds.

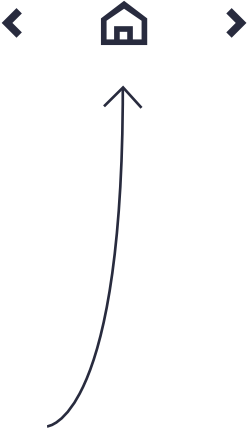
Available on both mutual fund and segregated fund platforms.



# How to navigate



The side tabs take you to different sections in the document.



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The Manulife Smart Balanced Dividend ETF segregated fund bundle is available in select segregated fund contracts issued by The Manufacturers Life Insurance Company.

The Manulife Smart Balanced Dividend ETF Bundle is managed by Manulife Investment Management Limited. Manulife Investment Management is a trade name of Manulife Investment Management Limited.

## Built with investors in mind

ETF assets in Canada are on a growth trajectory, increasing 20% per year for the last ten years<sup>1</sup>.

To help make decisions easier for investors keen to enter this growing market segment, and to simplify the investment process, Manulife Investment Management is pleased to introduce its newest ETF-based offering: the Manulife Smart Balanced Dividend ETF Bundle.

- ✓ Convenient, simple, comprehensive, one-ticket solution
- ✓ Choice: available in select segregated fund contracts and on the mutual fund platform
- ✓ Actively managed<sup>2</sup> by professional portfolio management teams, and backed by Manulife Investment Management's strength and stability
- ✓ Attention to investors' goals—The bundle components are carefully chosen and aim to deliver:
  - easy access to ETF holdings
  - attractive pricing
  - access to dividend growers in Canada and the U.S. for inflation protection
  - exposure to Canadian corporate bonds focusing on income and diversification

Now that's *smart*.

<sup>1</sup> Source: Canadian ETF Association, National Bank Financial, as of December 31, 2020

<sup>2</sup> The ETF segregated fund bundle invests all its assets in the Manulife Smart Balanced Dividend ETF Bundle, which in turn invests in three actively managed ETFs.

## Building the Manulife Smart Balanced Dividend ETF Bundle

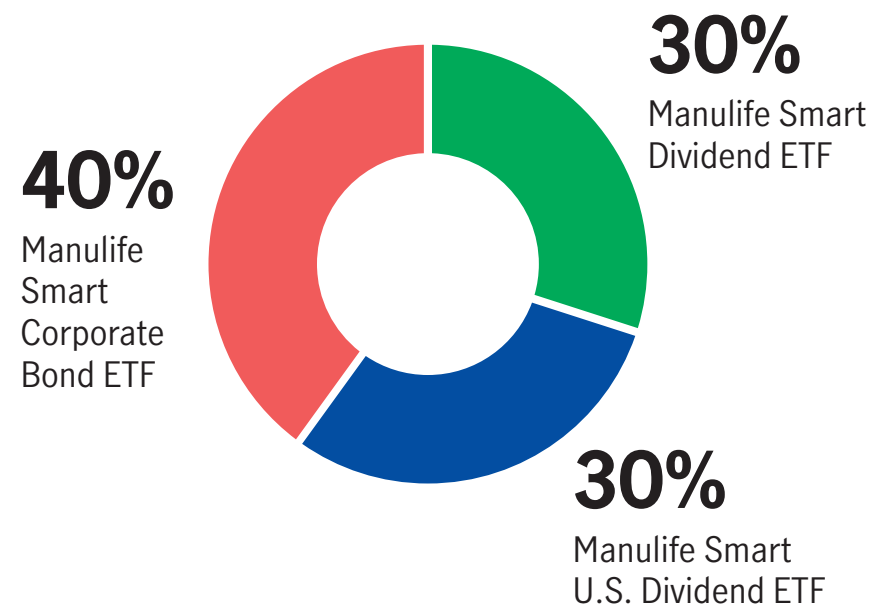
One-ticket, attractively priced, convenient bundle, underpinned by the advantages of actively managed components:

- Manulife Smart Dividend ETF
- Manulife Smart U.S. Dividend ETF
- Manulife Smart Corporate Bond ETF

### Why does this combination work?

- It aims to provide exposure to consistent and growing dividend payers, which can offer potential inflation protection and income, as well as historically stronger returns than the broad market index over time. See page six for more information on the quality dividend screen.
- The fixed income component comes from exposure to investment-grade Canadian corporate bonds, which can be an important foundation of a diversified, long-term asset allocation strategy. See page seven for more about the importance of the bond component.

## Bundle components



**Investment style:** Asset allocation

**Asset allocation:** Static, monitored daily, rebalanced to targets as required (+/- 5%)

**Risk rating:** Low to medium

**Manager:** Multi-Asset Solutions Team

**Geography:** Canada

**Category:** Canadian Neutral Balanced

**Inception date:** November 2021

Note: The presented allocation of the portfolio is for illustration purposes only and is a target that may vary by +/-5%.

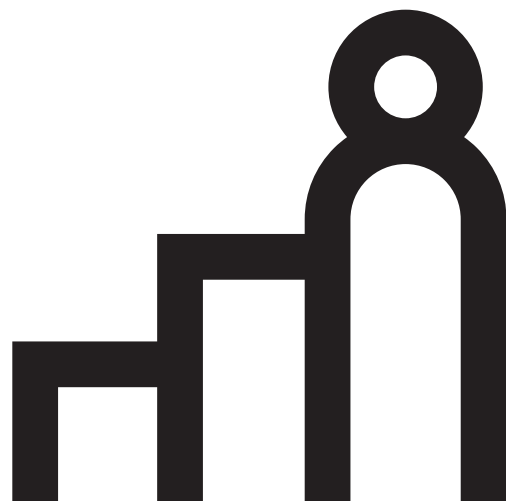
## Building blocks for your own portfolios

For investors who prefer to build their own portfolios, the underlying funds that make up the Manulife Smart Balanced Dividend ETF Bundle are also available on a standalone basis as segregated funds in the GIF Select InvestmentPlus and Manulife Private Investment Pools—MPIP Segregated Pools contracts.<sup>1</sup>

Investors can select specific funds or weightings of funds to reflect their goals and asset allocation needs.

Prefer to let us do the rebalancing? Choose a one-ticket solution with the ETF bundle option.

<sup>1</sup> These ETFs are also available through supporting dealers (Tickers: CDIV, UDIV.b, TERM).



## Get to know the underlying ETFs

### Manulife Smart Dividend ETF

Management style: Active  
Risk rating: Medium  
Manager: Manulife Systematic Equity Beta<sup>2</sup>  
Geography: Canada  
Category: Canadian Dividend and Income Equity

### Manulife Smart U.S. Dividend ETF

Management style: Active  
Risk rating: Medium  
Manager: Manulife Systematic Equity Beta<sup>2</sup>  
Geography: United States  
Category: U.S. Equity

### Manulife Smart Corporate Bond ETF

Management style: Active  
Risk rating: Low  
Manager: Manulife Systematic Fixed Income Beta<sup>2</sup>  
Geography: Canada  
Category: Canadian Corporate Fixed Income

<sup>2</sup> Part of the Multi-Asset Solutions Team

## Building Manulife Smart Dividend ETFs

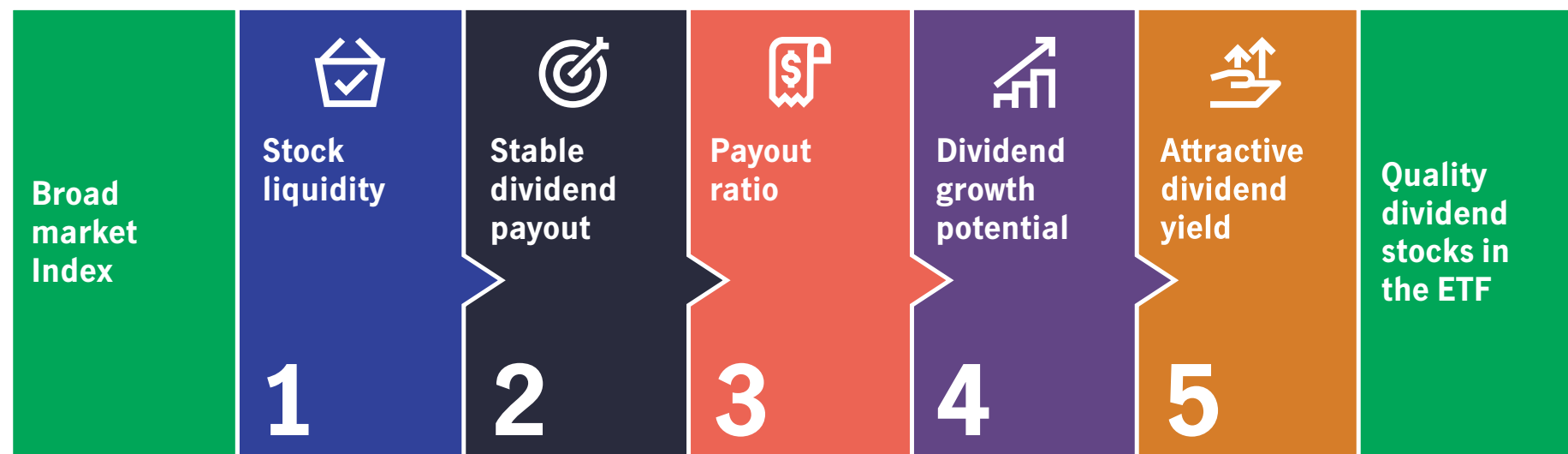
The quality dividend screen is the foundation of the underlying ETFs.

The criteria applies to each investment decision, making sure the funds maintain a consistent focus—investing in the companies with historically stable and growing dividends. Portfolio managers apply these criteria to the underlying ETFs:

1. Is the stock liquid?
2. Is the dividend amount sustainable?
3. Compared to earnings, is the dividend sustainable?
4. Can the dividend grow over time?
5. Is the dividend yield attractive compared to competitors?

To determine the allocation of the stocks in the underlying ETF, the team considers four factors they believe drive better risk-adjusted returns: quality, momentum, value, and yield.

Based on the outcome of their propriety model, a weight is assigned to each stock in the underlying ETF.



For illustration purposes only.



## Why a dividend growth strategy *now*?

In two words:  
*income and inflation*

As economies begin to see signs of a post-Covid recovery, inflation concerns are becoming more real.

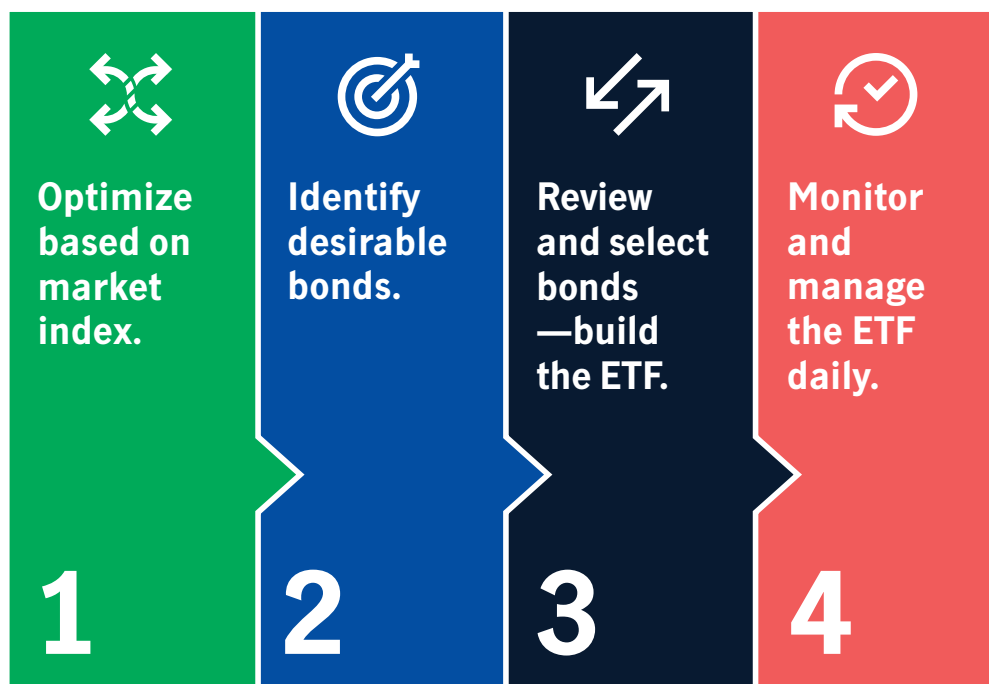
Incorporating a strategy focused on historically consistent dividend growers, such as the Manulife Smart Dividend ETF, can help position an equity portfolio for success if inflation persists.

## Building Manulife Smart Corporate Bond ETF

**Systematic and active management techniques are at the core of the underlying ETF.**

The underlying ETF uses a scalable and repeatable process to identify pockets of value in bond markets, the goal is to match the risk profile of the broad corporate bond market while providing a higher yield.

1. Use credit research and other proprietary tools to identify all bonds with **attractive risk** and **yield metrics**.
2. Review credit research and select specific bonds for the fund.
3. Monitor the fund daily, making active buy, sell, and/or hold decisions.
4. Rebalance the portfolio monthly.



For illustration purposes only.



**Why consider corporate bonds *now*?**

In two words: *interest rates*

The potential for rising interest rates make it a difficult environment for fixed-income investors. However, there are parts of the bond market to consider today that make sense for the long term.

Incorporating a strategy based on Canadian corporate bonds, with a focus on quality issuers and yield and risk metrics, such as the Manulife Smart Corporate Bond ETF, can help position a bond portfolio for long-term success in this uncertain interest rate environment.

# Segregated fund platform

## GIF Select InvestmentPlus

Fund name	MER % <sup>1</sup>	Front-end	No-load with chargeback	Back-end	Low-load	MER % <sup>1</sup>	F-class <sup>2</sup>
Manulife Smart Balanced Dividend ETF Bundle GIF Select	2.32	MGF3318	MGF3323	MGF3319	MGF3320	1.21	MGF3331
Manulife Smart Corporate Bond ETF GIF Select	1.96	MGF3335	MGF3338	MGF3336	MGF3337	1.35	MGF3342
Manulife Smart Dividend ETF GIF Select	2.50	MGF3000	MGF3031	MGF3018	MGF3026	1.41	MGF3058
Manulife Smart U.S. Dividend ETF GIF Select	2.52	MGF3059	MGF3065	MGF3062	MGF3064	1.43	MGF3069

## MPIP Segregated Pools

Fund name	MER % <sup>1</sup>	Front-end	No-load with chargeback	MER % <sup>1</sup>	Low-load <sup>3</sup>	MER % <sup>1</sup>	F-class <sup>2</sup>	PSF <sup>4</sup>
Manulife Smart Balanced Dividend ETF Bundle Private Segregated Pool	1.99	MPS4621	MPS4657	2.19	MPS4658	0.89	MPS4661	MPS4662
Manulife Smart Corporate Bond ETF Private Segregated Pool	1.57	MPS4630	MPS4631	1.77	MPS4633	1.02	MPS4635	MPS4636
Manulife Smart Dividend ETF Private Segregated Pool	2.12	MPS4637	MPS4640	2.32	MPS4641	1.03	MPS4643	MPS4650
Manulife Smart U.S. Dividend ETF Private Segregated Pool	2.14	MPS4641	MPS4652	2.34	MPS4653	1.05	MPS4654	MPS4655

# Mutual fund platform

	Fundserv trading codes (MMF)									
	Advisor series				Series T				Series F	Series FT
	FE	DSC <sup>5</sup>	LL3 <sup>5</sup>	LL2 <sup>5</sup>	FE	DSC <sup>5</sup>	LL3 <sup>5</sup>	LL2 <sup>5</sup>	NL	NL
Manulife Smart Balanced Dividend ETF Bundle	8166	8066	8366	8266	8167	8067	8367	8267	8666	8766
DCAF – Manulife Smart Balanced Dividend ETF Bundle	28166	-	-	-	-	-	-	-	28666	-

<sup>1</sup> The MERs are an estimate for the current year and are subject to change.

<sup>2</sup> F-class is only available for fee-based programs where contracts are held in nominee or intermediary name.

<sup>3</sup> The low-load sales charge option no longer allows new deposits, subsequent deposits, new PAC setups, PAC increases, and switches in from other sales charges. Note that switches in from a low-load sales charge and deposits from an existing PAC are permitted.

<sup>4</sup> The professional service fee (PSF) sales charge option is available through approved distributors only.

<sup>5</sup> DSC/LL2 /LL3 load options are available for switches only and won't be available for purchase.



## The strength of Manulife Investment Management

We're a leader<sup>1</sup> in financial solutions with over 135 years of experience and the full resources of our parent company, Manulife Financial Corporation. We pride ourselves on a specialist investment approach, a commitment to sustainable asset management, and access to a network of specialized unaffiliated asset managers from around the world.

- Top 10 in assets under management<sup>1</sup>
- \$1.0 trillion (CAD) in global assets under management<sup>2</sup>
- Top 40 Global Money Manager<sup>3</sup>
- 18 regions globally; 1600+ investment professionals (as of June 30, 2021)
- Named to **PRI Leaders' Group 2020** for excellence in climate reporting
- A+ top scores from the Principles for Responsible Investment (PRI) for strategy and governance, for equity integration, and for SSA fixed income (sovereign, supranational, and agency debt)<sup>4</sup>

<sup>1</sup> Mutual funds: Ranked eighth in the retail Industry (third among independent firms) in terms of long-term mutual fund net sales for September 2021, with net sales of \$431 million and net assets of \$89.46 billion. Segregated funds: assets under management = \$38,535 million CAD—ranked #1 in the industry, Investor Economics, Canada, May 2021

<sup>2</sup> Source: MFC Statistical Information Package. Manulife Investment Management is the unified global brand for Manulife's global wealth and asset management business, which serves individual investors and institutional clients in three businesses: retirement, retail, and institutional asset management (public and private markets). Global Wealth and Asset Management AUMA as of June 30, 2021, which includes \$235.2 billion of assets managed on behalf of other segments and \$174.4 billion in assets under administration (assets shown in Canadian dollars).

<sup>3</sup> Source: Preliminary IFIC Results for September 2021. Pro-forma ranking, 2021 Pensions & Investments (P&I) Money Managers Survey.

<sup>4</sup> Manulife Investment Management PRI assessment report, 2019. Source: PRI methodology.



# For more information, visit **[manulifeim.ca/smart](https://manulifeim.ca/smart)**

Manulife Investment Management is a trade name of The Manufacturers Life Insurance Company. The Manufacturers Life Insurance Company (Manulife) is the issuer of Manulife Investment Management guaranteed interest accounts, the GIF Select insurance contract, and the Manulife Private Investment Pools—MPIP Segregated Pools (MPIP Segregated Pools) insurance contract and the guarantor of any guarantee provisions therein.

Commissions, management fees, and expenses all may be associated with exchange traded funds (ETFs). Investment objectives, risks, fees, expenses, and other important information are contained in the ETF facts as well as the prospectus, please read before investing. ETFs are not guaranteed, their values change frequently, and past performance may not be repeated. Any amount that is allocated to a segregated fund is invested at the risk of the contractholder and may increase or decrease in value. Returns shown are after the MER has been deducted. Performance histories are not indicative of future performance. For information on guarantees, fees, and expenses that may apply to segregated funds, please read the information folder, contract, and fund facts of the segregated funds.

Sample portfolios are hypothetical portfolios comprised of various asset classes and the Manufacturers Life Insurance Company's funds. They are designed to illustrate an approach in general terms and are not for specific investors. The sample portfolios and the information related to them do not constitute, and are not to be construed as, investment advice. Any investment or allocation decisions by an investor should be made with the advice of a qualified investment professional with respect to individual circumstances, preferences, risk tolerance, and after reading the relevant fund facts and prospectuses. The Manufacturers Life Insurance Company shall not have any liability, contingent, or otherwise, to any person or entity for the quality, accuracy, timeliness, and/or completeness of information in, or related to, the sample portfolios, or for delays, omissions, or interruptions in the delivery of such information.

Investing involves risks, including the potential loss of principal. There is no guarantee that a fund's investment strategy will be successful. Foreign investing has additional risks, such as currency and market volatility and political and social instability. Large company stocks could fall out of favor, and illiquid securities may be difficult to sell at a price approximating their value. Shares may trade at a premium or discount to their NAV in the secondary market, and a fund's holdings and returns may deviate from those of its index. These variations may be greater when markets are volatile or subject to unusual conditions. Errors in the construction or calculation of a fund's index may occur from time to time. Please see the fund's prospectus for additional risks.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the fund facts as well as the prospectus before investing. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated.

Manulife ETFs and Manulife Funds are managed by Manulife Investment Management. Manulife Investment Management is a trade name of Manulife Investment Management Limited.

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To speak with Manulife Investment Management about segregated funds, call 1-888-790-4387.