

Investment Policy Statement**Manulife Yield Opportunities 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's primary objective is to generate income and its secondary objective is long term capital appreciation. The Fund will seek to achieve its objective by investing directly in a diversified portfolio primarily consisting of Canadian and/or global fixed income and/or equity securities. The Fund may also indirectly invest in such securities through investments in other investment funds.

Investment Strategy

This Fund will invest in units of the Manulife Yield Opportunities Fund, a mutual fund trust, or a substantially similar fund (the "Underlying Fund").

The investment strategy of the Underlying Fund is to tactically allocate among different fixed income and equity asset classes and investment strategies. The tactical asset allocation decisions are made by the portfolio advisor taking into consideration a broad range of fundamental, market and economic variables as well as available yields from securities markets globally. The portfolio advisor will use the various management resources available within the firm to manage the different asset classes and strategies of the Underlying Fund. The Underlying Fund has no restrictions on asset class, market capitalization, industry, sector or geographic mix.

The fixed income portion of the Underlying Fund will invest primarily in, but is not limited to, government, investment grade corporate and non-investment grade corporate (high yield) fixed income securities from Canada and across the globe. The fixed income strategy is managed actively using a multifaceted approach emphasizing sector, credit and security selection combined with active yield curve and duration management. The Underlying Fund may invest in a broad range of additional securities including emerging markets debt, global preferred securities, bank loans, Tier 1 capital, convertibles and other fixed income securities.

The equity portion of the Underlying Fund will be managed by investing in companies located in Canada and across the globe emphasizing dividend-paying securities. The equity investments may include, but are not limited to, common shares, preferred shares and units of real estate investment trusts (REITs) and royalty trusts. The Underlying Fund may also invest in other investment funds and exchange-traded funds (ETFs) to gain indirect exposure to markets, sectors or asset classes.

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 use derivatives such as, but not limited to, futures, options, swaps and forward contracts to gain exposure to securities and asset classes consistent with the objectives of the Underlying Fund, and to hedge portfolio exposure against losses from foreign currency exposure and changes in securities prices.

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 invest in China A-shares listed and traded on the SSE or SZSE through Stock Connect programs. Please see "Securities Connect Risk" in the Prospectus of the Underlying Fund.

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

The Underlying Fund may also invest some or all 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. 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 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
- Emerging Markets Risk
- Equity Risk
- ETF Risk
- Floating Rate Loan Liquidity Risk
- Foreign Market Risk
- Income Trust Risk
- Interest Rate Risk
- Multiple Series Risk
- Prepayment Risk
- Real Estate Risk
- Securities Connect Risk
- Securities Lending, Repurchase and Reverse Repurchase Transaction 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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