Factsheet
September 30, 2019

Financial Industries Strategy

Investment Philosophy[1]

The financial sector offers strong investment opportunities driven by demographic changes, global economic development, secular industry consolidation, and the ongoing need for financial services products. We invest in value-oriented companies worldwide whose stock price is discounted temporarily. Additionally, we look for companies with strong management that has delivered above peer profitability and whose stock price is trading at reasonable price levels.

Style:	Financial Sector
Strategy Inception:	March 1996
Benchmark:	S&P 500 Financials Index
Number of Holdings:	60–90

Investment Process[2]

Macroeconomic Evaluation

- Economic growth across regions and countries
- Regulatory changes
- Tax policy
- Inflation
- Interest rates
- Real estate values

Multiple Screens

- Valuation – current and historical
- Capital
- Profitability
- Credit
- Growth rates
- Upside potential

Company Level Analysis

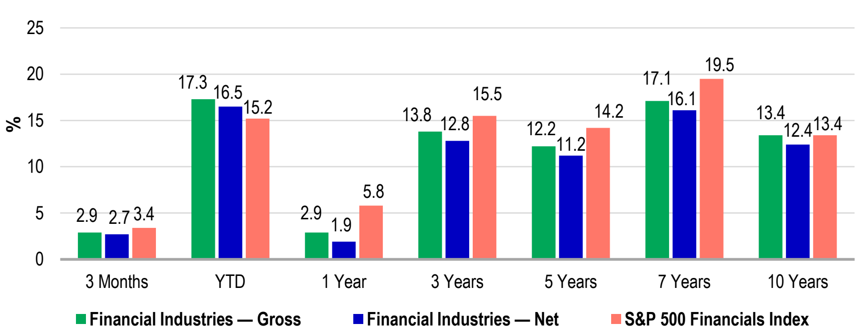
- CAMELS framework
  - Capital
  - Asset Quality
  - Management
  - Earnings
  - Liquidity
  - Sensitivity to Interest Rates
- Proprietary earnings models
- Management contact and assessment
- Ownership/ shareholder-conscious management teams

Risk Management

- Monitor portfolio guidelines
- Sell discipline
- Attribution and factor risk analysis
- Compliance review
- Senior management oversight

Composite Performance*

Returns as of September 30, 2019



Calendar Year Returns (%)	2018	2017	2016	2015	2014	2013
Financial Industries Composite — Gross[3]	-6.36	7.41	17.25	18.46	17.01	48.66
Financial Industries Composite — Net[3]	-7.20	6.44	16.19	17.40	15.96	47.32
S&P 500 Financials Index	-5.19	14.11	18.46	18.07	25.56	48.50

*Past performance is not indicative of future results. Performance shown is the Manulife Investment Management (US) Financial Industries Composite as of September 30, 2019 in CAD. Returns greater than one year are annualized. Composite Inception date, March 1996.

Strategy Highlights

Experienced Investment Team

- A well-resourced four member team averaging over 25 years of financials industry experience

Time- & Market-tested Research Framework

- Proven process for analyzing financial stocks using a regulatory-based CAMELS framework

Disciplined Portfolio Construction

- Invest in quality companies trading below historical levels or value stocks with compelling upside driven by their discounted relative price

Flexible Investment Mandate

- Ability to invest across the sector globally, allowing for tactical allocation amongst industries and countries

Long-term Time Horizon

- Low turnover strategy

Investment Team	Years of Experience
Susan Curry	26
Lisa Welch	33
Ryan Lentell, CFA	20
Joseph Marguy	23

September 30, 2019

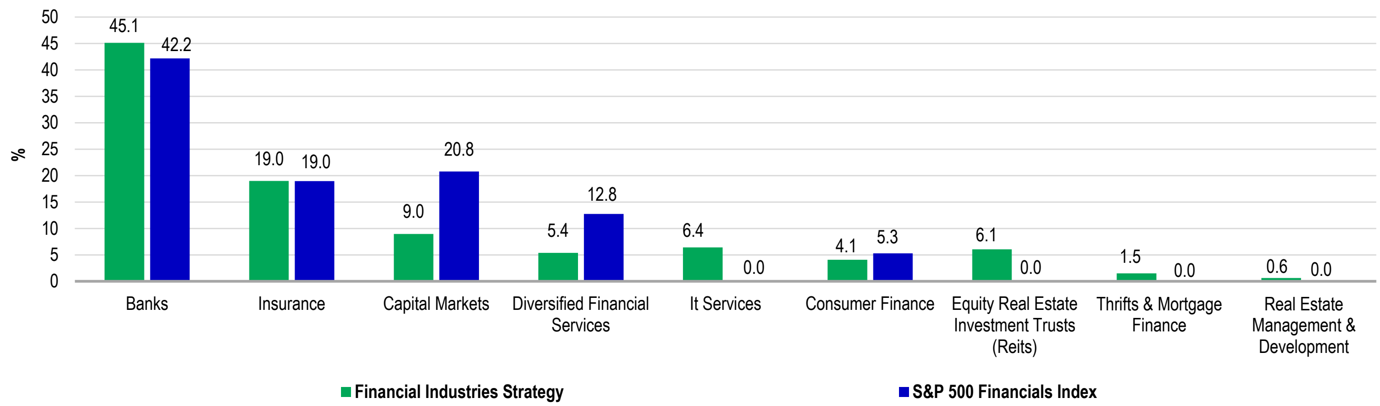
Portfolio Characteristics[4]

	Financial Industries Strategy	S&P 500 Financials Index
Wtd. Avg. Market Cap ($M)	83,270	228,969
Number of Holdings	86	67
Price/Book Ratio (x)	1.53	1.41
P/E Ratio (1 yr forward) (x)	12.97	12.16
Dividend Yield (%)	2.21	2.10
ROE (%)	10.74	10.73

Top Ten Holdings (%)[4]

	Financial Industries Strategy
JPMorgan Chase	3.16
Bank of America	2.99
Citigroup	2.99
U.S. Bancorp	2.93
Aon	2.84
Citizens Financial Group	2.76
Visa	2.74
Kinsale Capital Group	2.61
American Express	2.50
WEX	2.03
Totals	**27.55**

Industry Allocation (%)[4]



About Manulife Investment Management

Manulife Investment Management is the global wealth and asset management segment of Manulife Financial Corporation. We draw on more than 150 years of financial stewardship to partner with clients across our institutional, retail, and retirement businesses globally. Our specialist approach to money management includes the highly differentiated strategies of our fixed-income, specialized equity, multi-asset solutions, and private markets teams—along with access to specialized, unaffiliated asset managers from around the world through our multimanager model.

Rounding discrepancies possible.

The Financial Industries strategy seeks capital appreciation in stocks of US and foreign financial services companies of any size. These companies include banks, thrifts, finance companies, brokerage and advisory firms, real estate-related firms, insurance companies and financial holding companies. The composite contains accounts managed at a prior firm until 12/31/05. Performance results from the prior firm are linked to results achieved at Manulife Asset Management (US). There is a $10 million asset requirement to be eligible for inclusion in the composite.

The Standard & Poor's 500 Financials Index is a capitalization-weighted index of all stocks designed to measure the performance of the financial sector of the Standard & Poor's 500 Index.

The indices cited are widely accepted benchmarks for investment performance within their relevant regions, sectors or asset classes, and represent non-managed investment portfolios

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[2] No investment strategy or risk management techniques can guarantee returns or eliminate risk in any market environment.

[3] Gross performance results do not reflect the deduction of investment management fees which when deducted will reduce returns and are net of commissions and foreign withholding tax. Net performance results reflect the application of the highest incremental rate of the standard investment management fee schedule to gross performance results. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. Investment management fees are available upon request.

[4] Portfolio characteristics — Holdings, sector weightings, market capitalization and portfolio characteristics are subject to change at any time and are based on a representative portfolio. Holdings, sector weightings, market capitalization and portfolio characteristics of individual client portfolios in the strategy may differ, sometimes significantly, from those shown. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the securities and sectors listed. portfolios in the strategy may differ, sometimes significantly, from those shown. Top ten holdings information shown combines share listings from the same issuer, and related depositary receipts, into a singular holding to accurately present aggregate economic interest in the referenced company.

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