

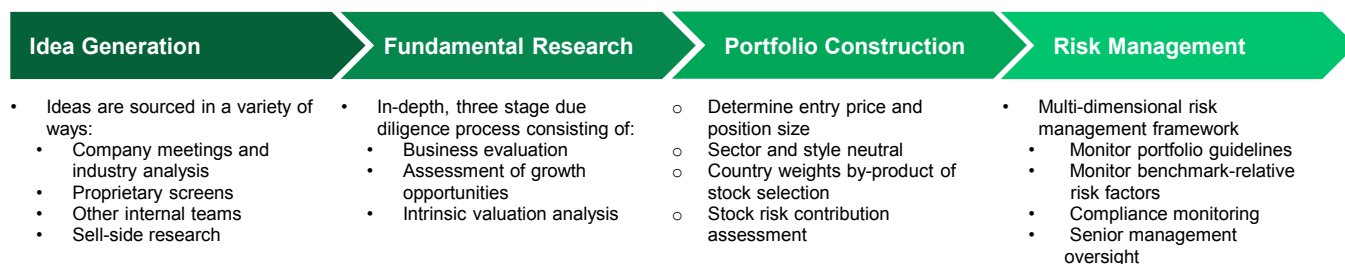
# Japan Core Equity Strategy

## Investment Philosophy<sup>1</sup>

We believe owning Japanese companies with strong cash generative business models, sustainable growth opportunities and trading at less than our assessment of intrinsic value, can deliver long term outperformance.

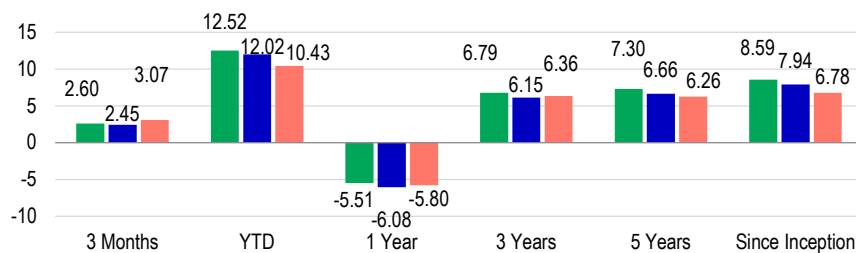
<b>Style:</b>	Core
<b>Strategy Inception:</b>	April 2013
<b>Benchmark:</b>	TOPIX
<b>Number of Holdings:</b>	40–60
<b>Expected Tracking Error:</b>	<8%

## Investment Process<sup>2</sup>



## Composite Performance\*

Returns as of September 30, 2019



■ Japan Active Equity Composite — Gross ■ Japan Active Equity Composite — Net ■ TOPIX

### Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013**
Japan Core Equity Composite — Gross <sup>3</sup>	-15.58	25.84	8.41	14.74	-2.08	17.34
Japan Core Equity Composite — Net <sup>3</sup>	-16.09	25.09	7.76	14.05	-2.66	16.82
TOPIX	-13.73	26.55	3.46	11.69	-3.33	13.72

\*Past performance is not indicative of future results.

\*\* Returns for 2013 are partial

Performance shown is the Manulife Asset Management (Asia) Japan Active Equity Composite as of September 30, 2019 in USD. Returns greater than one year are annualized. All annual performance measures are time-weighted. Composite Inception date, April 2013

## Strategy Highlights

### Deep Experience

- Lead Portfolio Manager has been managing Japanese Equities since 2000

### Repeatable Investment Process

- Find enduring cash generative businesses with reinvestment options where the cash flows are on sale

### Long-term focused but aware of short term opportunities

- Long term cash flows define valuations but short term opportunities can arise from stock volatility

### Risk Aware Portfolio Construction

- Portfolios target a broad spread of idiosyncratic stock risk with no sector, stock, style or country exposure dominating

### Deep Global Resources

- Access to the firm's deep local network of investment resources, including 450 investment professionals located in 17 countries, with a long tradition of active fundamental investing

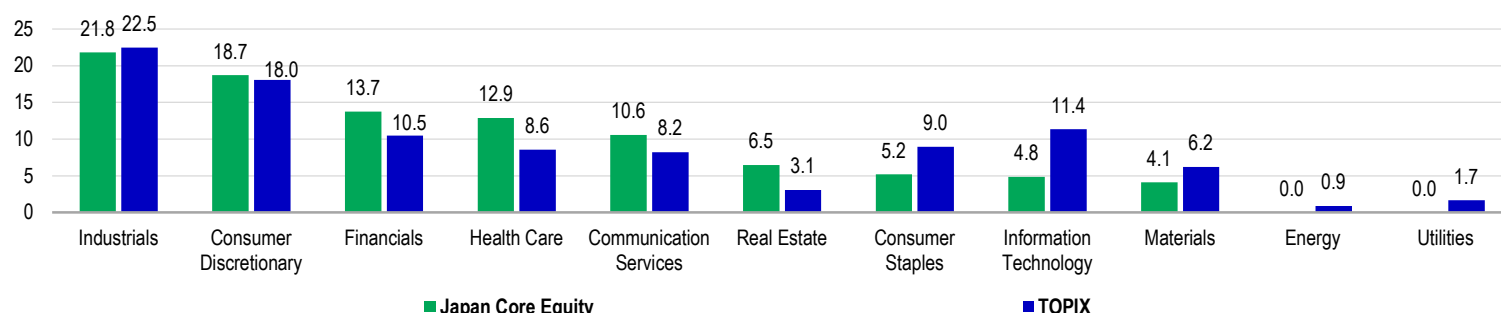
Investment Team	Years of Experience
Edward Ritchie, ASIP	24

Portfolio Characteristics<sup>4</sup>

	Japan Core Equity Strategy	TOPIX
Wtd. Avg. Market Cap (\$M)	27,573	29,949
Number of Holdings	54	2,150
Price/Book Ratio (x)	1.32	1.15
P/E Ratio (1 Year Forward) (x)	12.32	12.75
Dividend Yield (%)	2.67	2.50
Debt/Capital (%)	42.56	46.30
EPS LT Growth Rate (%)	3.24	6.23
Active Share	79.43	--

Top Ten Holdings (%)<sup>4</sup>

	Japan Core Equity Strategy
Mitsui Fudosan Co	5.1
HOYA CORPORATION	4.8
KDDI Corporation	4.4
Sumitomo Mitsui Financial	3.7
Sushiro Global Holdings	3.3
SoftBank Group Corp.	3.1
Toyota Motor Corp.	3.1
Japan Tobacco	3.0
Sekisui Chemical Co	2.7
Shionogi & Co	2.7
<b>Total</b>	<b>35.7</b>

Sector Allocation (%)<sup>4</sup>

## 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.

The Japan Active Equity strategy aims to own companies with strong cash flow generative business models, growth opportunities and trading at less than our assessment of intrinsic value, which can deliver long term outperformance. There is a \$2 million asset requirement to be eligible for inclusion in the composite.

TOPIX (First Section) Index (Total Return) expresses fluctuations in the market capitalization of all domestic stocks listed on the Tokyo Stock Exchange.

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<sup>2</sup> No investment strategy or risk management techniques can guarantee returns or eliminate risk in any market environment.

<sup>3</sup> 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.

<sup>4</sup> 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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