

# Our Achievements

Manulife Financial has identified five core competencies that have contributed to our success. In 2001, each of our operating divisions realized successes that reinforced the importance of our commitment to customer focus, distribution excellence, product innovation, technology, and risk and investment management.

## Customer Focus

Our customer focus directs our strategies on product design and improvement, distribution and after-sales service.

- Ranked number one for annuities service relationship management in the U.S. by two independent surveys of broker-dealer firms.
- Awarded *Plan Sponsor* magazine's Top Rating in overall participant service for 401(k) products in the U.S.; according to the survey, 98 per cent of Manulife's clients would recommend the Company to a colleague.
- Ranked number one in customer service for Elliott & Page Mutual Funds, according to a survey conducted by Environics Research group in Canada.
- Awarded Next Magazine's annual Top Service Award in the Hong Kong insurance company category, and the Business Excellence Award from the Canadian Chamber of Commerce in Hong Kong.

## Distribution Excellence

Manulife offers the widest possible range of distribution choices giving customers the products they want, when and how they want them.

- Established distribution agreement with one of Canada's leading financial planning companies giving its 3,500 financial consultants access to a range of Manulife's individual term and universal life insurance products.
- Expanded agency sales force in Asia by 35 per cent during the year, with more than 20,000 professional agents representing Manulife at year-end 2001.
- Extended our distribution reach through the U.S. College Savings business, with 60 per cent of sales coming from producers that have not previously done business with Manulife.

## Product Innovation

Manulife continuously looks to introduce innovative financial solutions.

- Introduced Estate Tax Advantage 2010, a Survivorship Universal Life product offering U.S. clients increased flexibility for their estate plans in response to recent changes in estate tax law.

- Awarded Quebec Grand Prix Award for product innovations, including Manulife Insured Portfolio Funds, Manulife one and Manulife Healthstyles.
- Introduced one of the first Universal Life products in Japan and launched the first-ever Universal Variable Life Insurance product in the Taiwanese market.
- Launched innovative products in Hong Kong that allow parents to provide guaranteed financial support to their children at major life stages beyond graduation.

## Technology

Manulife is committed to offering technological solutions for purchase, after-sale service and access to information.

- Launched i:contributions, a software application allowing U.S. 401(k) plan administrators to submit participant contribution files directly to Manulife via the Internet.
- Introduced new annuity technology in the U.S. that enables brokers to submit contracts electronically for Manulife's growing family of variable annuity products.
- Offered Canadian pension clients an investment and savings product with secure account access over the Internet, a first in Canada.
- Launched secure Web sites across the Asia region that allow agents to access the servicing information, marketing updates and administration forms required to serve their customers anytime, anywhere.

## Risk and Investment Management

Manulife's balance sheet is strong, with a solid capital base and a high quality, well-diversified investment portfolio.

- Completed offering of \$800 million principal amount of redeemable subordinated debentures.
- Issued \$1 billion of Manulife Financial Capital Securities ("MaCS").
- Maintained very strong overall credit quality with the ratio of net impaired assets to total invested assets declining to 0.25 per cent in 2001 from 0.39 per cent in 2000.