

Commitment to the Environment

Manulife strives to achieve the highest standards of environmental responsibility, establishing and maintaining policies and procedures that ensure we are sensitive to the environment as we conduct our business.

Our environmental policy and procedures emphasize energy conservation, sustainability, environmental risk management, recycling and healthy work environments. We apply environmental responsibility to all facets of our business, through both our own internal management systems and third-party industry audits and certifications.

Manulife adopted a formal environmental policy in 1995. The policy provides the Company and all our subsidiaries with a common set of guiding principles that forms the core of our environmental stewardship protocols and philosophy. The policy is supported by comprehensive procedures and risk management practices specific to each group's business operations. The Company's environmental policy and procedures are administered under the oversight of our Chief Environmental Officer, and an environmental review is presented annually to the Board of Directors.

Our Environmental Policy

Manulife Financial is committed to conducting all of its business activities in a manner that recognizes the need to preserve the quality of our environment.

Manulife Financial will:

- Promote environmental responsibility and conservation to employees with applicable job accountabilities;
- Distribute the policy and all relevant procedures to employees with applicable job accountabilities for their guidance and implementation into business practices;
- Ensure the Company's risk analysis and risk management procedures include consideration of environmental matters;
- Comply with all applicable environmental laws and regulations and, where possible, participate in the ongoing dialogue with government and industry to establish and promote practical environmental goals;
- Establish procedures to ensure the effective implementation of these policies.



We Support Environmental Stewardship Programs

Manulife was the first life insurance company in North America to become a signatory of the United Nations Environmental Program Finance Initiative, an internationally recognized program that promotes and supports responsible environmental practices.

Integrated Environmental Guidelines

Manulife not only strives to protect the environment and minimize environmental risk, we also look for suppliers who share this commitment. As part of an evolving environmentally responsible procurement process, we pursue several initiatives that build upon business relationships with environmentally responsible vendors who can assist us in reducing the environmental impact of our operations and services. These initiatives include:

- implementation of environmentally responsible procurement guidelines based on Canada's Environmental Choice Program and U.S. Environmental Protection Agency (EPA) recommendations;
- inclusion of environmental criteria in Manulife's standard Request for Proposal process;
- implementation of Environmental Choice Program and EPA EnergyStar certification criteria into the selection process for Manulife's photocopiers and fax machines.

Incorporating these guidelines results in a variety of benefits, including preferred supplier relationships based on a shared commitment to the environment and a greater use of environmentally friendly products and services.

Responsible Resource Development

NAL Resources, a mid-sized oil and gas company and subsidiary of Manulife, is committed to responsible resource development and continuous improvement in environmental, safety and social performance. With clear principles and goals in accordance with the Canadian Association of Petroleum Producers (CAPP) Stewardship initiative, NAL Resources has earned CAPP's Platinum designation, the highest level available, every year since 2003. NAL Resources has also achieved the highest possible status of Gold Champion Level Reporter in the Canadian Standards Association's GHG Challenge Registry since 2001, a voluntary program to reduce and document greenhouse gas emissions.

Managing Forests Wisely

As the world's largest manager of timberland investments for private equity investors, Manulife subsidiary Hancock Timber Resource Group adheres to a disciplined forest stewardship program to manage and protect its forest investments in a way that maintains and enhances economic, community and natural resource values. Timberlands managed by Hancock Timber are certified by either the Forest Stewardship Council or the Sustainable Forestry Initiative and are subject to audits to ensure





responsible management, promote continuous improvement and provide assurances to investors and environmental and community stakeholders.

Minimizing our Environmental Footprint

One of the largest owners of orchards and vineyards in the United States, Manulife subsidiary Hancock Agricultural Investment Group has long employed Integrated Pest Management (IPM) on its properties. IPM practices involve a combination of chemical, biological and cultural approaches to lower the environmental impacts of pest management, along with scouting and targeted plant disease management, to lessen even further the footprint of agricultural operations on our environment.



In 2005, Hancock Agricultural Investment Group earned the IPM Innovator Award from the California Environmental Protection Agency as part of the Integrated Prune Farming Systems Implementation Group, which continues to advance IPM research in the prune industry.

Excellence in Sustainable Practices

In 2005, Regional Power, a subsidiary of Manulife, won the coveted Blue Planet Prize from the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the International Hydropower Association (IHA) for its Sechelt Creek hydropower project in British Columbia.

Regional Power develops and operates hydroelectric power plants in Canada, with six plants currently in operation and four in various stages of development. The Sechelt Creek project is a 16-megawatt facility designed, developed and built by Regional Power. It began operating in 1997, and sells all its electricity to BC Hydro under a long-term contract. It supplies enough electricity for a community of 9,000 homes.

The Blue Planet Prize is awarded every two years to recognize excellence in sustainable practices at hydropower facilities in operation for a minimum of three years. In awarding the prize, the international panel of judges and jury, comprised of representatives of UNESCO and the IHA, noted that the Sechelt Creek project “re-established a thriving salmon run. An important element for the scheme is the partnership with the local Sechelt Indian Band and fisheries authorities, leading to benefits for the local community and the environment.” The judges and jury also mentioned that the project “incorporated technical innovation in synergy with the local environment in a remote part of Canada.”



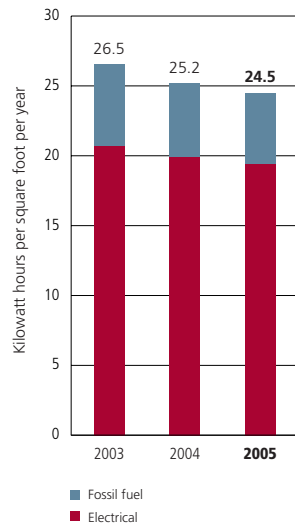
Sustaining Energy Performance

Energy conservation has long been a priority at Manulife. The Company's commitment to maintaining the value and integrity of our real estate assets goes hand in hand with our reputation as an industry leader and our dedication to environmental responsibility and the efficient operation of our properties. The Company is committed to incorporating the latest environmental technologies and systems into its projects and to fostering forward-thinking sustainable practices.

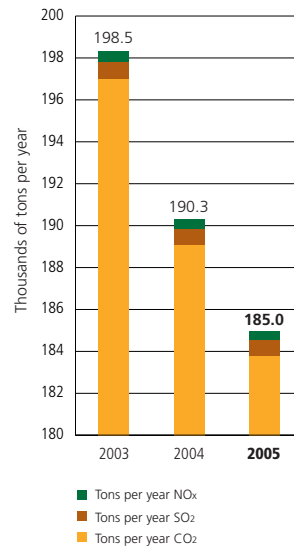


Manulife's long-established waste recycling program achieved a recycling rate of 48 per cent by weight, with close to 5,700 tons of office waste – primarily paper, aluminum, metal and glass – diverted in 2005. In addition, Manulife participates in several community-based charitable programs that involve recycling printer cartridges and cell phones.

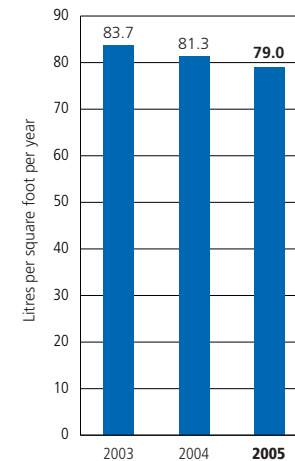
Specific Energy Use



Green House Gas Emissions (NO_x, SO₂, CO₂)



Specific Water Use



Manulife conducts annual energy audits on all Company-owned and managed real estate properties to monitor and continuously improve efficiency and energy conservation. We have also made significant investments in building automation systems that have resulted in consistent improvements.

Building upon our 10-year trend of excellent energy management, overall energy efficiency continued to improve in 2005, with energy consumption for Manulife's 14 million square foot managed office portfolio decreasing 2.8 per cent to 24.5 kilowatt hours per square foot in 2005 from 25.2 kilowatt hours per square foot in 2004.

This reduced energy consumption equates to a decrease of 5,320 tons a year in greenhouse gas emissions.

We also achieved continued reductions in water use, with consumption down 2.8 per cent to 79.0 litres per square foot in 2005 from 81.3 litres per square foot in 2004.

The reductions are a result of concentrated programs undertaken by the Company to maximize the combined environmental benefits and financial return of building improvements and bulk energy purchases through prudent energy use and environmentally conscious operations.

Some examples of these programs include: lighting upgrades using new lower-wattage fluorescent lamps, compact fluorescent light bulbs and motion sensors that automatically turn lights off when an office is not in use; efficient heating and cooling equipment; installation of



reflective film on south and west-facing windows of older buildings to block the sun's heat; and automatic flush valves and faucets in restrooms to conserve water.

Optimizing Operational Efficiency

Lowered window blinds can reduce a building's solar heat gain and, as a result, reduce the electrical consumption required to cool it during the summer. This was just one of the initiatives Manulife put in place at our nine North American facilities during the extended heat wave that hit the eastern United States and Canada last summer. Decorative and non-essential lighting was also turned off, indoor temperature set-points were increased, buildings were pre-cooled in the evenings and employees were reminded to be diligent about turning off computers and equipment at the end of the day. These proactive initiatives proved to be very successful. Electrical consumption at these properties was reduced by an average of 8,062 kilowatt hours per day, or 6.6 per cent, during the summer months.



Manulife was one of the first companies in British Columbia to purchase Green Power Certificates from BC Hydro, and our properties in Vancouver were two of the first buildings in Canada to be designated under the Building Owners and Managers Association (BOMA) Go Green program for energy conservation and efficiency. Manulife was also recently named the recipient of BC Hydro's Power Smart Excellence Award.

Energy and Environmental Awards Recognize Manulife

Select energy and environmental awards received in recent years for Manulife's real estate operations include:

- Energy Star Designations (U.S. Environmental Protection Agency [EPA]): Energy Star buildings are among the most energy efficient, using about 40 per cent less energy than conventional buildings yet meeting comprehensive standards for occupant comfort and indoor air quality.



- 555 Twelfth Street, Washington, D.C.
- Ashford Green, Atlanta
- Westwood Corporate Center, Orlando
- Building of the Year Awards (Building Owners and Managers Association [BOMA]): these include significant energy performance criteria.
 - 510 Burrard Street, Vancouver
 - 555 Twelfth Street, Washington, D.C.
 - 1100 New York Avenue, Washington, D.C.
 - Manulife Place, Edmonton
 - Manulife Place, Ottawa
 - North American Centre, Toronto
 - Westwood Corporate Center, Orlando

- Go Green Certifications (BOMA):

- 510 Burrard Street, Vancouver
- Manulife Place, Vancouver



- Award of Excellence for Most Efficient Electricity Use (Los Angeles Department of Water and Power):
 - 515 South Figueroa, Los Angeles
- Award of Excellence for Innovative Energy Management (Los Angeles Department of Water and Power):
 - 515 South Figueroa, Los Angeles
- U.S. Green Building Council Certification:
 - 601 Congress Street, Boston
- Power Smart Excellence Award (BC Hydro):
 - 510 Burrard Street, Vancouver
 - Manulife Place, Vancouver