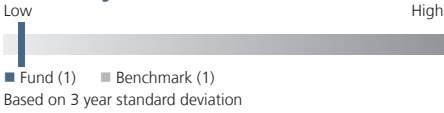


Volatility meter



FIXED INCOME

Code 4273

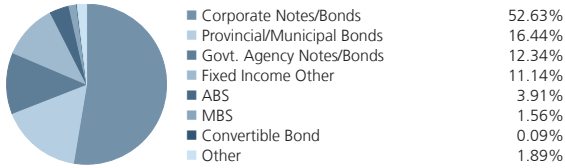
Manulife PH&N Short Term Bond & Mortgage Fund

How the underlying fund is invested

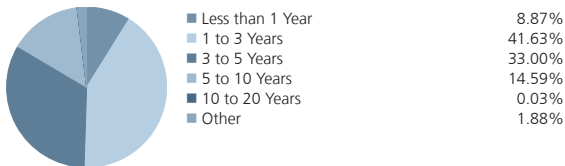
Composition



Bond type



Bond term



Top holdings within the underlying fund

(As at June 30, 2016)

Ontario Province	2.100%	08-Sep-2018	7.60%
Canada	0.750%	01-Mar-2021	3.28%
Can House No1	1.700%	15-Dec-2017	3.11%
Can House No1	1.200%	15-Jun-2020	3.04%
Ontario Province	4.400%	02-Jun-2019	2.94%
Can House No1	1.250%	15-Jun-2021	2.62%
GENESIS TRUST II	15-Feb-2024	131	1.74%
Canada	1.250%	01-Feb-2018	1.56%
Canada	0.750%	01-Sep-2020	1.39%
Royal Bank of Canada	1.400%	26-Apr-2019	1.30%

Target duration and credit quality

0-5 years	5-10 years	10 + years	
●			AAA and AA
			A and BBB
			below BBB

All rates of return are shown before investment management fees or taxes have been deducted. This fund invests primarily outside of North America.

Source: Lipper, a Thomson Reuters company

UNDERLYING FUND -> PH&N Short Term Bond & Mortgage Fund - O

Objective The PH&N Short Term Bond and Mortgage Fund seeks to provide stability of capital and generate interest income by investing primarily in a well-diversified portfolio of short-term fixed income securities issued by Canadian governments and corporations and

Managed by RBC Global Asset Management Inc

Fund managers Kristian Sawkins

Inception date October 2002

Total assets \$5,584.4 million

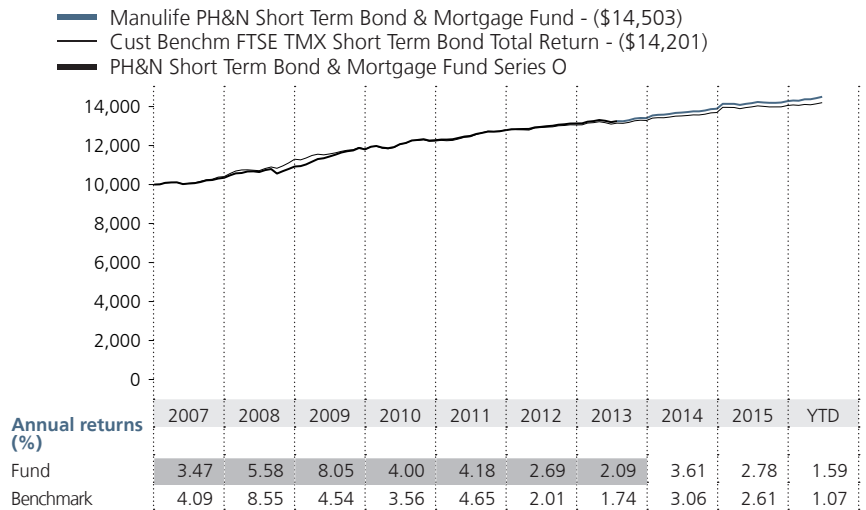
Duration 2.93

Manulife inception date July 2013

Underlying fund operating expense (2015)
0.05

Overall past performance

This graph shows how a \$10,000 investment in this fund would have changed in value over time, based on gross returns. **Gross rates of return are shown before investment management fees have been deducted.** The shaded returns represent the underlying fund returns prior to the Manulife Fund's inception date.



Annualized compound returns (As at June 30, 2016)

This table shows the historical annual compound total return of the fund compared with the benchmark, as outlined in the rate of return expectation below.

	1 year (%)	2 year (%)	3 year (%)	5 year (%)	10 year (%)	Since inception (%)
Fund	2.31	2.92	-	-	-	3.14
Benchmark	1.56	2.49	2.73	2.66	3.91	-

Investment objective

The fund seeks to outperform the FTSE TMX Short-Term Bond Index by 30-50 bps over a market cycle before management fees.