

**Manulife Financial Corporation (the “Company”)**

**Conduct Review and Ethics Committee Charter (February 2011)**

**1. Overall Role and Responsibility**

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- 1.1** The Conduct Review and Ethics Committee (the “Committee”) shall assist the Board of Directors in its oversight role with respect to:
- (a) conflicts of interest;
  - (b) confidential information;
  - (c) complaints of customers; and
  - (d) transactions involving related parties of the Company.

**2. Membership**

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- 2.1** The Committee shall consist of three or more Directors appointed by the Board of Directors on the recommendation of the Corporate Governance and Nominating Committee.
- 2.2** No member of the Committee shall be an officer or employee of the Company, its subsidiaries or affiliates. Members of the Committee will not be affiliated with the Company as such term is defined in the *Insurance Companies Act* (Canada) (the “Act”).
- 2.3** A majority of the Committee members will be resident Canadians.
- 2.4** Each member of the Committee shall satisfy the applicable independence and experience requirements of the laws governing the Company, the applicable stock exchanges on which the Company’s securities are listed and applicable securities regulatory authorities.
- 2.5** The members of the Committee shall also be members of the Audit Committee.
- 2.6** The Board of Directors shall designate one member of the Committee as the Committee Chair.
- 2.7** Members of the Committee shall serve at the pleasure of the Board of Directors for such term or terms as the Board of Directors may determine.

**3. Structure, Operations and Assessment**

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- 3.1** The Committee shall meet two times per year or more frequently as the Committee may determine. The Committee shall report to the Board of Directors on its activities after each of its meetings.

- 3.2** The affirmative vote of a majority of the members of the Committee participating in any meeting of the Committee is necessary for the adoption of any resolution.
- 3.3** The Committee may create one or more subcommittees and may delegate, in its discretion, all or a portion of its duties and responsibilities to such subcommittees.
- 3.4** The Committee shall on an annual basis:
- (a) review and assess the adequacy of this Charter and, where necessary, recommend changes to the Board of Directors for its approval;
  - (b) undertake a performance evaluation of the Committee comparing the performance of the Committee with the requirements of this Charter; and
  - (c) report the results of the performance evaluation to the Board of Directors.

The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the chair of the Committee or any other member of the Committee designated by the Committee to make this report.

#### **4. Specific Duties**

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The Committee will carry out the following specific duties:

##### **4.1 Review of Ethical Standards**

- (a) Annual review of the Company's Code of Business Conduct and Ethics.
- (b) Establish procedures to receive and process any request from executive officer(s) and Director(s) for waiver of the Company's Code of Business Conduct and Ethics.
- (c) Grant any waiver of the Company's Code of Business Conduct and Ethics to executive officer(s) and Director(s) as the Committee may in its sole discretion deem appropriate and arrange for any such waiver to be promptly disclosed to the shareholders in accordance with applicable laws or the rules of applicable securities regulatory authorities.
- (d) Annual review and assessment of procedures established by the Board of Directors to resolve conflicts of interest, including techniques for the identification of potential conflict situations, and for restricting the use of confidential information.

##### **4.2 Self Dealing and Disclosure Requirements**

- (a) Require management to establish procedures for complying with Part XI (Self-Dealing) of the Act (the "Related Party Procedures").

- (b) Establish criteria for the determination of materiality of a transaction with a related party.
- (c) Annual review of the Related Party Procedures and their effectiveness in ensuring that the Company is complying with Part XI of the Act and the Sarbanes-Oxley Act.
- (d) Review the practices of the Company to ensure that any transactions with related parties of the Company that may have a material effect on the stability or solvency of the Company are identified.
- (e) Ensure that, within 90 days after the end of each financial year of the Company, the Board of Directors will report to the Superintendent of Financial Institutions (Canada) (the “Superintendent”) on its activities of the previous year undertaken in carrying out its responsibilities under the Act (and, in particular, in respect of (a) to (c) above).
- (f) The Committee shall report to the Superintendent on the mandate and responsibilities of the Committee and the procedures referred to in (a) above.
- (g) Annual review and assessment of the procedures established by the Board of Directors to disclose information to customers of the Company under the Act, if applicable and for the procedures dealing with complaints of customers of the Company to satisfy itself that the applicable procedures are being followed.

#### **4.3 Proxy Circular**

- (a) The Committee shall prepare a report on its activities on an annual basis to be included in the Proxy Circular, as may be required by applicable laws or rules of applicable securities regulatory authorities.

#### **5. Independent Advisors**

- 5.1** The Committee shall have the authority to retain such independent advisors as it may deem necessary or advisable for its purposes and to set the terms of the retainer. The expenses related to any such engagement shall be funded by the Company.