



Understanding our investment strategy for Protection UL & Protection SUL

Delivering on a disciplined strategy

At John Hancock, our unique General Account investment portfolio provides consistent results and helps maintain a stable crediting rate. Across all our segments, our unwavering commitment is to maximize opportunities for our policyholders through a disciplined investment strategy.

Our objective for Protection UL and Protection SUL is to provide the maximum death benefit protection, for the lowest possible cost. To deliver on this, we use a unique strategy that goes beyond your typical current assumption UL products, where a general account is backed only by government bonds and fixed income investments. Specifically, our General Account includes a number of alternative long duration assets (ALDA), such as commercial real estate, farmland and timberland. While these assets are less liquid than bonds, they can traditionally deliver higher rates of return over the long term, which aligns well with the objective of our protection portfolio.

Specialized experience

Our General Account investments are managed by the investment division of Manulife Financial and offer specialized expertise investing in alternative asset classes typically not available to individuals — such as agriculture, commercial real estate, private ownership and timberland.

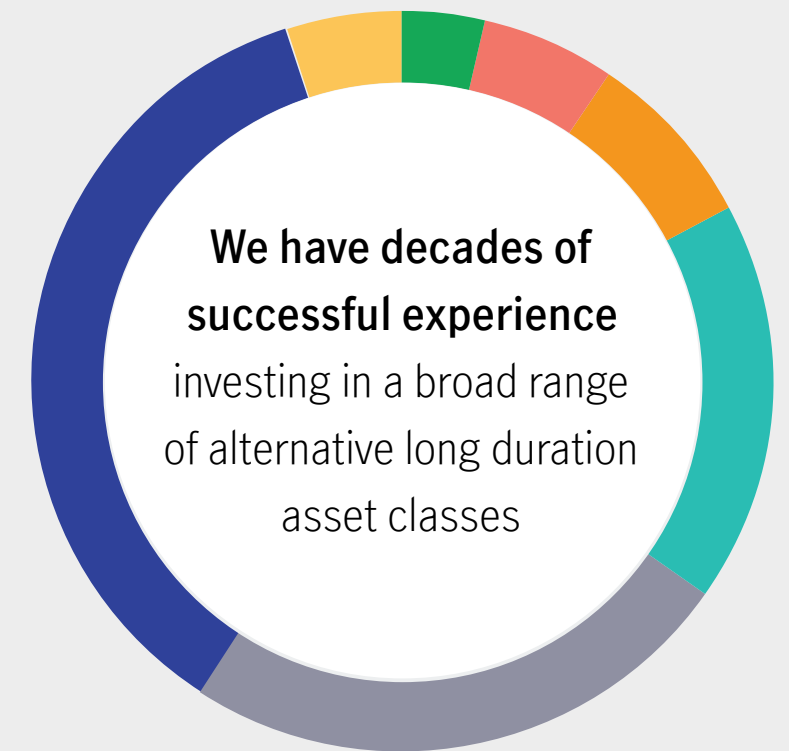
We have decades of experience managing alternative assets. In fact, John Hancock Timber Resource Group is the largest institutional timberland investment manager in the world.

Examples of fixed income assets

- **Public and private bonds** — high quality government and corporate bonds, diversified by industry sector and geography.
- **Private placements** — fixed income securities sold directly to institutional investors. These investments benefit from covenants and collateral that may provide for better credit protections and potential recoveries on default.
- **Commercial and agriculture mortgages** — conservatively underwritten with a low loan-to-value ratio and a high debt-service coverage ratio. We are heavily diversified by property type and limit our investment in riskier segments of the market such as hotels, construction loans and second liens. Our agricultural mortgages are well diversified by business type and geography.

Examples of alternate long duration assets (ALDA)

- **Agriculture** — investments in row and permanent crop properties, which are leased or directly operated.
- **Commercial real estate** — high quality holdings in large, economically diverse regions of the U.S., Canada and Asia. The focus is on current income with gains on turnover.
- **Infrastructure** — large-scale public systems, services and facilities that are necessary for economic activity, such as power, utility, pipeline and transportation projects.
- **Private equity** — securities in operating companies that are not publicly traded.
- **Timberland** — investments in tree farms and managed natural forests. Returns are derived from biological growth, upward product class movement, timber-price appreciation and land-price appreciation.



Alternative long duration assets

- **Farmland:** 3%
- **Oil & gas:** 4%
- **Timberland:** 8%
- **Private equity & other:** 25%
- **Power & infrastructure:** 22%
- **Real estate:** 32%
- **Other ALDA:** 5%

*As of December 31, 2021.

Strength. Stability. John Hancock.

John Hancock is among the highest-rated companies for financial strength and stability as demonstrated by its A+ rating from A.M. Best.* Financial strength ratings are a comprehensive measure of a company's financial strength and stability, and are important as they reflect a life insurance company's ability to pay claims in the future. With 160 years of experience, John Hancock offers clients a diverse range of insurance products and services through its extensive network of employees, agents, and distribution partners. For more information on this or other life insurance products, please contact your insurance agent.

* Second highest of 13 ratings (superior ability to meet ongoing insurance obligations). Financial strength rating is current as of June 30, 2022, is subject to change, and applies to John Hancock Life Insurance Company (U.S.A.) and John Hancock Life Insurance Company of New York as a measure of each company's financial ability to pay claims and to honor any guarantees provided by the contract and any applicable optional riders. These companies have also received additional financial strength ratings from other rating agencies. Financial strength ratings are not an assessment, recommendation, or guarantee of specific products and their investment returns or value, do not apply to individual securities held in any portfolio or the practices of an insurance company, and do not apply to the safety and performance of separate accounts.

Guaranteed product features are dependent upon minimum premium requirements and the claims-paying ability of the issuer. Insurance policies and/or associated riders and features may not be available in all states.

Insurance products are issued by John Hancock Life Insurance Company (U.S.A.), Boston, MA 02116 (not licensed in New York).
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