

Manulife IM Global Proxy Voting Policy

February 2026 vs. February 2025: what changed, and what it means for
your ballot

Manulife Investment Management
Global proxy voting policy and procedures
February 2025 edition compared with February 2026 edition

*Manulife stopped voting on ISS's policies and started voting on its own - and it now
says, in writing, that AI tools help produce its voting recommendations.*

Source: the two published policy documents, read in full. Every quotation below is taken verbatim from them.
proxyvotesnow.com

The short version

Two changes in the February 2026 edition matter, and both concern how a vote gets produced rather than what Manulife thinks about any particular ballot item. The policy has always pointed to a separate guidelines document for the substance; what this document governs is the machinery.

- The default voting policy changed hands. In 2025 Manulife had "adopted the Institutional Shareholder Services (ISS) Benchmark Policy" for ESG-integrated strategies and "the ISS Sustainability Policy" for thematic strategies. Both references are deleted. In 2026 the provider populates initial recommendations "in accordance with the guidelines" - Manulife's own.
- Artificial intelligence entered the voting chain. A new paragraph says investment professionals "utilize AI-powered tools to assist with voting recommendations and instructions for certain proposals." There is no 2025 equivalent of any kind.

Alongside those, one control was tightened and one was loosened. Manulife will no longer vote its own parent company's shares at all, where previously it had the option of voting them in line with its proxy adviser. And the hard 2% trigger that forced an investment professional to review a meeting was deleted from the review process, replaced by team discretion.

Two affiliates - the Indonesian and Taiwanese businesses - were removed from the list of entities the policy covers, along with the footnote that explained why they were treated differently.

Direction of travel

More self-reliant and more automated. Manulife has taken ownership of its voting standard rather than renting one, which is a step towards accountability; at the same time it has removed a numerical review trigger, softened the sustainability team's role from "internal review" to "consult," and deleted a sentence promising that it votes consistently with its stated principles. On the substance of how it votes, this document says nothing new either way.

1. Off ISS's policies, onto Manulife's own

This is the most consequential edit in the document, and it is easy to miss because it is buried in a bullet list describing what the proxy voting service provider has been engaged to do.

What standard the provider applies when it generates recommendations

February 2025:

"provide research and make voting recommendations, taking into account the product's strategy. Manulife IM has adopted the Institutional Shareholder Services (ISS) Benchmark Policy for our ESG integrated strategies and the ISS Sustainability Policy for our thematic strategies. These policies were selected as their underlying principles, and recommendations are aligned with the strategies with which they are paired."

February 2026:

"provide research and make voting recommendations, based on the Manulife IM global proxy voting guidelines"

The same substitution is made in the body of the procedures. In 2025 the provider "populates initial recommended voting decisions using the relevant policy that considers a range of issues." In 2026 it "populates initial voting recommendations in accordance with the guidelines" - and the sentence immediately before it now reads:

2026, new:

"Manulife IM has implemented global proxy voting guidelines, which set forth our general approach to proxy voting proposals and subject matter for our ESG-integrated strategies and also our approach to proxy voting proposals for our thematic strategies. The guidelines are reviewed on a regular basis to ensure broad alignment with the various Manulife IM issue-specific statements."

Note the substitution in that sentence too. It is Manulife's guidelines that are now reviewed for alignment with Manulife's own issue-specific statements. In 2025 it was the two ISS policies that were "reviewed on a regular basis to ensure broad alignment" with those statements - an inherently awkward arrangement, since ISS writes its benchmark policy for the whole market, not for one client.

Why this matters

If you held a Manulife ESG-integrated strategy in 2025, the starting point for every vote in your portfolio was ISS's house view, which Manulife could override. From 2026 the starting point is Manulife's own published guidelines. In practice the first-pass recommendations may look similar - Manulife's guidelines are still executed by the same provider - but responsibility has moved. A vote you disagree with is now Manulife's to explain, not ISS's. It also means the separate guidelines document, not this one, is where the substance now lives, and it is the document to read if you want to know how a say-on-pay or climate resolution will be handled.

2. AI enters the voting process

Manulife is one of the first large managers to put this in a proxy voting policy in plain terms. Two new sentences were added to the vote review section; nothing resembling them appears in the 2025 edition.

2026, new:

"In certain instances, investment professionals also consider information from AI-powered tools, supplemental data sources, and other external information to help inform their proxy-voting decisions, provided such resources are used appropriately, with sound oversight, and in alignment with Manulife IM's policies and stewardship standards."

2026, new:

"Investment professionals utilize AI-powered tools to assist with voting recommendations and instructions for certain proposals, based on the guidelines, research and parameters provided by Manulife IM."

The two sentences do different work. The first is permissive and hedged - AI as one input among several, subject to oversight. The second is a statement of present fact, and it reaches further: the tools assist with recommendations and with instructions, which is the step at which a vote is actually cast.

What the document does not say is equally worth noting. There is no description of which proposal types are handled this way, no accuracy or review standard, no statement that a human approves every AI-assisted instruction, and no mention of AI anywhere in the oversight section - where the public markets sustainability committee's annual due diligence obligations are described in detail, and cover the proxy voting service provider only.

Why this matters

Routine ballot items - auditor ratification, uncontested director slates at small holdings, routine share authorities - make up the large majority of votes cast by any global manager, and are the obvious candidates for automation. The disclosure is welcome and ahead of the market. But an investor asking "who decided how my shares were voted" now has a third possible answer alongside Manulife's analysts and its proxy adviser, and the policy does not yet say where the boundary sits.

3. The 2% review trigger was deleted

The 2025 policy contained a hard numerical rule about which meetings got human attention. The 2026 policy does not.

Which holdings get an active review

February 2025:

"The firm actively reviews voting options where Manulife IM holds a significant ownership position in an investment. A significant ownership position in an investment is defined as those cases in which Manulife IM holds at least 2% of a company's issued share capital in aggregate across all Manulife IM client accounts. The investment professionals may also review other proxy voting items for their holdings and may make voting suggestions and/or determinations as discussed further below. Where Manulife IM holds a significant ownership position in a company, the investment professional is notified of the matter and the related voting proposals are reviewed."

February 2026:

"Manulife IM actively reviews voting matters on a case-by-case basis, considering both the substance of the proposal and the significance of the holding. Investment teams are empowered to determine which meetings warrant active review, consistent with their investment philosophies and clients' objectives."

A defined threshold with a mandatory consequence - notify the investment professional, review the proposals - became a judgement exercised by the team. "Significance of the holding" is still a stated factor, so size has not stopped mattering; what has gone is the point at which it automatically triggers a human review.

But the 2% figure itself survives, elsewhere

This is the nuance that makes the change readable. The securities lending section in both editions says Manulife is "particularly focused on preserving voting rights for companies in which the firm holds 2% or more of a company's voting shares, aggregated across client accounts," and has a process to "systematically restrict and recall shares, on a best-efforts basis," at that level. The threshold was not abandoned as a concept; it was removed from the one place where it obliged someone to look at a ballot.

A second, smaller loosening sits in the next paragraph. In 2025 investment professionals "may seek internal review by and advice from the sustainability team" when weighing an individual ballot item. In 2026 they "may consult with the sustainability team for subject-matter insight and contextual analysis." Advice and review became insight and analysis.

4. Conflicts: one clean tightening

Manulife IM is a subsidiary of Manulife Financial Corporation, a listed company whose own shares appear in client portfolios. The 2025 policy gave itself two ways to handle that. The 2026 policy gives itself one.

Voting shares of the parent company

February 2025:

"Where Manulife IM is charged with voting MFC shares, we will seek to either vote shares in line with the voting recommendations of our external proxy voting service provider or not execute those votes in order to mitigate any conflict of interest."

February 2026:

"Where Manulife IM is charged with voting MFC shares, we will not exercise those votes to mitigate any conflict of interest."

The option to vote MFC shares along proxy-adviser lines is gone; abstention is now the only route. This is the unambiguous tightening in the document. It is also a slightly unusual choice - several peers handle the same conflict by mirroring the votes of unaffiliated holders rather than by standing aside - but it removes any question of Manulife's judgement influencing a vote at its own parent.

The rest of the conflicts framework is carried forward intact: the global code of ethics, the requirement to escalate employee-level conflicts to a manager and to legal or compliance, the organisational separation of the sustainability team and investment professionals from sales and vendor functions, and the statement that "voting decisions are executed independently of our parent company, MFC, or any of its related entities."

5. Scope, and a deleted commitment

Two affiliates left the policy

Appendix A lists the Manulife IM advisory affiliates the policy covers. The February 2025 list had twelve names. The February 2026 list has ten: PT Manulife Aset Manajemen Indonesia and Manulife Investment Management (Taiwan) Co., Ltd. are both gone.

So is the footnote that explained their position - that because of "manual/physical voting processes or the absence of a third-party proxy voting service provider for those jurisdictions," the Indonesian affiliate used no third-party provider and the Taiwanese affiliate used one only for non-Taiwanese holdings. The document no longer says how proxies at those two businesses are voted, or whether this policy applies to them at all.

A sentence about consistency was removed

What the guidelines are for

February 2025:

"The guidelines are an important public disclosure reflecting what we, as fiduciaries, believe drive long-term value, and we vote consistently with those principles."

February 2026:

"The guidelines are an important public disclosure reflecting what we, as fiduciaries, believe drives long-term value."

The promise to vote consistently with the stated principles was deleted. On its own this is a small piece of housekeeping in a sentence that also fixed a grammar error. Set next to the arrival of AI-generated recommendations and the removal of the mandatory review trigger, it reads as part of a pattern: the 2026 document claims slightly less about how reliably the guidelines translate into votes.

One statement-of-policy bullet lost a clause in the same way. 2025: good governance "enhances longer-term resilience by positioning companies to best manage risks and supporting long-term shareholder value." 2026 stops at "best manage risks."

And one expansion

The list of issue-specific statements the guidelines are read against grew from three to six. 2025 named the climate change statement, the nature statement and the executive compensation statement. 2026 adds a sustainable investing and sustainability risk statement, a water statement and a people statement. The public markets sustainability committee's remit was also widened to cover "the proxy voting guidelines" explicitly, not just the policy and the voting function.

6. What did not change

The great majority of the document is carried forward word for word or with light copy-editing.

- Scope of authority: clients who delegate voting to Manulife "cannot direct our vote in a particular proxy solicitation," and Manulife "will not generally provide advice on proxy voting to clients who have not granted us voting authority." Both sentences are unchanged.
- The securities lending position, including the 2% restrict-and-recall focus.
- The prohibition on empty voting, on creating hedge positions solely to gain votes, and on knowingly voting borrowed shares. Only the definition footnote was reworded.
- The full list of circumstances in which Manulife may refrain from voting - cost, unrecalled lent stock, short notice, in-person voting, share blocking, re-registration, power of attorney, and custodian limitations.
- Annual due diligence on the proxy voting service provider, covering reputation, risk, regulatory compliance, technology, staffing, data quality and the provider's own conflicts of interest.
- Recordkeeping, monthly disclosure of voting records, review of the policy at least every three years, and the requirement that any deviation be approved by the global chief investment officer in consultation with the chief sustainability officer.

The executive summary's framing also survives, including the line that most directly explains Manulife's voting record: "An active decision to invest in a company reflects a positive conviction in the investee company and usually in the incumbent management team, and therefore, we often support management's voting recommendations, but management recommendations are only one of the factors we consider."

The bottom line

Nothing in the February 2026 edition tells you Manulife has changed its mind about a director election, a pay resolution or a shareholder proposal. This document does not contain those views - they sit in the separate global proxy voting guidelines, which is now the document that matters most.

What changed is who owns the default. Through 2025, Manulife's ESG-integrated strategies started every vote from the ISS Benchmark Policy and its thematic strategies from the ISS Sustainability Policy. From 2026 both start from Manulife's own guidelines. That is a real transfer of responsibility, and an investor comparing Manulife's voting record across the two years should expect the comparison to be complicated by it.

The second change is newer still. Manulife now states that AI-powered tools assist with voting recommendations and instructions for certain proposals. Disclosing it is more than most managers have done. The absence of any accompanying control - no scope, no human-in-the-loop commitment, no place in the oversight section - is the gap to watch in next year's edition.

Everything else is small and cuts both ways: the parent-company conflict was closed off cleanly, the mandatory review trigger was removed, two affiliates left the policy, and a sentence promising consistency between guidelines and votes was quietly dropped.