Manulife Investments | John Hancock

JOHN HANCOCK FREEDOM 529 OFFERED BY EDUCATION TRUST OF ALASKA

Investing for the next generation of leaders

John Hancock Freedom 529

Three reasons to invest for an *education*

Every child has the potential to do great things. Your children might go on to cure a disease, invent a revolutionary new technology, design an awe-inspiring building, or write a future generation's classic novel. Unlocking their potential takes encouragement, love, and support, but—increasingly—it also takes investing in a college education.

1 The *cost* of not going to college is greater than ever

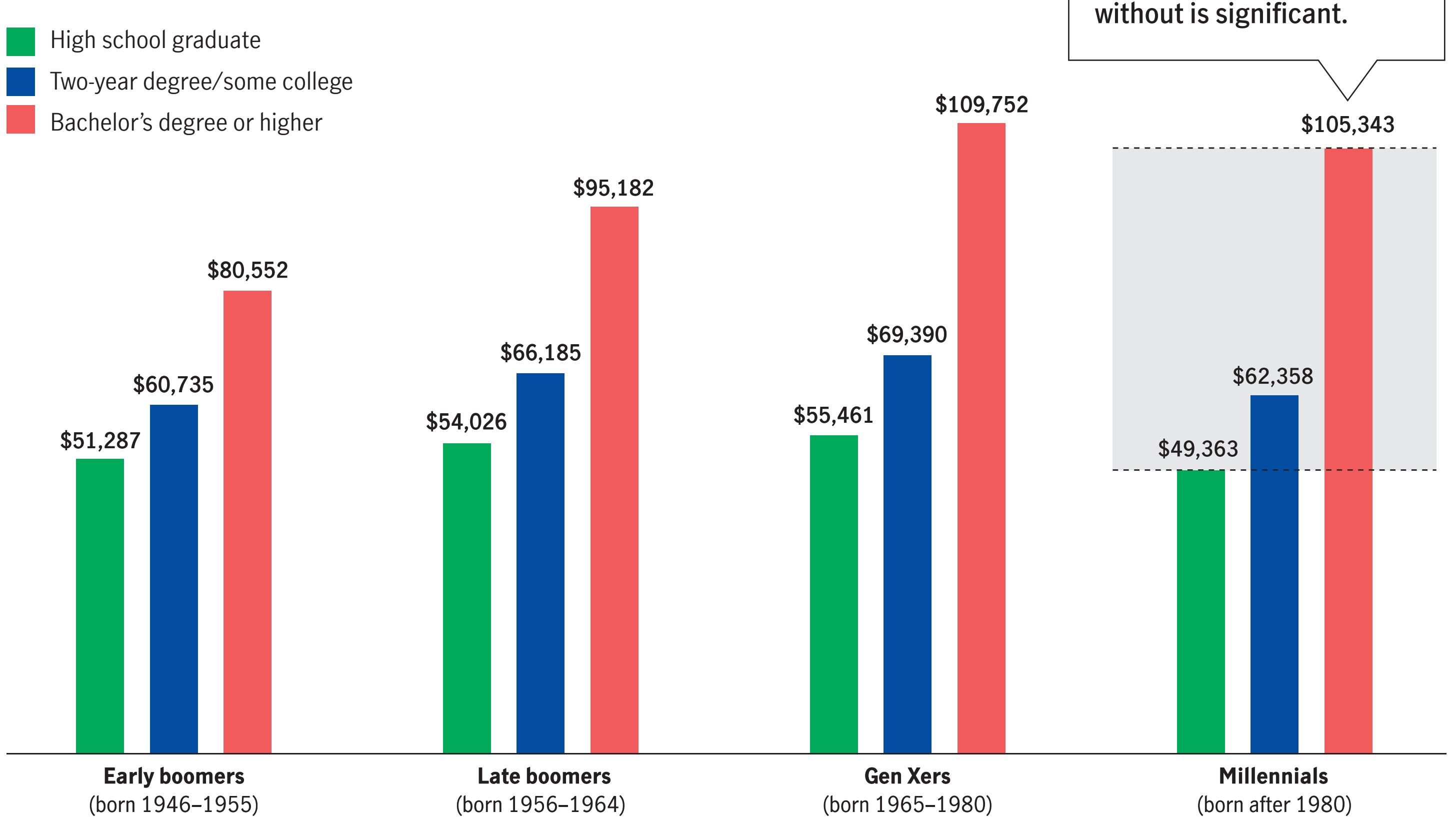
For the past 50 years, the annual pay gap between those who earned at least a bachelor's degree and those who didn't has grown increasingly wider. In fact, as our economy evolves to rely more on technical professions, the annual pay for those without a four-year college degree has declined.

2 Paying for college has become more *challenging*

College costs have marched steadily higher since the 1980s, increasing at a rate that's far outpaced the rise in the cost of food, housing, and medical care. As a result, college expenses have come to represent an ever-larger share of household incomes.

The value of a college degree grows with each generation

Median annual earnings among full-time workers aged 25–37, by generation



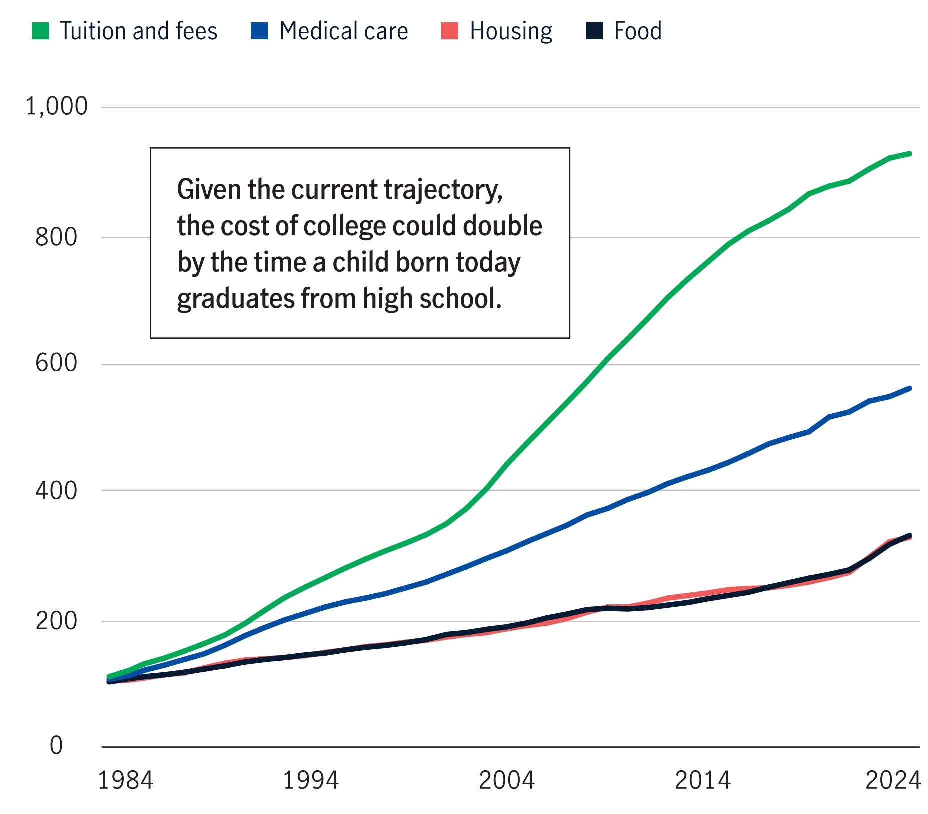
Source: Pew Research Center analysis of the 1968, 1982, 1989, 2001, and 2018 Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS), 2024.

3 Student debt has *ballooned*

As college costs have risen, each generation has turned increasingly to student loans as a way to finance all or a portion of the cost. In fact, the average student loan debt is $38,375.[1]

College costs have risen much faster than other expenses in recent decades

Changes in select Consumer Price Index components, 1984–2024 (indexed to 100, 1982–1984)



Source: U.S. Bureau of Labor Statistics, July 2024.

1 Federal Student Aid Portfolio Summary, Federal Student Aid, U.S. Department of Education, January 2025. **2** Some states do not consider 529 withdrawals for primary and secondary school education to be qualified withdrawals and, therefore, the investor may be subject to penalties. **3** privateschoolreview.com, 2025.

Current loan debt distribution by age group

18–24
15.1%

25–34
33.5%

35–61
45.1%

62+
6.3%

Source: "Student Loan Debt by Age," educationdata.org, March 2025.

Consider this

A 529 account can now be used to pay for tuition for kindergarten through high school.[2]

There's an annual $10,000 limit per beneficiary for kindergarten through grade 12 tuition expenses.

The average cost of private school tuition for the 2024/2025 school year is $13,232 ($12,337 for elementary school and $16,971 for high school).[3]

The John Hancock Freedom 529 plan is a *powerful* way to save

Our 529 education savings plan has helped American families save for higher education for the past 20 years, with a number of features you simply can't find in other education savings options. From the flexible contribution guidelines to account control and the ability to change beneficiaries as needed, the John Hancock Freedom 529 plan is designed to help you meet today's education savings challenges.

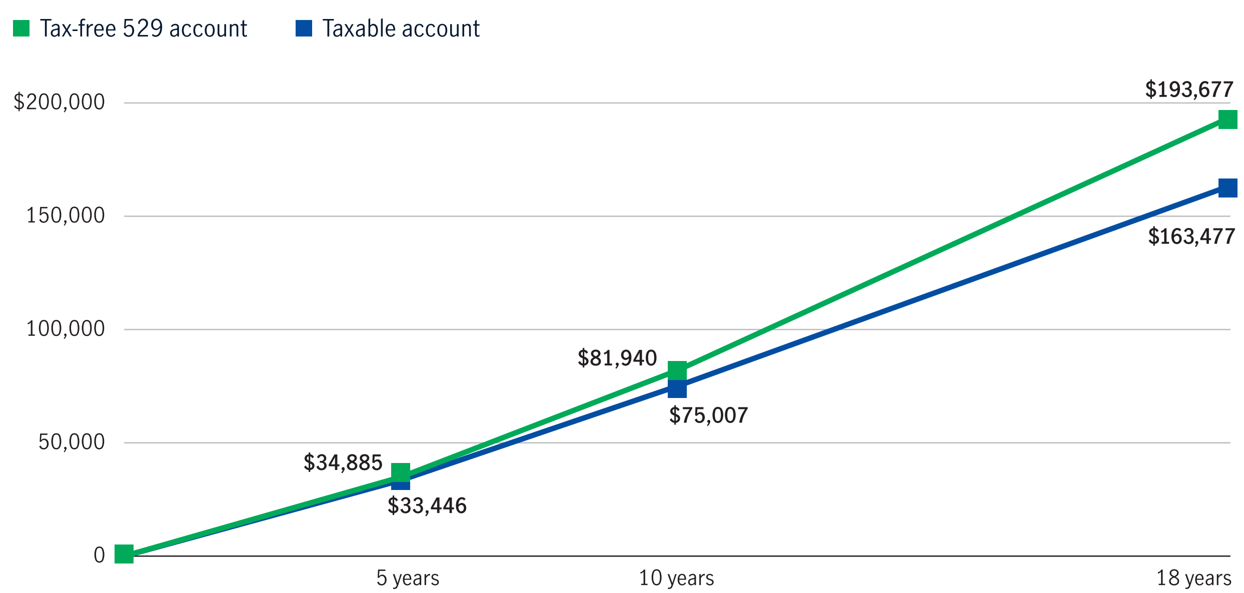
Tax advantages

Your account can accumulate and compound tax free

Your account can accumulate tax free,[4] plus you pay no federal income taxes on your earnings when you withdraw the money to pay for qualified education expenses. Since the earnings aren't taxed, your savings have the potential to accumulate faster than in a taxable account.

The tax advantages of a 529 plan can make a big difference over the long run

$500 monthly contributions in hypothetical accounts growing at a rate of 6%



This example assumes contributions of $500 per month, a hypothetical 6% nominal rate of return compounded monthly, and a 28% tax bracket for the taxable account. The returns shown are for illustrative purposes only. They are not representative of any particular investment and are not intended to predict the return of any investment, which will fluctuate. Capital gains, exemptions, deductions, and local taxes are not reflected. Investors should consider their personal investment horizon and income-tax brackets when making an investment decision.

Your contributions may qualify for a tax deduction

Nine states—Arizona, Arkansas, Kansas, Maine, Minnesota, Missouri, Montana, Ohio, and Pennsylvania—allow you to deduct some or all of your contributions to the John Hancock Freedom 529 plan on your state income-tax return.[5]

4 State tax laws and treatment may vary. Earnings on nonqualified distributions will be subject to income tax and a 10% federal penalty tax. Please consult your tax advisor for more information. **5** Consult your financial, tax, or other professional to learn more about how state-based benefits, including any limitations, would apply to your specific circumstances.

Flexibility

Anyone can invest on behalf of your child

Sometimes it takes a village to raise a child, and paying for school is no different. Parents, grandparents, aunts, uncles, and friends can all contribute to your child's account. There are no income or age limits for contributors, and each account can accept as much as $550,000 in total contributions.[6]

You can take advantage of special gifting flexibility

The most cost-effective way to pay for an education is to plan in advance and save diligently. In reality, many families get behind schedule and don't begin saving in earnest until schooling is right around the corner. 529 education savings plans offer a unique feature that lets you make five years' worth of contributions in a single year—up to $95,000 ($190,000 for a married couple) per beneficiary—without triggering federal gift taxes.[7] Plus, these gifts directly reduce the value of the donor's taxable estate, providing potential estate planning advantages.

You can use it at any accredited college, apprenticeship, and grades K through grade 12

Where you decide to send your child to college is an important choice involving a host of factors, such as available degree programs, academic reputation, and distance from home. Unlike prepaid tuition plans, 529 plan proceeds may be used at any accredited college and qualified apprenticeship programs to pay for tuition, fees, room and board, computers, books, and other qualified expenses. Plus, you may now use your 529 to pay for your child's primary and secondary education (up to $10,000 per year, in tuition only). Account owners may also withdraw up to $10,000 (lifetime limit) tax free for payments toward qualified education loans.[8]

You can get in-state tuition in Alaska

As a John Hancock Freedom 529 account holder or beneficiary, your student may qualify for in-state tuition at the University of Alaska, regardless of the state you live in. To qualify, you need to hold your account for at least the two years immediately preceding enrollment.

Control

You control the account

Unlike with UGMA/UTMA accounts, you retain control over withdrawals for the life of the account. You can even change beneficiaries to another family member if there's money left over or if your child decides not to attend an accredited school. The John Hancock Freedom 529 plan offers an added measure of control through its sponsoring state's creditor protection laws. Alaska state law protects assets invested in the plan from claims by creditors of the account owner and beneficiaries in most cases.[9]

6 Contributions cannot cause the account balance to exceed $550,000 per beneficiary. **7** For 2025. The donor must elect that the gift be treated as having occurred over a five-year period in order for it to qualify for the federal gift tax exclusion. If additional gifts are made to the same beneficiary during this five-year period, a federal gift tax may apply. If the donor dies within this five-year period, a pro rata share will be included in the donor's estate for federal estate tax purposes. State gift and estate tax laws may vary. **8** Consult your financial, tax, or other professional to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. Some states do not consider 529 withdrawals for primary and secondary school education, student loan repayments, and apprenticeship costs to be qualified withdrawals and, therefore, the investor may be subject to penalties. The $10,000 limit is a lifetime limit that applies to the 529 plan beneficiary as well as each sibling. Any student loan interest paid for with tax-free 529 plan earnings is not eligible for the student loan interest deduction. **9** Each account is designed to be protected from the claims by creditors of the account holder and beneficiary, with the exception of contributions made to accounts after being in default of child support obligations for 30 days. Please refer to the Plan Disclosure Document for more information.

We bring our multimanager *expertise* to every education savings portfolio

Our expertise in multi-asset investing dates back to 1995, with our first suite of portfolios employing multiple asset managers. Since then, we've been at the forefront of portfolio design, introducing a wide array of new and alternative strategies into our asset allocation portfolios and John Hancock Freedom 529 plan to strengthen their diversification benefits.

When brought together, multiple managers that view the world differently can generate complementary patterns of return that increase a portfolio's diversification potential through changing markets.

A unique *partnership*

Following the overall investment guidelines established by the Education Trust of Alaska, Manulife John Hancock Investments and T. Rowe Price jointly research and select asset managers for the plan's investment options, then we continually monitor those managers to help keep your investments on track. This unique partnership offers a level of investment oversight that's hard to match with other 529 plans.

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T.RowePrice

A *better* way to invest

In partnership with T. Rowe Price, we search the world to find proven portfolio management teams with specialized expertise for every portfolio we offer, then we apply rigorous oversight to ensure they continue to meet our investment guidelines and standards. Our team of over 200 professionals who specialize in manager research and oversight vets new strategies and holds oversight meetings with managers annually.

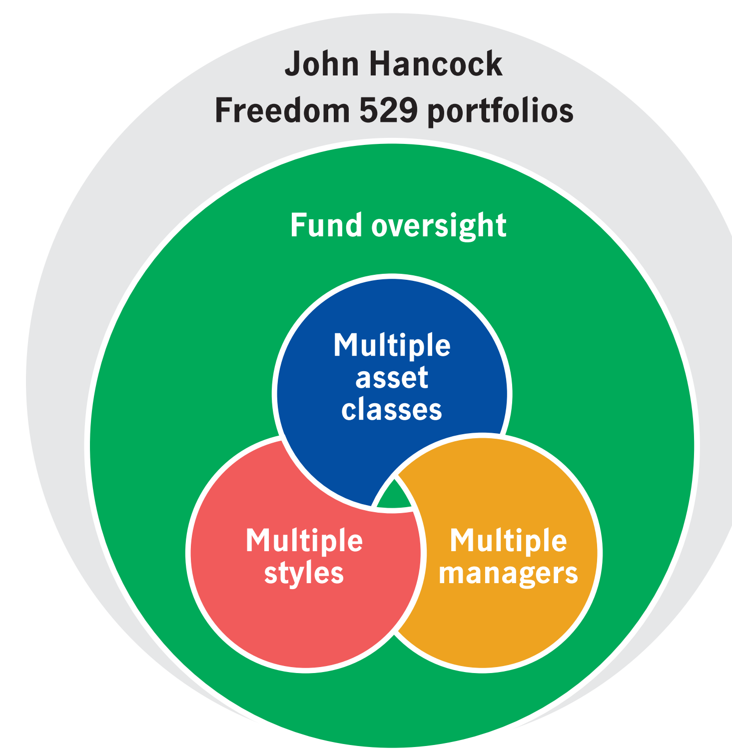
American Funds® | AXIOM INVESTORS | BainCapital CREDIT
BostonPartners | Deutsche Asset & Wealth Management | Dimensional
EPOCH | GRAHAM CAPITAL MANAGEMENT | JENNISON ASSOCIATES
Manulife Investment Management | PICTET Asset Management | T.RowePrice
WELLINGTON MANAGEMENT®

Representative list of asset managers is as of 3/31/25. All logos are the property of their respective owners.

Deeper *diversification*

A key benefit of our investment approach comes from combining multiple investment strategies from multiple managers in a single portfolio. The result is a deeper level of diversification, backed by the oversight of two leading investment organizations.

- **Oversight**
  Monitoring each portfolio team for the repeatability of its investment process and management of risk
- **Multiple asset classes**
  Both within and beyond traditional equity and fixed income
- **Multiple styles**
  Continual exposure to a variety of strategies, as different characteristics go in and out of favor
- **Multiple managers**
  A diversity of approaches from some of the world's best managers



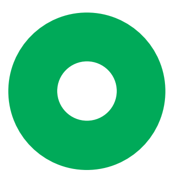
Source: Manulife John Hancock Investments, 2025. Hypothetical allocations are for illustrative purposes only. Diversification does not guarantee a profit or eliminate the risk of a loss.

Ready-built portfolios are designed to make investing *easy*

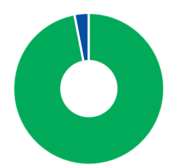
Saving for a child's education is difficult enough without having to worry about making the right investment decisions. That's why the John Hancock Freedom 529 plan includes ready-built portfolios: Enrollment-Based and Lifestyle Portfolios. Both options are broadly diversified and professionally monitored to ensure your account has access to market opportunities while seeking to manage risk.

Enrollment-Based Portfolios automatically adjust over time

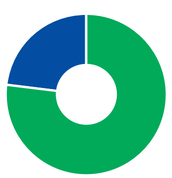
Our Enrollment-Based Portfolios offer broad diversification and automatically become more conservative over time to focus on preservation of capital when you need it the most.



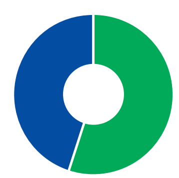
18–21 years to enrollment
Portfolio 2041–2044
- Equity 100%



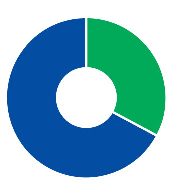
14–17 years to enrollment
Portfolio 2037–2040
- Equity 97%
- Fixed income 3%



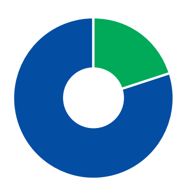
10–13 years to enrollment
Portfolio 2033–2036
- Equity 77%
- Fixed income 23%



6–9 years to enrollment
Portfolio 2029–2032
- Equity 55%
- Fixed income 45%



2–5 years to enrollment
Portfolio 2025–2028
- Equity 33%
- Fixed income 67%



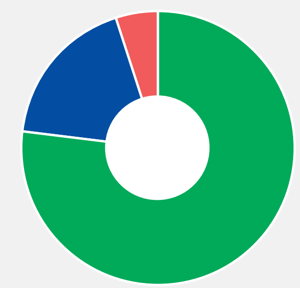
Entering school and in school
Enrollment Portfolio
- Equity 20%
- Fixed income 80%

Actual asset allocations are as of 3/31/25. For the most up-to-date target and actual asset allocations, including more information on portfolio investment objectives and risks, please visit jhinvestments.com/529 or call 866-222-7498.

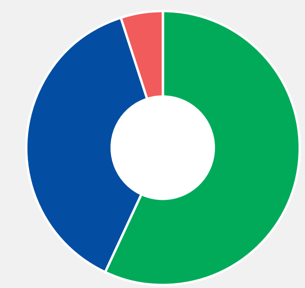
Multimanager Lifestyle Portfolios offer broad diversification in three asset mixes

Our Multimanager Lifestyle Portfolios offer the same level of diversification—by asset class, investment style, and manager—across three risk/reward profiles that stay fixed over time.

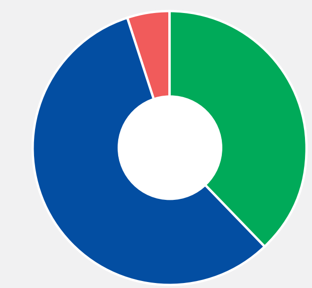
Growth
Long-term growth of capital
- Equity 77%
- Fixed income 18%
- Alternative 5%



Balanced
High level of current income and growth of capital
- Equity 57%
- Fixed income 38%
- Alternative 5%



Moderate
High level of current income and growth of capital
- Equity 38%
- Fixed income 57%
- Alternative 5%



Higher potential return and risk ⟷ **Lower potential return and risk**

Equity

U.S. large-cap equity
Managed by: Boston Partners, Jennison, Manulife Investment Management, T. Rowe Price

International equity
Managed by: Axiom, Boston Partners, Dimensional, Epoch, Manulife Investment Management, Pictet, Wellington

U.S. mid-cap equity
Managed by: T. Rowe Price, Wellington

Emerging-market equity
Managed by: Dimensional, Manulife Investment Management

U.S. small-cap equity
Managed by: Manulife Investment Management, Axiom, Wellington

Fixed income

Multi-sector bond
Managed by: Manulife Investment Management

Intermediate-term bond
Managed by: Allspring, Manulife Investment Management

Bank loan
Managed by: Bain Capital Credit

High-yield bond
Managed by: Manulife Investment Management

Emerging-market debt
Managed by: Manulife Investment Management

Inflation-protected bond
Managed by: Manulife Investment Management

Short-term bond
Managed by: Manulife Investment Management

Long-term bond
Managed by: Manulife Investment Management

Alternative

Sector equity
Managed by: Allianz, Deutsche, Manulife Investment Management, T. Rowe Price, Wellington

Alternative
Managed by: Graham Capital Management

Thematic equity
Managed by: Wellington

Cash and other
Managed by: Manulife Investment Management

Source: Manulife John Hancock Investments, as of 3/31/25. Allocation figures are rounded to the nearest whole number and are subject to change.

Static and Individual Portfolio options let you build your own educational *savings* portfolio

Many investors prefer to fine-tune their investment strategies with the help of a financial professional. Our Static and Individual Portfolios include options from across the spectrum of potential return and risk, managed by leading asset managers, so you can design the portfolio that's right for you.

Static Portfolios	Individual Portfolios
Static Portfolios Investing for a specific asset class exposure and risk tolerance with a portfolio of multiple underlying funds	**Individual Portfolios** Investing in single underlying funds to complement an existing portfolio or to build your own
Future Trends Portfolio	Capital Appreciation Portfolio
Equity Portfolio	New Horizons Portfolio
Fixed Income Portfolio	Blue Chip Growth Portfolio
Stable Value Portfolio	Small-Cap Stock Portfolio
	Mid-Cap Value Portfolio
	International Value Portfolio
	Equity Income Portfolio
	American Mutual Portfolio

Higher potential return and risk

Lower potential return and risk

Portfolios are ranked according to standard deviation and investment objective, as of 3/31/25.

Getting started is *easy*

Opening a John Hancock Freedom 529 account is simple.
Just follow these three steps to start investing in your child's future today.

1

Assess your financial situation

Your financial professional is your best resource in helping to determine the right investment strategy for your financial situation and specific education savings goals.

2

Determine your savings strategy

The savings calculators at jhinvestments.com/529 include information on college costs and can help you determine how much your family will need to contribute each month to meet your education savings goals.

3

Complete a new account application

Talk to your financial professional to open a new account.

Investing involves risks, including the potential loss of principal. The stock prices of midsize and small companies can change more frequently and dramatically than those of large companies. Growth stocks may be more susceptible to earnings disappointments, and value stocks may decline in price. Large company stocks could fall out of favor, and foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. Fixed-income investments are subject to interest-rate and credit risk; their value will normally decline as interest rates rise or if an issuer is unable to make principal or interest payments. Investments in higher-yielding, lower-rated securities include a higher risk of default. Liquidity—the extent to which a security may be sold or a derivative position closed without negatively affecting its market value, if at all—may be impaired by reduced trading volume, heightened volatility, rising interest rates, and other market conditions. This material is not intended to be, nor shall it be interpreted or construed as, a recommendation or providing advice, impartial or otherwise. Manulife John Hancock Investments and our representatives and affiliates may receive compensation derived from the sale of and/or from any investment made in our products and services.

Ask your financial professional

Ask your financial professional how the John Hancock Freedom 529 plan can help your family save for one of life's most important milestones—a child's education.

If your state or your designated beneficiary's state offers a 529 plan, you may want to consider what, if any, potential state income-tax or other state benefits it offers, such as financial aid, scholarship funds, and protection from creditors, before investing. State tax or other benefits should be one of many factors to be considered prior to making an investment decision. Please consult with your financial, tax, or other professional about how these state benefits, if any, may apply to your specific circumstances. You may also contact your state 529 plan or any other 529 education savings plan to learn more about their features. **Please contact your financial professional or call 866-222-7498 to obtain a Plan Disclosure Document or prospectus for any of the underlying funds. The Plan Disclosure Document contains complete details on investment objectives, risks, fees, charges, and expenses, as well as more information about municipal fund securities and the underlying investment companies that should be considered before investing. Please read the Plan Disclosure Document carefully prior to investing.**

John Hancock Freedom 529 is an education savings plan offered by the Education Trust of Alaska, managed by T. Rowe Price, and distributed by **John Hancock Distributors LLC** through other broker-dealers that have a selling agreement with John Hancock Distributors LLC. John Hancock Distributors LLC is a member of FINRA and is listed with the Municipal Securities Rulemaking Board (MSRB). © 2025 Manulife John Hancock Investments. All rights reserved. Information included in this material is believed to be accurate as of the printing date.

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