

ETF fixed-income fund Quarterly commentary

John Hancock Mortgage-Backed Securities ETF

ETF: JHMB

Use for High-quality income opportunities	Objective Current income and capital preservation	Morningstar category Intermediate Core-Plus Bond
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Quarterly commentary

Highlights

- MBS were among the best-performing segments of the U.S. bond market during the quarter, benefiting from risk-off market conditions.
- The fund performed in line with its benchmark, the Bloomberg U.S. MBS Index.
- Yield curve positioning contributed positively to outperformance, while sector allocation weighed on results.

Market review and outlook

U.S. mortgage-backed securities (MBS) posted positive returns in the first quarter. The bond market sold off early amid strong economic data, including a better-than-expected jobs report in January. However, bond yields subsequently declined sharply as signs of slowing economic growth appeared, including a noteworthy decline in retail sales and the lowest consumer sentiment reading since November 2022. In addition, shifting U.S. trade and tariff policies created considerable uncertainty, leading to risk-off market sentiment during the latter half of the quarter. The U.S. Federal Reserve (Fed) held short-term interest rates steady throughout while lowering its economic projections and increasing its inflation forecasts.

In this environment, bond yields declined across the board, with intermediate-term bond yields falling the most. MBS were among the best-performing segments of the U.S. bond market, benefiting from relatively attractive valuations and the risk-off market conditions.

This commentary reflects the views of the portfolio managers named and is subject to change as market and other conditions warrant. No forecasts are guaranteed. This commentary is provided for informational purposes only and is not an endorsement of any security, mutual fund, sector, or index. The subadvisor, the advisor (John Hancock Investment Management LLC), and their affiliates, employees, and clients, may hold or trade the securities mentioned in this commentary. Diversification does not guarantee a profit or eliminate the risk of a loss.

Contributors and detractors

The fund performed in line with the benchmark in the first quarter. Yield curve positioning contributed positively to performance versus the index as the fund maintained a slightly longer duration (a measure of interest-rate sensitivity) than the index, which aided performance as bond yields moved lower during the quarter.

In contrast, sector allocation weighed on relative results. Noteworthy positions in nongovernment agency residential and commercial MBS, neither of which are represented in the index, detracted the most as these securities underperformed for the quarter.

Individual security selection had little effect on relative performance during the quarter, with favorable security selection among the fund's holdings of 30-year conventional mortgages offset by adverse security selection among collateralized mortgage obligations.

Portfolio positioning

Bond market attention shifted from the Fed and its efforts to keep inflation in check to U.S. tariffs and their potential impact on domestic economic growth. We expect tariffs to remain a moving target going forward, so we continue to view them through a longer-term lens, which should allow us to take advantage of any market volatility related to changing U.S. trade policy. We continue to see favorable valuations and attractive total return prospects in the MBS market.

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Investment Management

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**Jeffrey N. Given, CFA**

On the fund since 2021.
Investing since 1993

**Howard C. Greene, CFA**

On the fund since 2021.
Investing since 1979

**Pranay Sonalkar, CFA**

On the fund since 2024.
Investing since 2007

**David A. Bees, CFA**

On the fund since 2021.
Investing since 2000

**Connor Minnaar, CFA**

On the fund since 2022.
Investing since 2002

Average annual total returns¹

	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Since inception	Inception date
Net Asset Value	2.93	2.93	6.27	2.15	—	—	0.30	8/19/21
Market Price	2.58	2.58	6.29	2.26	—	—	0.38	8/19/21
Bloomberg U.S. MBS Index	3.06	3.06	5.39	0.55	—	—	-1.12	—
Intermediate core-plus bond category	2.59	2.59	5.22	0.87	—	—	—	—

Expense ratios²

	Gross	Net (what you pay)	Contractual through
JHMB	0.78%	0.39%	8/31/2025

The past performance shown here reflects reinvested distributions and the beneficial effect of any expense reductions, and does not guarantee future results. Returns for periods shorter than one year are cumulative. Shares will fluctuate in value and, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance cited. For the most recent month-end performance, visit jhinvestments.com/etf.

Market price and performance is calculated as follows: (i) for the time periods starting October 3, 2022, the NYSE Arca's Official Closing Price or, if it more accurately reflects market price at the time as of which NAV is calculated, the bid/ask midpoint as of that time and (ii) for time periods preceding October 3, 2022, the bid/ask midpoint at 4 P.M., Eastern time, when the NAV is typically calculated; your returns may differ if you traded shares at other times. NAV is calculated by dividing the total value of all the securities in the fund's portfolio plus cash, interest, and receivables, minus any liabilities, by the number of fund shares outstanding.

10 largest issuers^{3,4}

								%
1.	Federal National Mortgage Association	34.14	6.	BBCMS Trust				1.16
2.	Federal Home Loan Mortgage Corp.	28.93	7.	JP Morgan Mortgage Trust				1.02
3.	Government National Mortgage Association	3.46	8.	Sequoia Mortgage Trust				0.98
4.	United States Department of the Treasury	2.24	9.	Ellington Financial Mortgage Trust				0.70
5.	Progress Residential Trust	1.20	10.	Towd Point Mortgage Trust				0.68

1 It is not possible to invest in an index. Index definitions can be found within the "What you should know before Investing" section on the last page of this fact sheet. **2** "Net (what you pay)" represents the effect of a contractual fee waiver and/or expense reimbursement and is subject to change. **3** Allocations and holdings will vary over time. **4** Listed holdings reflect the largest portions of the fund's total and may change at any time. They are not recommendations to buy or sell any security. Data is expressed as a percentage of net assets and excludes cash and cash equivalents.

What you should know before investing

Investing involves risks, including the potential loss of principal. There is no guarantee that a fund's investment strategy will be successful. 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 or unwilling to make principal or interest payments. It's possible that an active trading market for fund shares will not develop, which may hurt your ability to buy or sell fund shares, particularly in times of market stress. Trading securities actively can increase transaction costs, therefore lowering performance and taxable distributions. A fund that effects creation and redemption transactions using cash may be less tax-efficient than a fund that effects all of its creation and redemption transactions in-kind. Mortgage- and asset-backed securities may be sensitive to changes in interest rates and may be subject to early repayment and the market's perception of issuer creditworthiness. 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. A portfolio concentrated in one sector or that holds a limited number of securities may fluctuate more than a diversified portfolio. Foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. The use of hedging and derivatives could produce disproportionate gains or losses and may increase costs. Fund distributions generally depend on income from underlying investments and may vary or cease altogether in the future. Investments in higher-yielding, lower-rated securities include a higher risk of default. Shares may trade at a premium or discount to their NAV in the secondary market. These variations may be greater when markets are volatile or subject to unusual conditions. Please see the fund's prospectus for additional risks.

The Bloomberg US Mortgage-Backed Securities (MBS) Index tracks investment-grade mortgage-backed pass-through securities issued and/or guaranteed by U.S. government agencies. It is not possible to invest directly in an index. The benchmark shown demonstrates how the fund's performance compares against the returns of similar investments, which may differ from the broad-based securities index shown in the fund's prospectus.

ETF shares are bought and sold through exchange trading at market price (not NAV) and are not individually redeemed from the fund. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. A commission is charged on every trade.

Request a prospectus or summary prospectus from your financial advisor, by visiting jhinvestments.com/etf, or by calling us at 800-225-6020. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

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