Fixed-income fund Quarterly commentary

John Hancock Emerging Markets Debt Fund

A: JMKAX C: JMKCX I: JMKIX R6: JEMIX

Objective	Use for	Morningstar category
Income and capital appreciation	Diversifying income holdings	Emerging Markets Bond

Quarterly commentary

Highlights

- Emerging-market debt rallied in the first quarter amid concerns about slowing global economic growth as a consequence of shifting global trade policies and geopolitical relationships.
- Within emerging markets, corporate bonds outperformed sovereign government bonds, while investment-grade bonds fared better than high-yield issues.
- The fund underperformed its benchmark, the J.P. Morgan EMBI Global Diversified Index, due largely to country allocation and individual security selection.

Market review and outlook

Emerging-market bonds posted positive returns in the first quarter. Concerns about the potential adverse impact of a global trade war on economic growth and uncertainty around changing global geopolitical relationships led to a broad decline in bond yields and a risk-off market environment. Within emerging markets, bonds denominated in local currencies outperformed those in U.S. dollars due to a generally weaker dollar. On a sector basis, corporate bonds narrowly outperformed sovereign government securities, while investment-grade bonds outpaced high-yield debt, reflecting the risk-off market conditions and a rally in U.S. Treasury securities.

As global trade policy evolves over the coming months, we'll be closely monitoring the effect on supply chains, fiscal balance sheets, interest rates, and the U.S. dollar. Despite these potential challenges, emerging-market debt has a number of performance tailwinds, including relatively high yields, continued central bank easing, and improving debt sustainability metrics. We've taken a more defensive stance within the portfolio, raising cash and reducing exposure to countries and companies more directly affected by tariffs. We're also taking a more tactical and selective approach to individual security selection, seeking to take advantage of any dislocations in the marketplace caused by trade policy changes.

Contributors and detractors

The fund posted a positive return for the quarter but trailed the performance of its benchmark. Country allocation and individual security selection were the key factors behind the underperformance. On a country basis, overweight positions in Argentina, Ecuador, and Indonesia detracted from relative results, along with a lack of exposure to Lebanon and the United Arab Emirates. Individual security selection in Brazil and Indonesia was also a drag on performance.

On the positive side, the fund's foreign currency management aided performance versus the benchmark, led by long positions in the Brazilian real and the Egyptian pound. In addition, the fund maintained a longer duration (greater interest-rate sensitivity) than the index, which amplified the positive impact of falling bond yields during the quarter. Overweight positions in Brazil and Ukraine also added value, along with security selection in Argentina and India.

Portfolio changes

On a regional basis, we reduced the fund's exposure to Africa, mainly by exiting the fund's position in Egyptian local currency bonds. We increased the fund's positions in Asia, primarily in India, and Latin America, where we added to positions in Colombia and the Dominican Republic. Currency positioning changes included closing out exposure to the Brazilian real, initiating a position in local currency bonds in Nigeria, and establishing a short position in the Mexican peso to partially hedge the fund's holdings in the country.

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.

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Roberto D. Sanchez-Dahl, CFA
On the fund since 2013.
Investing since 1993

Neal Capecci, CFA
On the fund since 2023.
Investing since 1999

Elina Theodorakopoulou
On the fund since 2021.
Investing since 2018

Average annual total returns[1]

%

	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Since inception	Inception date
Class I without sales charge	2.06	2.06	7.95	3.96	5.09	3.55	4.32	1/4/10
Class A without sales charge	2.15	2.15	7.95	3.80	4.85	3.28	4.00	1/4/10
Class A with sales charge (Maximum initial sales charge 4.00%)	-1.91	-1.91	3.62	2.38	4.00	2.86	3.72	1/4/10
J.P. Morgan EMBI Global Diversified Index	2.24	2.24	6.75	3.41	3.49	3.16	4.67	—
Emerging markets bond category	2.44	2.44	6.97	4.12	4.44	2.72	—	—

Expense ratios[2]	Gross	Net (what you pay)	Contractual through
Class I	0.89%	0.88%	7/31/2026
Class A	1.19%	1.18%	7/31/2026

The performance data shown represents past performance, which does not guarantee future results. Returns for periods shorter than one year are cumulative, and results for other share classes will vary. 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. Performance figures assume that all distributions are reinvested. For the most recent month-end performance, visit jhinvestments.com.

10 largest issuers[3]

%

1.	Republic of Turkey	4.28	6.	Republic of South Africa	2.75
2.	Argentine Republic	4.06	7.	Kingdom of Bahrain	2.70
3.	Kingdom of Saudi Arabia	3.70	8.	Republic of Colombia	2.61
4.	PT Pertamina Persero	3.24	9.	The Dominican Republic	2.53
5.	Federal Republic of Nigeria	3.07	10.	State of Qatar	2.22

What you should know before investing

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. Foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. The issuer or grantor of a security, or counterparty to a transaction, may be unable or unwilling to make principal, interest, or settlement payments. 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. Please see the fund's prospectus for additional risks.

The J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversified Index tracks the performance of U.S. dollar-denominated Brady bonds, Eurobonds, and traded loans issued by sovereign and quasisovereign entities, capping exposure to countries with larger amounts of outstanding debt. **The J.P. Morgan Emerging Markets Bond Index (EMBI) Global Index** is a market-capitalization-weighted index that tracks the performance of U.S. dollar-denominated Brady bonds, Eurobonds, and traded loans issued by sovereign and quasisovereign entities. It is not possible to invest directly in an index.

Request a prospectus or summary prospectus from your financial professional, by visiting jhinvestments.com, or by calling us at 800-225-5291. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

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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** 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.

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John Hancock Investment Management Distributors LLC, Member FINRA, SIPC, 200 Berkeley Street, Boston, MA 02116, 800-225-5291, jhinvestments.com

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