

ETF fixed-income fund Quarterly commentary

John Hancock Core Bond ETF

ETF: JHCR

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

Quarterly commentary

Highlights

- U.S. bonds produced mixed results in Q1, rallying in January and February but reversing course in March in response to escalating conflict in the Middle East.
- The fund narrowly underperformed its benchmark, the Bloomberg U.S. Aggregate Index, in the first quarter.
- Sector allocation contributed positively but yield curve positioning detracted from performance.

Market review and outlook

U.S. bonds produced mixed results in a volatile first quarter. Bonds rallied during the first two months of the quarter amid mixed economic data and a flight to quality. In March, however, bond yields soared and prices fell in response to escalating conflict in the Middle East. Prices for energy and other commodities spiked higher, stoking concerns about rising inflation. Although the U.S. Federal Reserve (Fed) held short-term interest rates steady throughout the quarter, the geopolitical uncertainty led to dramatic changes in expectations for Fed interest rate policy going forward. Instead of anticipating one or two interest rate cuts later in 2026, investors took that off the table and began pricing in an interest rate increase before year-end.

For the quarter, U.S. bond yields moved higher across the board, reflecting the increased inflationary concerns. Sector performance was mixed—asset-backed securities and residential mortgage-backed securities posted the best returns among investment-grade bonds, while corporate bonds declined for the quarter.

Portfolio review

The fund narrowly underperformed its benchmark, the Bloomberg U.S. Aggregate Index, in the first quarter. Sector allocation contributed positively, driven by the fund's overweight in agency mortgage-backed securities and out-of-benchmark allocation to non-agency residential mortgage-backed securities. An overweight in investment grade corporates was a modest detractor.

Security selection produced mixed results but added value overall. Positioning within investment grade corporates added value, as did the fund's U.S. Treasury exposure. Security selection within agency mortgage-backed securities was the primary detractor.

Yield curve positioning detracted from performance versus the index, due largely to an overweight position in the intermediate maturity sector and an underweight position at the long end of the yield curve.

Portfolio changes

Given the high degree of geopolitical uncertainty, we continue to take a long-term view when it comes to managing the fund, avoiding any reactionary moves to current events. We expect the Fed to do the same regarding monetary policy, taking a cautious approach to future interest rate decisions. We lengthened the fund's duration slightly (on expectations that higher rate sensitivity may be beneficial) following the recent bond market sell-off, but it remains fairly neutral compared with the benchmark index, and the fund continues to emphasize the intermediate-term maturity segment. From a sector perspective, we're maintaining overweight positions in corporate credit and residential mortgage-backed securities.

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.

Managed by¹

Manulife
 Investment Management

Established asset manager with global resources and expertise extending across equity, fixed-income, and alternative investments as well as asset allocation strategies

Portfolio Manager(s)

Jeffrey N. Given, CFA
 On the fund since 2024.
 Investing since 1993



Howard C. Greene, CFA
 On the fund since 2024.
 Investing since 1979



Pranay Sonalkar, CFA
 On the fund since 2024.
 Investing since 2007



Connor Minnaar, CFA
 On the fund since 2024.
 Investing since 2002



Spencer Godfrey, CFA
 On the fund since 2025.
 Investing since 2003

Average annual total returns²

	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Since inception	Inception date	%
Net Asset Value	-0.03	-0.03	4.91	—	—	—	5.15	12/18/24	
Market Price	0.06	0.06	4.79	—	—	—	5.20	12/18/24	
Bloomberg U.S. Aggregate Bond Index	-0.05	-0.05	4.35	—	—	—	4.95	—	
Intermediate core bond category	-0.06	-0.06	3.88	—	—	—	—	—	

Expense ratios³

	Gross	Net (what you pay)	Contractual through
JHCR	0.65%	0.29%	8/31/2026

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.

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. 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 transactions costs, therefore lowering performance and taxable distributions. 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. 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. 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. 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 U.S. Aggregate Bond Index tracks the performance of U.S. investment grade bonds in government, asset-backed, and corporate debt markets. It is not possible to invest directly in an index.

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.

© 2026 Morningstar, Inc. All rights reserved. The information contained herein (1) is proprietary to Morningstar and/or its content providers, (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance does not guarantee future results.

1 Effective 12/31/27, Howard C. Greene, CFA, retires as portfolio manager from the fund. **2** It is not possible to invest in an index. Index definitions can be found within the "What you should know before Investing" section. **3** "Net (what you pay)" represents the effect of a contractual fee waiver and/or expense reimbursement and is subject to change.



John Hancock ETFs are distributed by Foreside Fund Services, LLC in the United States, and are subadvised by Boston Partners, Dimensional Fund Advisors LP, Marathon Asset Management, or our affiliates Manulife Investment Management (US) LLC, and CQS (US), LLC. Foreside is not affiliated with John Hancock Investment Management Distributors LLC, Manulife Investment Management (US) LLC, CQS (US), LLC, Boston Partners, Dimensional Fund Advisors LP, or Marathon Asset Management. Manulife, Manulife Investments, Stylized M Design, and Manulife Investments & Stylized M Design are trademarks of The Manufacturers Life Insurance Company and John Hancock, and the Stylized John Hancock Design are trademarks of John Hancock Life Insurance Company (U.S.A.). Each are used by it and by its affiliates under license. NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE. NOT INSURED BY ANY GOVERNMENT AGENCY.