

Annual Management Report of Fund Performance

December 31, 2024

Manulife Multifactor Emerging Markets Index ETF

This Annual Management Report of Fund Performance contains financial highlights but does not contain complete annual financial statements of the Fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1 888 588 7999, by writing to us at Manulife Investment Management Limited, 200 Bloor Street East, North Tower, Toronto, Ontario M4W 1E5 or by visiting our website at manulifeim.ca or SEDAR+ at sedarplus.ca. You may also contact us using one of the above methods to request a copy of the Fund's interim financial statements, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

A Note about Forward Looking Statements

This Management Report of Fund Performance includes certain statements that are “forward looking statements”. All statements, other than statements of historical fact, included in this Management Report of Fund Performance that address activities, events or developments that the portfolio advisor or sub-advisors, as applicable, expect or anticipate will or may occur in the future, including such things as anticipated financial performance, are forward looking statements. The words “may”, “could”, “would”, “should”, “believe”, “plan”, “anticipate”, “expect”, “intend”, “forecast”, “objective” and similar expressions are intended to identify forward looking statements. These forward looking statements are subject to various risks and uncertainties, including the risks described in the Prospectus of the Fund, which could cause actual

A Note about the Index

Neither John Hancock Investment Management LLC (formerly John Hancock Advisers, LLC) nor Dimensional Fund Advisors LP guarantees the accuracy and/or the completeness of the Index or any data included therein, and neither John Hancock Investment Management LLC nor Dimensional Fund Advisors LP shall have any liability for any errors, omissions or interruptions therein. Neither John Hancock Investment Management LLC nor Dimensional Fund Advisors LP makes any warranty, express or implied, as to results to be obtained by the Fund, owners of the Units of the Fund or any other person or entity from the use of the Index, trading based on the Index, or any data included therein,

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Management Discussion of Fund Performance

Manulife Investment Management Limited ("Manulife IM Limited" or the "Manager") is the portfolio advisor (the "portfolio advisor") for the Manulife Multifactor Emerging Markets Index ETF (the "Fund"). Manulife IM Limited has retained the services of Dimensional Fund Advisors Canada ULC and DFA Australia Limited to act as the portfolio sub-advisors (the "sub-advisors") for the Fund.

The views of the portfolio advisor contained in this report are as of December 31, 2024 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings, and allocations may have changed subsequent to this date. For current fund information, please call 1 888 588 7999, or visit manulifeim.ca.

Investment Objectives and Strategies

The Fund seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the John Hancock Dimensional Emerging Markets Index (CAD) (the "Index").

The Fund invests directly or indirectly primarily in emerging market equities.

Any exposure that the portion of the portfolio of the Fund may have to foreign currencies will not be hedged back to the Canadian dollar.

The Index is designed to comprise a subset of equity securities associated with emerging markets. Eligible companies are generally considered to be those with market capitalizations in the top 80% of the eligible country and the top 85% of all companies in the eligible countries at the time of rebalancing.

Risks

There were no significant changes to the Fund that materially affected the Fund's overall level of risk during the period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Prospectus.

Results of Operations

The Fund returned 13.8%, net of fees, for the calendar year ended December 31, 2024 (the "Period"), versus a return of 15.2% for the Index. The difference in performance of the Fund relative to the Index is due to the net effect of the Fund's management fees and differences in the timing of capital gains accrual in India for the Fund as compared to the Index.

As a result of the Fund's investment strategy, performance was determined principally by broad structural trends in emerging equity markets rather than by the behavior of a limited number of stocks. The Index that the Fund tracks is designed to emphasize exposure to companies with smaller market capitalizations, lower relative price and higher profitability. The Index determines a company's size by using total market capitalization. In assessing relative price and profitability, the

Index uses price-to-book ratio, and operating profits scaled by book metrics, respectively. In Canadian dollar terms, emerging markets had positive performance for the Period. The MSCI Emerging Markets Index (net dividends), a cap-weighted benchmark the sub-advisor uses as a proxy for emerging equity stock markets, returned 17.3% for the Period.

The benchmark for the Fund is the MSCI Emerging Markets Index, net dividends (the "Benchmark"). The Fund underperformed the Benchmark by 3.5% (17.3% for the Benchmark vs. 13.8% for the Fund).

The Fund's emphasis on mid cap stocks detracted from relative performance. Additionally, the Fund's emphasis on value stocks detracted from relative performance.

The Fund held approximately 949 securities at the end of the Period. In general, cash exposure was low throughout the Period with an average cash balance of less than 1% of the Fund's net asset value.

The Fund's net assets increased to \$440.0 million during the period from \$390.5 million at the end of December 2023. The increase in assets during the period can be primarily attributed to the Fund's positive performance.

Recent Developments

There have been no material changes to the Fund's strategy and there have been no recent developments or events that are reasonably expected to materially affect the Fund's strategy. The sub-advisor does not seek to predict the future course of business conditions, market trends, or interest rates, and such developments would not generally be expected to result in a change to the Fund's investment strategies. The Fund will continue to seek to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Index.

Changes to Composition of Independent Review Committee Members

Mrs. Renée Piette was appointed to the Fund's Independent Review Committee ("IRC") as a member effective March 20, 2024. Effective April 30, 2024, Robert Robson's term of office as a member of the IRC expired. The change in composition of the IRC did not have any material impact on the Fund or its securityholders.

Related Party Transactions

Trustee

Manulife IM Limited, an indirect wholly-owned subsidiary of The Manufacturers Life Insurance Company, is the trustee of the Fund. The trustee holds the assets of the Fund in trust on behalf of unitholders. No fees are paid to the Manager to act as the trustee for the Fund.

Manager and Portfolio Advisor

Manulife IM Limited is the Manager of the Fund. Manulife IM Limited performs the managerial functions and is responsible for the overall operations of the Fund and provides administrative services to the Fund including, but not limited to,

reporting the net asset value of the Fund and its units, preparing all offering documents for the Fund, and providing all services relating to issuing and redeeming units of the Fund. From time to time, Manulife IM Limited may, on behalf of the Fund, enter into transactions or arrangements with or involving other members of the Manulife group of companies, or certain other persons or companies that are related or connected to the Fund.

The portfolio advisor is responsible for all investment advice provided to the Fund including providing investment analysis and recommendations, making investment decisions and arranging for the acquisition and disposition of portfolio investments including all necessary brokerage arrangements. Fees for providing these investment management services are included in the management fee. At its discretion, the portfolio advisor has engaged the sub-advisors to perform certain portfolio management functions and a portion of the management fee has been paid to the sub-advisors.

The Fund paid approximately \$3.1 million in management fees for the period. For more information about the calculation of management fees, please see the *Management Fees* section in this document.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period and for each of the past four years or, if shorter, the periods since the inception of the Fund. The information in the tables below is for the period from January 1 to December 31 of each year or the inception date to December 31 in the inception period, unless otherwise indicated.

Manulife Multifactor Emerging Markets Index ETF

The Fund's Net Assets Per Unit⁽¹⁾ (\$)

Unhedged Units

	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Net assets, beginning of year	26.74	25.12	29.28	29.85	27.12
Increase (decrease) from operations:					
Total revenue	0.92	0.96	1.10	0.90	0.72
Total expenses	(0.55)	(0.45)	(0.49)	(0.43)	(0.34)
Realized gains (losses) for the year	(0.36)	(0.28)	(0.61)	1.09	0.04
Unrealized gains (losses) for the year	3.68	2.19	(3.24)	(1.32)	8.42
Total increase (decrease) from operations⁽²⁾	3.69	2.42	(3.24)	0.24	8.84
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	0.60	0.69	0.72	0.61	0.18
From capital gains	-	-	-	0.58	0.02
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	0.60	0.69	0.72	1.19	0.20
Net assets, end of year	29.83	26.74	25.12	29.28	29.85

⁽¹⁾ This information is derived from the Fund's audited annual financial statements.

⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on weighted average numbers of units outstanding over the financial period.

⁽³⁾ Distributions were paid in cash/reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data

Unhedged Units

	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Total net asset value (000's) ⁽¹⁾ (\$)	440,028	390,459	396,949	401,088	408,978
Number of units outstanding (000's) ⁽¹⁾	14,750	14,600	15,800	13,700	13,700
Management expense ratio ⁽²⁾ (%)	0.74	0.74	0.74	0.74	0.73
Management expense ratio before waivers or absorptions (%)	0.74	0.74	0.74	0.74	0.73
Trading expense ratio ⁽³⁾ (%)	0.05	0.09	0.08	0.10	0.07
Portfolio turnover rate ⁽⁴⁾ (%)	15.15	26.45	22.65	33.77	21.63
Net Asset Value per unit ⁽¹⁾ (\$)	29.83	26.74	25.12	29.28	29.85
Closing market price ⁽⁵⁾ (\$)	30.32	26.93	25.57	29.89	29.83

⁽¹⁾ This information is provided as at December 31 of the year shown, unless otherwise noted.

⁽²⁾ Management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Fund calculates its MER in accordance with regulatory requirements. The MER excludes any operating expenses waived or absorbed by the Manager, which may be discontinued at any time by the Manager at its discretion without notice.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transactions costs expressed as an annualized percentage of daily average net asset value during the period.

⁽⁴⁾ The Fund's portfolio turnover rate indicates how actively the portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in the period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a portfolio.

⁽⁵⁾ Closing market prices for the Unhedged Units were taken from last trade on December 20, 2024, December 27, 2023, December 23, 2022, December 29, 2021, December 31, 2020 and December 23, 2019.

Management Fees

The Manager is responsible for the day-to-day management and administration of the Fund. The Manager monitors and evaluates the performance of the Fund, pays for the investment management services of the portfolio advisor and sub-advisors, as applicable, commissions to registered dealers and arranges for the other administrative services required to support the Fund. Other administrative services include: marketing,

advertising, product development, information technology, and general business services. As compensation for its services, the Manager is entitled to receive a management fee, which is calculated daily based on the net asset value of a series of the Fund from the previous trading day and payable monthly.

The following table shows the expenses paid out of the management fee expressed as a percentage of the management fee for the units of the Fund.

Units	Management Fee (%)	Expenses Paid out of the Management Fee (%)	
		Dealer Compensation	Investment Management, Administration and Other
Unhedged Units	0.65	N/A	100.00

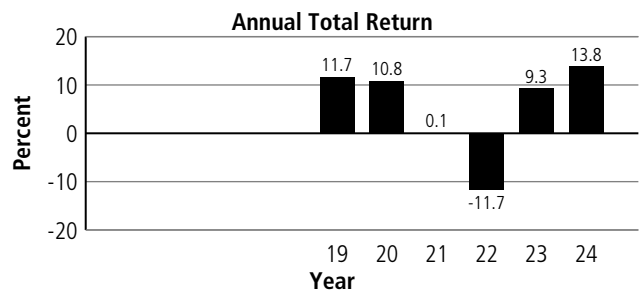
Past Performance

The performance information shown in the *Year-by-Year Returns* and *Annual Compound Returns* assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The past performance information does not take into account sales, redemption, distribution or other optional charges or income taxes payable by the unitholders that would have reduced returns or performance. How the Fund performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

The chart shows you the Fund's annual historical return and how it changes each year. Annual return is the percentage change in the value of an investment from January 1 to December 31, unless otherwise noted. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

Unhedged Units



Annual Compound Returns

The table that follows shows the historical compound returns for securities of the Fund, the Index and the Benchmark for the periods shown. Annual compound return is the percentage change in value for the period shown, ending on December 31, 2024, assuming all earnings are reinvested each year.

The Index is designed to comprise a subset of equity securities associated with emerging markets. Eligible companies are generally considered to be those with market capitalizations in

the top 80% of the eligible country and the top 85% of all companies in the eligible countries, as at the time of rebalancing.

The Benchmark is an equity index that is designed to represent the performance of large- and midcap securities in approximately 24 emerging markets. The Benchmark covers approximately 85% of the free float-adjusted market capitalization in each country.

Unhedged Units

(%)	Past 1 Year	Past 3 Years	Past 5 Years	Since Inception (December 11, 2018)
Fund	13.8	3.2	4.0	5.7
Index	15.2	4.3	5.2	6.5
Benchmark	17.3	2.4	3.8	5.5

Comparison to the indices

A discussion of the performance of the Fund as compared to those of the indices can be found in *Results of Operations*.

Manulife Multifactor Emerging Markets Index ETF

Summary of Investment Portfolio

Asset Allocation (%)

Equities	100.7
Cash and Cash Equivalents	0.9
Other assets less liabilities	(1.6)
Total	100.0

Sector Allocation (%)

Financials	25.5
Information Technology	19.7
Consumer Discretionary	12.3
Communication Services	9.4
Materials	7.5
Industrials	7.1
Energy	5.6
Consumer Staples	5.5
Health Care	3.6
Utilities	3.4
Real Estate	1.1
Cash and Cash Equivalents	0.9
Other assets less liabilities	(1.6)
Total	100.0

Geographic Allocation (%)

India	24.4
Taiwan	18.6
China	11.9
Cayman Islands	11.7
South Korea	10.4
Brazil	4.1
Saudi Arabia	3.8
South Africa	3.3
Mexico	2.1
Malaysia	2.1
Thailand	1.8
Indonesia	1.8
Philippines	1.0
Poland	0.9
Other countries	2.8
Cash and Cash Equivalents	0.9
Other assets less liabilities	(1.6)
Total	100.0

Top 25 Holdings*

Issuer	% of Net Asset Value
Taiwan Semiconductor Manufacturing Co., Ltd.	4.7
Tencent Holdings Ltd.	4.1
Samsung Electronics Co., Ltd.	2.5
Alibaba Group Holding Ltd.	2.1
HDFC Bank Ltd.	1.4
Reliance Industries Ltd.	1.2
Petroleo Brasileiro SA - Petrobras	1.2
China Construction Bank Corp., Class H	1.1
Infosys Ltd.	1.1
ICICI Bank Ltd.	1.0
MediaTek, Inc.	0.9
Hon Hai Precision Industry Co., Ltd.	0.9
Cash and Cash Equivalents	0.9
Bharti Airtel Ltd.	0.7
Industrial & Commercial Bank of China Ltd.	0.7
Tata Consultancy Services Ltd.	0.7
Trip.com Group Ltd.	0.7
SK Hynix, Inc.	0.6
Bank of China Ltd.	0.6
Al Rajhi Bank	0.6
JD.com, Inc.	0.6
Ping An Insurance Group Co. of China Ltd.	0.6
PDD Holdings, Inc., ADR	0.6
Vale SA	0.5
Meituan Dianping, Class B	0.5
Total	30.5

* All holdings are as at report date December 31, 2024. Actual holdings may differ following this date. Where a Fund holds less than 25 holdings, all holdings have been disclosed.

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Current quarterly updates are available by calling 1 888 588 7999 or online at manulifeim.ca.

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the ETF facts as well as the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Manulife ETFs are managed by Manulife Investment Management Limited. Manulife Investment Management is a trade name of Manulife Investment Management Limited. Manulife, Manulife Investment Management, the Stylized M Design, and Manulife Investment Management & Stylized M Design are trademarks of The Manufacturers Life Insurance Company and are used by it, and by its affiliates under license.

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