Alternative fund Investment professional fact sheet

John Hancock Seaport Long/Short Fund

A: JSFBX C: JSFTX I: JSFDX R6: JSFRX

Objective

Long-term capital appreciation

Strategy summary

Morningstar: Long-Short Equity
Benchmark: MSCI World Index
Strategy inception: 12/20/2013
Total net assets: $739.52 m
Total net exposure range: 35%–85%
Typical holding range: 350–450
Target beta: 0.40–0.80

Strategy

A hedge fund approach
Employing a long/short strategy that combines the insight and expertise of multiple investment teams in a single portfolio

Managing market exposure
Investing in a portfolio of both long and short positions may help limit the fund's reliance on rising market prices to drive returns

Better risk/return potential
By aiming to limit volatility and downside risk, the fund seeks better long-term risk-adjusted returns than its global equity benchmark index

Investment process

Each of the fund's five portfolio management teams implements their own decision-making methods independently, with four essential steps underpinning each distinct long/short investment process.

Select long stock positions
Choose attractive purchase candidates—favorable assets at low prices—through proprietary, bottom-up, fundamental analysis on companies listed throughout the world's developed and emerging stock markets.

Implement short positions to hedge risk
Isolate and remove undesired residual exposure—unfavorable assets at high prices—through total return swap short sales.

Tactically manage net exposure
Calibrate gross long and gross short positions to refine net market exposure as bottom-up security selection opportunities and top-down macroeconomic conditions dictate.

Review, monitor, adjust, and repeat
Revisit capitalization, country, and industry allocations to ensure that the aggregate balance of portfolio risks remains optimal.

Average annual total returns[2,3]

%

	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Life of fund	Life of fund date
Class I without sales charge	3.40	3.50	5.10	3.17	3.39	—	4.05	12/20/13
Class A without sales charge	3.31	3.31	4.82	2.86	3.11	—	3.73	12/20/13
Class A with sales charge	-1.89	-1.89	-0.38	1.13	2.05	—	3.17	12/20/13
MSCI World Index	6.83	15.09	18.51	12.18	9.07	—	8.52	—
Long-short equity category	3.13	4.90	6.46	6.64	3.72	—	—	—

Expense ratios[4]	Gross	Net (what you pay)	Contractual through
Class I	1.62%	1.61%	7/31/2024
Class A	1.92%	1.91%	7/31/2024

The past performance shown here reflects reinvested distributions and the beneficial effect of any expense reductions, and does not guarantee future results. The sales charge for Class A shares, reflects the maximum sales charge of 5.0%. For Class I shares, there is no sales charge. 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. For the most recent month-end performance, visit jhinvestments.com.

Managed by[1]

WELLINGTON MANAGEMENT®

Long-established global asset manager investing across the equity, fixed-income, currency, and commodity markets, including multistrategy, specialty, and alternative investment approaches

1 Effective 12/31/23, Ann C. Gallo retires as a portfolio manager of the fund, and Wen Shi, Ph.D., CFA, no longer serves as a portfolio manager of the fund. **2** The MSCI World Index tracks the performance of publicly traded large- and mid-cap stocks of developed-market companies. It is not possible to invest directly in an index. **3** Comparison against the benchmark and Morningstar category is based on Class I shares. **4** "Net (what you pay)" represents the effect of a contractual fee waiver and/or expense reimbursement and is subject to change.

Quarterly commentary

Highlights

- Global equities rallied in the second quarter, building on their gains in the first three months of the year.
- The fund produced a positive absolute return but trailed its benchmark, the MSCI World Index.
- The fund's long portfolio outperformed the broader market, but that contribution was partly offset by the negative return from its short portfolio.

Market review and outlook

Global equities posted solid gains in the quarter, as investors appeared to grow increasingly optimistic about the backdrop of positive—albeit slowing—economic growth and a likely end to central banks' long series of interest-rate hikes dating to early 2022. Mega-cap U.S. technology companies—particularly those poised to benefit from the evolution of AI—generated impressive returns, while international stocks and the value style finished with narrower gains.

Contributors and detractors

Although the fund underperformed its benchmark in the quarter, it's important to keep in mind that its goal isn't necessarily to keep pace when stocks are rallying. Instead, it offers a way to invest in global equities while pursuing lower risk than the overall market. The fund combines five distinct strategies subadvised by Wellington Management. Four of the five strategies generated positive absolute returns, and the technology strategy outperformed the fund's benchmark.

At the end of the quarter, the fund was positioned with 112% of its capital invested in long positions (up from 98% at the end of the first quarter) and –76% in short positions (versus –63% at the end of the first quarter), for a net exposure of 36% long. In comparison, the fund was 35% net long at the end of the first quarter.

The fund's long portfolio returned approximately 7.1% and finished slightly ahead of the 6.8% return of the benchmark. Its short portfolio returned –3.3% in the rising market and detracted from absolute performance.

Long positions in mid- and small-cap biopharmaceutical stocks made the largest contribution in the healthcare strategy, while semiconductors/semiconductor equipment and software were the top contributing industries in information technology. North American banks led the way in the finance strategy, and information technology was the strongest segment of the diversified equity strategy, while long positions in energy and industrial stocks boosted returns in the capital cycles strategy. Broad market and sector hedges were the largest detractors in all strategies.

On an absolute basis, NVIDIA Corp., MongoDB, Inc., and Marvell Technology, Inc. were the leading single-stock contributors in the long portfolio. Trupanion Inc., Alibaba Group Co., Ltd., and Tradeweb Markets, Inc. were the most notable detractors.

Portfolio positioning

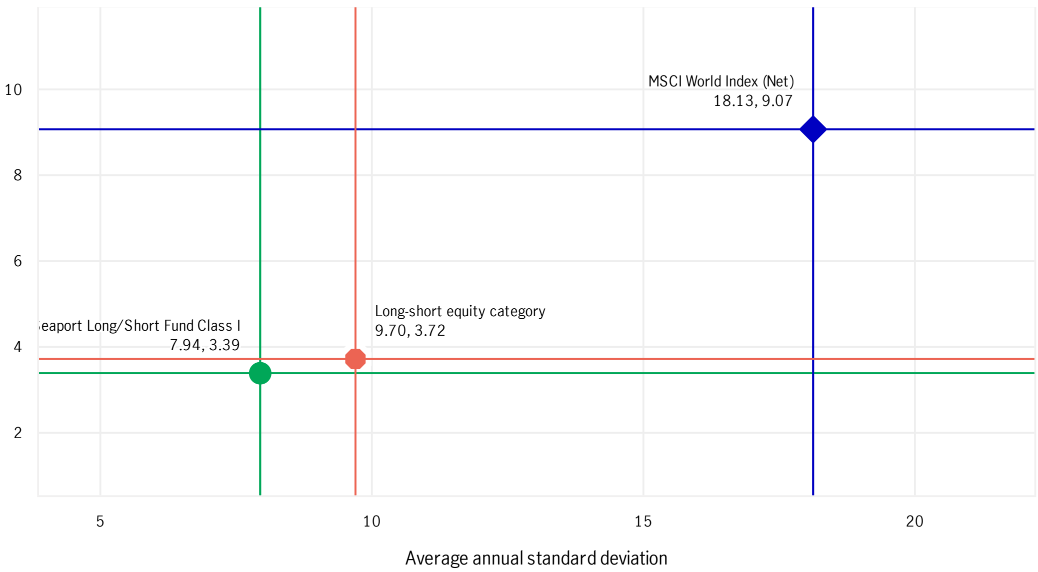
At the underlying strategy level, the fund was 61% net long in healthcare, 20% in diversified equity, 57% in technology, 4% in finance, and 40% in capital cycles as of quarter end. In comparison, net long positions in the five categories were 67%, 23%, 47%, 8%, and 26%, respectively, at the end of March.

The fund's largest gross long (75%), gross short (–71%) exposures were in the United States, while the United Kingdom was the largest net long at 6%. The fund had 18% net exposure to Europe (including the U.K.), 8% in emerging markets, and 3% in Canada, as well as 6% in Japan and 0.2% in developed Asia (ex-Japan). At the sector level, the largest net long positions were in healthcare (30%), financials (26%), information technology (17%), energy (8%), and consumer discretionary (7%).

Risk and return

%

5 year (Std. deviation, return)



Risk and performance measures

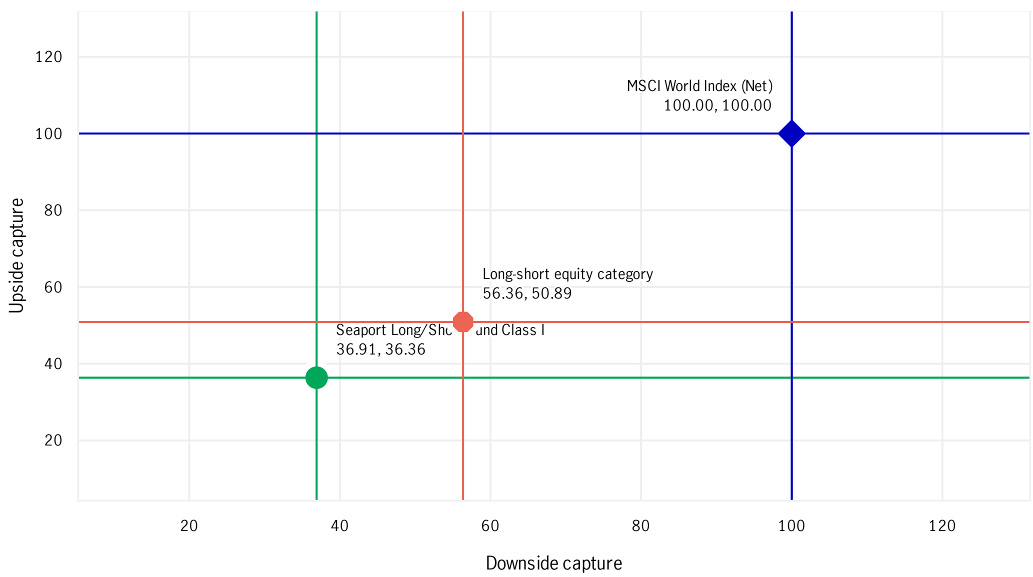
5 year	Fund	Morningstar category
Alpha	-0.16	-1.29
Beta	0.37	0.52
Sharpe ratio	0.43	0.38
Sortino ratio	0.62	0.55
Standard deviation (%)	7.94	9.70
Information ratio	-0.55	-0.70
Tracking error (%)	12.25	8.91
Upside capture ratio (%)	36.36	50.89
Downside capture ratio (%)	36.91	56.36
R-squared (%)	70.43	95.28

Calculations are based on Class I shares.

Upside/downside capture ratio

%

5 year (Downside, upside)



Largest equity holdings long[5]

		%
1.	JPMorgan Chase & Company	1.81
2.	AMAZON.COM, Inc.	1.75
3.	American Express Company	1.54
4.	Wells Fargo & Company	1.51
5.	NVIDIA Corp.	1.37

Largest equity holdings short[5]

		%
1.	Vanguard FTSE Developed Markets ETF	14.62
2.	SPDR S&P 500 ETF Trust	7.42
3.	IShares Russell Mid-Cap Growth ETF	6.05
4.	SPDR S&P Regional Banking ETF	4.95
5.	Health Care Select Sector SPDR Fund	4.67

5 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. Fund characteristics will vary over time.

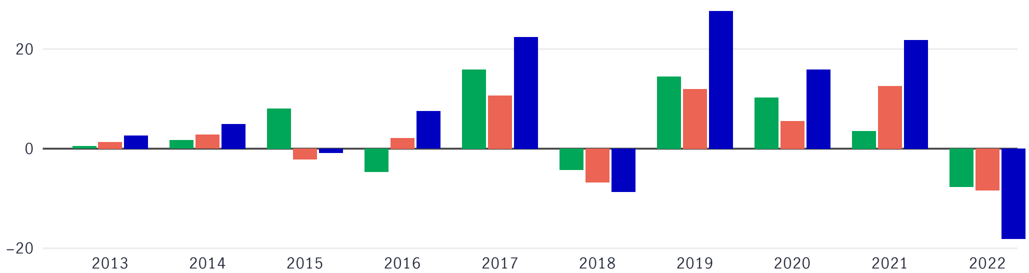
Exposure

Long/short

	EQUITY LONG	EQUITY SHORT	% NET
Diversified equity team allocation	**88.70**	**69.58**	**19.12**
Financials team allocation	**109.89**	**105.01**	**4.88**
Healthcare team allocation	**115.43**	**55.32**	**60.11**
Technology team allocation	**134.53**	**71.58**	**62.95**
Capital cycles team allocation	**116.83**	**70.21**	**46.62**
Overall fund allocation	**111.87**	**73.54**	**38.33**

Calendar year returns[6,7] %

Class I without sales charge



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
■ (Seaport Long/Short Fund)	0.50	1.69	8.07	-4.69	15.86	-4.23	14.51	10.29	3.56	-7.66
■ (MSCI World Index)	2.68	4.94	-0.87	7.51	22.40	-8.71	27.67	15.90	21.82	-18.14
■ (Long-short equity category)	1.32	2.80	-2.20	2.13	10.68	-6.75	11.95	5.54	12.55	-8.35

What you should know before investing
The fund's strategies entail a high degree of risk. Leveraging, short positions, a non-diversified portfolio focused in a few sectors, and the use of hedging and derivatives greatly amplify the risk of potential loss and can increase costs. A non-diversified portfolio holds a limited number of securities, making it vulnerable to events affecting a single issuer. The stock prices of midsize and small companies can change more frequently and dramatically than those of large companies. 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 or unwilling to make principal or interest payments. Investments in higher-yielding, lower-rated securities include a higher risk of default. The use of hedging and derivatives could produce disproportionate gains or losses and may increase costs. 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.

Clients should carefully consider a fund's investment objectives, risks, charges, and expenses before investing. To request a prospectus or summary prospectus with this and other important information, call us at 800-225-6020, or visit us at jhinvestments.com.

6 Returns for the fund's first year are since fund inception. **7** Performance data shown excludes fees and expenses. The performance data would be lower if such fees and expenses were included. Past performance does not guarantee future results.