U.S. equity fund Investment professional fact sheet

John Hancock U.S. Global Leaders Growth Fund

A: USGLX C: USLCX I: USLIX R2: USLYX R6: UGLSX

Objective

Long-term growth of capital

Strategy summary

Morningstar: Large Growth
Benchmark: Russell 1000 Growth Index
Strategy inception: 10/3/1995
Total net assets: $2.43 b
Typical holding period: 3 years
Typical holding range: 25–30 securities
Typical portfolio turnover range: 30%–40%

Strategy

High-quality U.S. companies
Characterized by pricing power, recurring revenues, and global reach

Sustainable earnings growth
Targeting companies that have delivered strong, positive earnings growth in a variety of economic environments

Focused portfolio
Designed to give more weight to the management team's highest-conviction investment ideas

Managed by

SGA Sustainable Growth Advisers

Boutique investment manager focused on high-conviction growth stock investing in U.S. and global large-cap equities

Robert L. Rohn
On the fund since 2003.
Investing since 1983

Hrishikesh (HK) Gupta
On the fund since 2022.
Investing since 2002

Kishore Rao
On the fund since 2019.
Investing since 1990

Investment process

Identify high-quality U.S. companies with predictable and sustainable earnings growth
The team sorts the universe of large U.S. companies to find those with strong, consistent earnings and cash flow growth resulting from the following three characteristics:

- Pricing power—Companies that have the ability to set prices at levels that provide good profit margins and high returns on investment
- Recurring revenues—Companies that sell products or services that are consumed frequently and need to be replaced
- Global reach—Companies that can expand internationally, have growth opportunities outside of the United States, and have access to a much larger potential customer base

Establish intrinsic value
The team conducts fundamental analysis on companies that possess the key growth characteristics. To avoid overpaying for a stock, the investment team applies multiple cash flow-based valuation disciplines to identify each company's intrinsic value.

Construct a focused portfolio
The team maintains a portfolio typically comprising 25 to 30 companies, giving more weight to its highest-conviction ideas.

Adhere to a sell discipline
Positions are reduced or eliminated for the following reasons:

- Deterioration of business fundamentals
- Valuation considerations
- Forced attrition

Average annual total returns[1,2,3]

%

	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Life of fund	Life of fund date
Class I without sales charge	8.06	18.61	19.00	6.58	11.83	12.72	8.54	5/21/02
Class A without sales charge	7.99	18.45	18.70	6.30	11.56	12.43	9.89	9/30/95
Class A with sales charge	2.58	12.53	12.75	4.50	10.42	11.86	9.69	9/30/95
Russell 1000 Growth Index	12.81	29.02	27.11	13.73	15.14	15.74	9.91	—
S&P 500 Index	8.74	16.89	19.59	14.60	12.31	12.86	9.62	—
Large growth category	11.00	23.92	22.54	9.35	10.98	12.63	—	—

Expense ratios[4]	Gross	Net (what you pay)	Contractual through
Class I	0.89%	0.88%	7/31/2024
Class A	1.14%	1.13%	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.

1 On 5/17/02, the fund acquired all of the assets of the Sustainable Growth Advisers, LP U.S. Global Leaders Growth Fund, the fund's predecessor, pursuant to a reorganization. Performance prior to 5/17/02 reflects the performance of the fund's predecessor. **2** The Russell 1000 Growth Index tracks the performance of publicly traded large-cap companies in the United States with higher price-to-book ratios and higher forecasted growth values. The S&P 500 Index tracks the performance of 500 of the largest publicly traded companies in the United States. 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

- U.S. stocks posted solid gains in the second quarter thanks to improving economic conditions and a sharp rally in information technology stocks driven by enthusiasm for AI.
- Growth stocks significantly outperformed the broader equity market, led by a handful of the market's largest technology companies.
- The fund underperformed its benchmark, the Russell 1000 Growth Index, due largely to a material underweight position in the information technology sector.

Market review and outlook

U.S. equities advanced in the second quarter amid signs of moderating inflation and a resilient U.S. economy. The 12-month inflation rate fell to 3.0%, its lowest level since March 2021, reflecting some progress in the fight to lower inflationary pressures. As a result, the U.S. Federal Reserve in June paused its series of short-term interest-rate hikes. Meanwhile, employment growth remained robust and consumer spending held up in the face of higher prices. Despite the strong overall returns, a concentrated group of stocks led the market's advance during the quarter—companies deemed to be primary beneficiaries of the increased usage of AI. In contrast, the real estate and utilities sectors lagged the broader market.

Given higher interest rates, sustained inflation, declining consumer savings, and ongoing trade headwinds, we continue to expect slowing economic and corporate profit growth. While the excitement in the market regarding AI is high, we continue to believe that an emphasis on sustainable growth companies—those with predictable business models and valuations that are based on real-world numbers—will provide the best long-term results. Our approach has faced the headwinds of a cyclically driven rebound, a benchmark index with an unprecedented level of concentration, and investor hopes that AI will boost profits and productivity. But regardless of the economic cycles and market sentiment, we remain focused on our discipline and philosophical adherence to building a portfolio that seeks to deliver sustainable earnings and cash flow growth with lower volatility.

Contributors and detractors

The fund posted a positive return but underperformed its benchmark. The weightings of the eight largest stocks in the benchmark comprise nearly half of the index, and that magnitude of concentration made it difficult for the fund to keep pace with the benchmark when those stocks were also the top performers, as they were in the second quarter.

Among individual holdings, the most significant detractors from fund performance included market data and analytics provider MSCI, Inc. and discount retailer Dollar General Corp. MSCI declined due to weaker revenues in the company's environmental, social, and governance-related business, while Dollar General reported disappointing same-store sales growth and some operational challenges.

The top contributors to performance included robotic surgical systems company Intuitive Surgical, Inc. and online streaming media company Netflix, Inc. Intuitive reported better-than-expected earnings and raised its full-year financial guidance, while Netflix rallied amid optimism about its new advertising-supported membership tier.

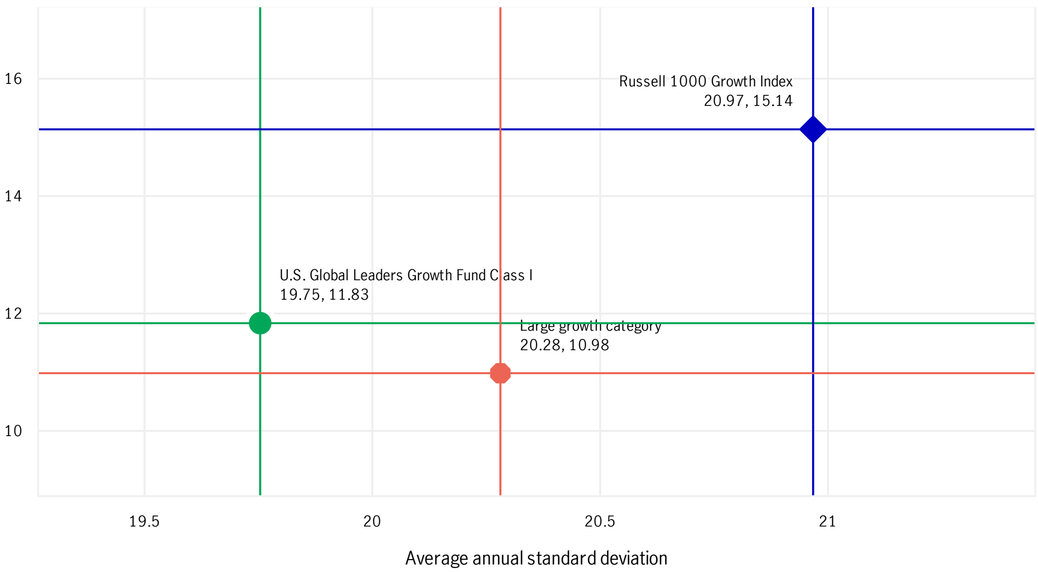
Portfolio changes

The only change to the portfolio during the quarter was one new holding: semiconductor manufacturer NVIDIA Corp., which we believe is poised to benefit from computing acceleration developments such as data centers and AI.

Risk and return

%

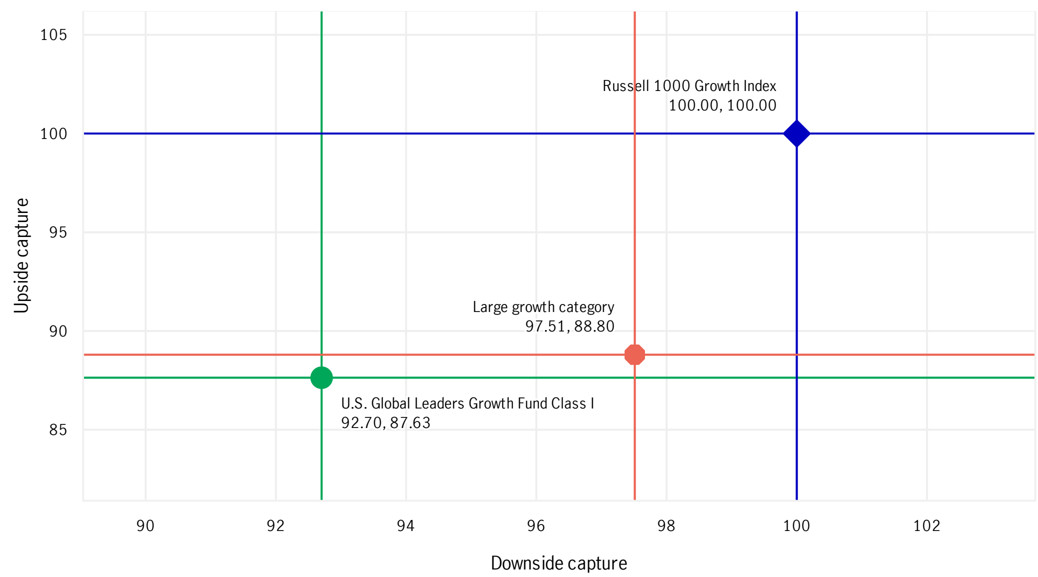
5 year (Std. deviation, return)



Upside/downside capture ratio

%

5 year (Downside, upside)



Risk and performance measures

5 year	Fund	Morningstar category
Alpha	-1.78	-3.19
Beta	0.91	0.96
Sharpe ratio	0.60	0.54
Sortino ratio	0.94	0.82
Standard deviation (%)	19.75	20.28
Information ratio	-0.62	-1.44
Tracking error (%)	5.17	2.67
Upside capture ratio (%)	87.63	88.80
Downside capture ratio (%)	92.70	97.51
R-squared (%)	93.98	98.44

Calculations are based on Class I shares.

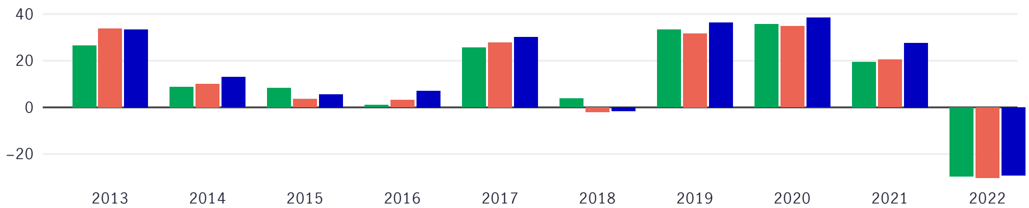
Key facts

Portfolio turnover[5] **(%)**	31
Number of holdings	30
Average market cap	
Fund	$418.73 b
Benchmark	$1.05 t
P/E ratio (trailing)	
Fund	37.78x
Benchmark	35.16x
Price/book ratio	
Fund	6.97x
Benchmark	11.28x
Active share (%)	73.18

5 The portfolio turnover is as of the fund's fiscal year end and is subject to change. The fund's annual report includes further details regarding the portfolio turnover ratio.

Calendar year returns[3,6] %

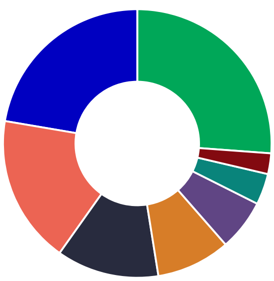
Class I without sales charge



■ U.S. Global Leaders Growth Fund ■ Russell 1000 Growth Index ■ Large growth category

■	26.55	8.81	8.38	0.98	25.65	3.85	33.31	35.70	19.54	-29.59
■	33.48	13.05	5.67	7.08	30.21	-1.51	36.39	38.49	27.60	-29.14
■	33.87	10.07	3.57	3.19	27.84	-2.11	31.71	34.82	20.49	-30.20
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022

Sector composition[7] %



■	Information Technology	26.17
■	Financials	22.32
■	Health Care	17.86
■	Consumer Discretionary	12.34
■	Materials	8.91
■	Communication Services	6.16
■	Real Estate	3.74
■	Consumer Staples	2.49

10 largest holdings[7] %

1.	Amazon.com, Inc.	5.75
2.	Microsoft Corp.	5.73
3.	Visa, Inc.	5.25
4.	Aon PLC	4.09
5.	S&P Global, Inc.	4.08
6.	Workday, Inc.	4.05
7.	UnitedHealth Group, Inc.	3.72
8.	Equinix, Inc.	3.65
9.	Ecolab, Inc.	3.58
10.	Alphabet, Inc., Class C	3.43

What you should know before investing

Growth stocks may be more susceptible to earnings disappointments. Large company stocks could fall out of favor, and foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. A portfolio concentrated in one sector or that holds a limited number of securities may fluctuate more than a diversified portfolio. 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.

 Past performance does not guarantee future results.

3 Comparison against the benchmark and Morningstar category is based on Class I shares **6** 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. **7** 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.