

Multifactor investing: seeking to smooth expected returns

A multifactor approach may help increase the likelihood of capturing the premiums associated with each factor. Factor diversification can potentially produce greater consistency and possibly improve expected returns over single-factor investing.

Individual factors can be volatile: there's no telling when one will outperform another



This chart is for illustrative purposes only and does not represent the performance of any John Hancock fund. Morningstar, as of 12/31/24. Callan chart is from 2022 to 2024. Size is represented by the Russell 1000 Size Factor Index, which tracks the performance of stocks displaying smaller-size characteristics. Value is represented by the Russell 1000 Value Factor Index, which tracks the performance of stocks displaying lower valuation characteristics. Volatility is represented by the Russell 1000 Volatility Factor Index, which tracks the performance of stocks displaying lower volatility characteristics. Quality is represented by the Russell 1000 Quality Factor Index, which tracks the performance of stocks displaying higher-quality characteristics. Momentum is represented by the Russell 1000 Momentum Factor Index, which tracks the performance of stocks displaying momentum characteristics. Annual returns are based on calendar years. Indexes are unmanaged and do not take transaction costs or fees into consideration. It is not possible to invest directly in an index. Performance figures assume reinvestment of dividends and capital gains. Certain returns shown may reflect hypothetical historical performance. Past performance does not guarantee future results. Diversification does not guarantee a profit or eliminate the risk of a loss.

John Hancock Multifactor ETF key facts

	Inception date	Ticker	Net expense ratio (what you pay) ¹ (%)	Manager	Morningstar category
U.S. equity					
John Hancock Multifactor Large Cap ETF	9/28/15	JHML	0.29	Dimensional	Large blend
John Hancock Multifactor Mid Cap ETF	9/28/15	JHMM	0.42	Dimensional	Mid-cap blend
John Hancock Multifactor Small Cap ETF	11/8/17	JHSC	0.42	Dimensional	Small blend
International equity					
John Hancock Multifactor Developed International ETF	12/15/16	JHMD	0.39	Dimensional	Foreign large blend
John Hancock Multifactor Emerging Markets ETF	9/27/18	JHEM	0.49	Dimensional	Diversified emerging markets

All data is as of 3/31/25.

¹ “Net (what you pay)” represents the effect of a fee waiver and/or expense reimbursement, all ETFs are contractual through 8/31/25, except JHMM which does not have a contractual date. Gross expense ratios for John Hancock ETFs are as follows: JHML, 0.32%; JHMM, 0.42%; JHSC, 0.47%; JHMD, 0.43%; JHEM, 0.58%. John Hancock Dimensional indexes are rules-based indexes of U.S. and international stocks that have been selected based on sources of expected returns. Securities eligible for inclusion in the indexes are classified according to their market capitalization, relative price, and profitability, and are weighted accordingly in favor of smaller, less expensive, more profitable companies. The large-, mid-, and small-cap indexes are made up of securities of those respective market capitalizations; the sector indexes are composed of securities from their respective market sectors. All indexes are reconstituted and rebalanced on a semiannual basis. Index performance assumes reinvestment of dividends and, unless otherwise indicated, does not reflect the management fees, operating expenses, transaction costs, and other expenses that apply to an ETF. It is not possible to invest directly in an index.

Investing involves risks, including the potential loss of principal. There is no guarantee that a fund's investment strategy will be successful. Foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. Large company stocks could fall out of favor, and illiquid securities may be difficult to sell at a price approximating their value. The stock prices of midsize and small companies can change more frequently and dramatically than those of large companies, and value stocks may decline in price. A portfolio concentrated in one industry or sector or that holds a limited number of securities may fluctuate more than a diversified portfolio. Shares may trade at a premium or discount to their NAV in the secondary market, and a fund's holdings and returns may deviate from those of its index. These variations may be greater when markets are volatile or subject to unusual conditions. Errors in the construction or calculation of a fund's index may occur from time to time. Please see the funds' prospectuses for additional risks.

John Hancock Multifactor ETF shares are bought and sold at market price (not NAV), and are not individually redeemed from the fund. Brokerage commissions will reduce returns.

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