U.S. equity fund Quarterly commentary

John Hancock U.S. Growth Fund

A: JSGAX C: JSGCX I: JSGIX R2: JSGRX R4: JHSGX R6: JSGTX

Objective
Long-term capital appreciation

Use for
Core large-cap growth holding

Morningstar category
Large Growth

Quarterly commentary

Highlights

- U.S. stocks declined as investors grappled with the implications of the Trump administration's policies on trade, immigration, fiscal spending, tax cuts, and deregulation.
- The fund outperformed its benchmark, the Russell 1000 Growth Index, helped by relative overweights in financials, energy, and real estate, while an underweight in industrials detracted.
- Amid increased economic uncertainty, the fund adopted a more defensive posture, shifting to overweights in its quality and capital return factor exposures and underweights in its growth and valuation upside measures.

Market review and outlook

In the first three months of 2025, U.S. equities experienced their first quarterly loss since the third quarter of 2023. Market volatility surged and risk sentiment waned as investors grappled with the implications of the Trump administration's policies on trade, immigration, fiscal spending, tax cuts, and deregulation. Escalating tariffs and the possibility of additional levies in April worsened the outlook for inflation and economic growth. Deteriorating business and consumer sentiment threatened to curtail spending, although economic indicators suggested that the U.S. economy remained solid. Against a turbulent market backdrop, technology stocks generally fell sharply, while growth and small-cap stocks significantly underperformed their value and large-cap counterparts.

As of quarter end, investor sentiment remained cautious globally as markets await clarity on monetary and trade policies and the trajectory of interest rates. The narrative has shifted from one of economic resilience to uncertainty, given a pullback in consumer spending, depressed manufacturing activity, and the potential for higher inflation. This dynamic could force central banks to have to choose between prioritizing growth and inflation. In this context, we anticipate elevated downside risk due to the effect of fiscal and trade policy as well as geopolitical tension.

Contributors and detractors

The fund delivered a negative return in Q1 but nevertheless outperformed the benchmark. Sector allocation, which is based on our bottom-up (stock-by-stock) investment approach, contributed to overall performance due to overweights in financials, energy, and real estate. This, however, was partly offset by an underweight in industrials. Security selection also contributed, especially in consumer discretionary and communication services, although picks in information technology detracted.

Compared with the benchmark index, the fund's largest individual contributor was Welltower, Inc., an owner of healthcare properties whose shares rose after the company reported better-than-expected quarterly financial results. Another contributor was the fund's underweight in electric vehicle maker Tesla, Inc., a benchmark component that underperformed as the company anticipated weaker-than-expected vehicle deliveries. An overweight in auto parts retailer O'Reilly Automotive, Inc. also added value.

In contrast, the largest individual relative detractor was a lack of exposure to Visa, Inc., a benchmark component. Visa's shares rose after the digital payments company released strong financial results. Also hampering the fund's relative performance was Marvell Technology, Inc., a chipmaker whose financial guidance lagged some analysts' expectations. The timing of the fund's buying and selling activity in shares of consumer electronics company Apple, Inc. further detracted relative to the benchmark.

Portfolio changes

Given what we see as a wide range of potential economic outcomes, we believe it was prudent to maintain a defensive posture in the fund. In early March, we shifted from an equal weight among the fund's four-factor exposures to an overweight in the fund's quality and capital return factors (30% each) and an underweight in the fund's growth and valuation upside factors (20% each).

The fund's largest sector overweights were in financials and communication services. Conversely, the largest underweights were in information technology and industrials.

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Tim N. Manning
On the fund since 2021.
Investing since 1996

Average annual total returns[1,2]

%

	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Since inception	Inception date
Class I without sales charge	-7.90	-7.90	5.93	11.34	18.25	13.70	15.47	12/20/11
Class A without sales charge	-7.96	-7.96	5.66	11.07	17.95	13.41	15.14	12/20/11
Class A with sales charge (Maximum initial sales charge 5.00%)	-12.56	-12.56	0.37	9.19	16.75	12.83	14.70	12/20/11
Russell 1000 Growth Index	-9.97	-9.97	7.76	10.10	20.09	15.12	16.57	—
Large growth category	-8.51	-8.51	4.76	7.65	16.44	11.90	—	—

Expense ratios[3]	Gross	Net (what you pay)	Contractual through
Class I	0.74%	0.73%	7/31/2026
Class A	0.99%	0.98%	7/31/2026

The performance data shown represents past performance, which does not guarantee future results. 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. Performance figures assume that all distributions are reinvested. For the most recent month-end performance, visit jhinvestments.com.

10 largest holdings[4]

%

1.	NVIDIA Corp.	10.75	6.	Mastercard, Inc.	3.76
2.	Microsoft Corp.	9.34	7.	Broadcom, Inc.	3.71
3.	Apple, Inc.	8.36	8.	Eli Lilly & Company	3.62
4.	Amazon.com, Inc.	8.10	9.	Meta Platforms, Inc.	3.60
5.	Alphabet, Inc., Class A	6.29	10.	Netflix, Inc.	2.48

What you should know before investing

Growth stocks may be more susceptible to earnings disappointments. Foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. Please see the fund's prospectus for additional risks.

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. It is not possible to invest directly in an index. The benchmark shown demonstrates how the fund's performance compares against the returns of similar investments, which may differ from the broad-based securities index shown in the fund's prospectus.

Request a prospectus or summary prospectus from your financial professional, by visiting jhinvestments.com, or by calling us at 800-225-5291. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

1 On 9/28/18, Wellington Management Company LLP replaced the fund's manager, John Hancock Asset Management (predecessor manager). Performance prior to 9/28/18 reflects the performance of the predecessor manager. **2** It is not possible to invest in an index. Index definitions can be found within the "What you should know before Investing" section on the last page of this fact sheet. **3** "Net (what you pay)" represents the effect of a contractual fee waiver and/or expense reimbursement and is subject to change. **4** 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.

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