American Century Investments®

Small Cap Growth Fund

Quarterly Commentary

Portfolio Review

Stocks posted strong gains. U.S. equities rallied during the quarter as concerns about the banking system eased, Congress avoided a debt crisis and the Federal Reserve (Fed) paused its interest rate-hike campaign in June for the first time in 15 months.

Growth stocks outperformed. Growth stocks easily outperformed value stocks in the quarter, aided by the strong performance of technology stocks, especially those with artificial intelligence connections. Large-cap stocks outperformed small- and mid-cap stocks.

Beverages weighed on performance. Stock selection in the industry hampered performance in the consumer staples sector. Celsius Holdings was a key detractor as we did not own the stock. Investment decisions among personal care products also detracted.

Aerospace and defense stocks detracted. Stock selection in the industry had a negative impact on results, leading to underperformance in industrials relative to the benchmark. Mercury Systems was a significant detractor.

Software benefited performance. Investment decisions in the industry contributed to gains in the information technology sector. Overweighting semiconductor stocks relative to the benchmark was also helpful.

Markets were faced with multiple headwinds. Areas of concern for investors included tightening financial conditions, recession worries, persistent price pressures, negative earnings revisions and ongoing geopolitical tensions. In this climate, we maintained what we believed was a defensive posture.

Key Contributors

XPO. This partial load trucking company contributed. XPO hired a respected industry veteran from a leading competitor, which drove investor expectations for improved margins. In addition, XPO's load data suggest it gained market share during the trucking downcycle.

JELD-WEN Holding. This maker of doors and windows reported revenue and earnings well ahead of analyst expectations, benefiting from continued improvements in monthly new-home construction data.

Manhattan Associates. This provider of warehouse management software is seeing accelerated migration to its cloud platform. We believe the company's cloud offering is a highly attractive business model that increases the value of Manhattan's software as supply chain management has become much more important as a result of the pandemic.

Key Detractors

Super Micro Computer. Not owning this distributor and manufacturer of high-performance supercomputer technologies detracted. Super Micro Computer benefited from generative artificial intelligence themes as we believe investors are starting to appreciate the company's capabilities.

Goal and Strategy

Long-term capital growth by investing primarily in smaller U.S. companies.

Portfolio Management Team

	Start Date	
Name	Industry	Company
Jackie Wagner	2005	2005
Jeff Hoernemann, CFA	2005	2014

Top 10 Holdings (%)

Power Integrations Inc	1.65
Weatherford International PLC	1.65
SPS Commerce Inc	1.61
Kinsale Capital Group Inc	1.54
Tenable Holdings Inc	1.54
R1 RCM Inc	1.36
Driven Brands Holdings Inc	1.34
Ryman Hospitality Properties Inc	1.31
AZEK Co Inc/The	1.27
Planet Fitness Inc	1.26

As of 6/30/2023

The holdings listed should not be considered recommendations to purchase or sell a particular security. Equity holdings are grouped to include common shares, depository receipts, rights and warrants issued by the same company. Fund holdings subject to change.

Mercury Systems. This defense subcontractor slashed its earnings forecast. In addition, the board of directors ended its strategic review, deciding against a sale of the company and instead opting for a change in leadership.

QuinStreet. This marketing company connects advertisers with high-intent customers, especially insurers. Strong quarterly results that beat analyst expectations were marred by weak revenue guidance as insurance spending pulled back sharply. We eliminated our position.

Notable Trades

Alphatec Holdings. We initiated a position in this maker of medical devices including spinal implants and surgical systems. Alphatec's management team has successfully revamped its product lineup, and we believe the expansion of the commercial organization has helped drive market share gains. We think industry consolidation will provide Alphatec with more opportunities.

Hayward Holdings. We established a position in this maker of pool system pumps and filters. The pool equipment market saw rapid growth during the pandemic, but business has since slowed. However, we believe Hayward will benefit as housing activity picks up and as inventory returns to normal levels.

Kosmos Energy. We eliminated our position in this energy exploration and production company as we believe the slowing global macroeconomic picture has dampened the outlook for crude oil prices and because of the developmental nature of its assets, which we believe contributes to volatility in Kosmos' shares.

Paylocity Holding. The stock of this provider of payroll and human capital management solutions was pressured as investors feared the company's growth would slow amid larger macroeconomic headwinds. We eliminated the position as Paylocity had grown above our market capitalization threshold.

Portfolio Positioning

Our process uses bottom-up financial analysis aimed at identifying companies that we believe are capable of producing attractive earnings growth. We seek to reduce unintended financial risks and instead align the portfolio with company-specific risks that we believe will be rewarded over time. As a result of this approach, our sector and industry allocations reflect those areas of the market where we believe we are finding opportunities at a given time.

We maintained what we believed was defensive positioning. Given what we view as decelerating economic growth amid global macroeconomic headwinds and as a result of our bottom-up stock selection process that has identified more negative earnings revisions than positive, we were more defensively positioned during the quarter than we have been in past periods.

Our sector allocations remain close to those of the benchmark. There were few shifts in our sector positioning. At the end of the quarter, we maintained modest underweights in what are often considered to be more cyclical sectors, such as energy and industrials, and were overweight in typically more defensive sectors, such as health care and consumer staples.

As the Fed continues to tighten its monetary policy, the likelihood of recession increases. We maintain our view, which has been consistent for some time, that a recession will likely occur later this year or early next year. Thus, we have maintained what we believe is a modestly defensive sector allocation.

Small Cap Growth Fund

TICKERS Investor Class: ANOIX | I Class: ANONX | A Class: ANOAX | C Class: ANOCX | R Class: ANORX | R5 Class: ANOGX | R6 Class: ANODX

Data presented reflects past performance. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance shown. To obtain performance data current to the most recent month end, please visit www.americancentury.com/performance. Investment return and share value will fluctuate, and redemption value may be more or less than original cost. Data assumes reinvestment of dividends and capital gains. Returns for periods less than one year are not annualized. For information about other share classes available, please consult the prospectus. There is no guarantee that the investment objectives will be met. Dividends and yields represent past performance and there is no guarantee that they will continue to be paid.

Average Annual Total Returns for Period Ended 6/30/2023

Class	Qtr (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)	Inception Date	Gross Expense Ratio (%)
Investor	5.06	17.02	8.25	9.31	11.58	9.45	6/1/01	1.17
I	5.15	17.29	8.48	9.52	11.80	8.91	5/18/07	0.97
R5	5.09	17.28	8.48	9.53	11.80	12.85	4/10/17	0.97
R6	5.15	17.47	8.65	9.70	-	11.31	7/26/13	0.82
Russell 2000 Growth Index	7.05	18.53	6.10	4.22	8.83	-	-	-

Historical performance for the R5 Class prior to its inception is based on the performance of I Class shares, which have the same expenses as the R5 Class.

Expense ratio is as of the fund's current prospectus. The I Class minimum investment amount is $5 million ($3 million for endowments and foundations) per fund. The R5 and R6 Share Classes are available only to participants in group employer-sponsored retirement plans where a financial intermediary provides recordkeeping services to plan participants.

Periods greater than one year have been annualized.

You should consider the fund's investment objectives, risks, and charges and expenses carefully before you invest. The fund's prospectus or summary prospectus, which can be obtained at americancentury.com, contains this and other information about the fund, and should be read carefully before investing.

The opinions expressed are those of the portfolio investment team and are no guarantee of the future performance of any American Century Investments portfolio. Statements regarding specific holdings represent personal views and compensation has not been received in connection with such views. This information is for an educational purpose only and is not intended to serve as investment advice.

The information is not intended as a personalized recommendation or fiduciary advice and should not be relied upon for investment, accounting, legal or tax advice.

Historically, small- and/or mid-cap stocks have been more volatile than the stocks of larger, more established companies. Smaller companies may have limited resources, product lines and markets, and their securities may trade less frequently and in more limited volumes than those of larger companies.

The Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® Growth Index measures the performance of those Russell 2000® companies with higher price-to-book ratios and higher forecasted growth values. Created by Frank Russell Company, indices are not investment products available for purchase.

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