John Hancock Funds II
Class NAV Shares

Prospectus 1/1/18

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Ticker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific Total Return Bond Fund</td>
<td>JHBCDX</td>
</tr>
<tr>
<td>Blue Chip Growth Fund</td>
<td>JHCPX</td>
</tr>
<tr>
<td>Capital Appreciation Fund</td>
<td>JHCDX</td>
</tr>
<tr>
<td>Capital Appreciation Value Fund</td>
<td>JEVNX</td>
</tr>
<tr>
<td>Core Bond Fund</td>
<td>JHCX</td>
</tr>
<tr>
<td>Emerging Markets Fund</td>
<td>JHCDX</td>
</tr>
<tr>
<td>Emerging Markets Debt Fund</td>
<td>JEVNX</td>
</tr>
<tr>
<td>Equity Income Fund</td>
<td>JEVNX</td>
</tr>
<tr>
<td>Floating Rate Income Fund</td>
<td>JEVNX</td>
</tr>
<tr>
<td>Fundamental Global Franchise Fund</td>
<td>JHCDX</td>
</tr>
<tr>
<td>Global Bond Fund</td>
<td>JHGDX</td>
</tr>
<tr>
<td>Global Equity Fund</td>
<td>JHGDX</td>
</tr>
<tr>
<td>Global Real Estate Fund</td>
<td>JHGDX</td>
</tr>
<tr>
<td>Health Sciences Fund</td>
<td>JHGDX</td>
</tr>
<tr>
<td>High Yield Fund</td>
<td>JHHDX</td>
</tr>
<tr>
<td>International Growth Stock Fund</td>
<td>JHSX</td>
</tr>
<tr>
<td>International Small Cap Fund</td>
<td>JHSX</td>
</tr>
<tr>
<td>International Small Company Fund</td>
<td>JHSX</td>
</tr>
<tr>
<td>International Strategic Equity Allocation Fund</td>
<td>JHSX</td>
</tr>
<tr>
<td>International Value Fund</td>
<td>JHVIX</td>
</tr>
<tr>
<td>Mid Cap Stock Fund</td>
<td>NHMSX</td>
</tr>
<tr>
<td>Mid Value Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Natural Resources Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>New Opportunities Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Real Estate Equity Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Real Estate Securities Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Real Return Bond Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Redwood Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Science &amp; Technology Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Short Term Government Income Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Small Cap Growth Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Small Cap Value Fund</td>
<td>JHNRX</td>
</tr>
<tr>
<td>Small Company Growth Fund</td>
<td>JHSX</td>
</tr>
<tr>
<td>Small Company Value Fund</td>
<td>JHSX</td>
</tr>
<tr>
<td>Spectrum Income Fund</td>
<td>JHSTX</td>
</tr>
<tr>
<td>Strategic Equity Allocation Fund</td>
<td>JHSTX</td>
</tr>
<tr>
<td>Strategic Income Opportunities Fund</td>
<td>JHSTX</td>
</tr>
<tr>
<td>Total Return Fund</td>
<td>JHTRX</td>
</tr>
<tr>
<td>U.S. Growth Fund</td>
<td>JHVIX</td>
</tr>
<tr>
<td>U.S. High Yield Bond Fund</td>
<td>JHVIX</td>
</tr>
<tr>
<td>U.S. Strategic Equity Allocation Fund</td>
<td>JHVIX</td>
</tr>
</tbody>
</table>

As with all mutual funds, the Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.
John Hancock Funds II
Supplement dated October 31, 2018 to the current Class NAV prospectus (the prospectus), as may be supplemented

Global Equity Fund (the fund)

Effective immediately, Doug McGraw no longer serves as a portfolio manager of the fund. Accordingly, all references to Mr. McGraw are removed from the prospectus. Paul Boyne and Stephen Hermsdorf will continue as portfolio managers of the fund and will be jointly and primarily responsible for the day-to-day management of the fund’s portfolio.

You should read this Supplement in conjunction with the prospectus and retain it for future reference.

JHF2NPNS 10/31/18
John Hancock Funds II
Supplement dated October 15, 2018 to the current Prospectus (the “Prospectus”), as may be supplemented

Floating Rate Income Fund (the “fund”)

Jonathan DeSimone will be retiring in the second quarter of 2019 as a portfolio manager of the fund. Following Mr. DeSimone’s retirement, Andrew Carlino and Kim Harris will continue as portfolio managers of the fund and will be jointly and primarily responsible for the day-to-day management of the fund’s portfolio.

You should read this Supplement in conjunction with the Prospectus and retain it for future reference.

MFPNS 10/15/18
John Hancock Funds II
U.S. Growth Fund (the fund)

Supplement dated September 28, 2018 to the current Class NAV Prospectus, as may be supplemented

In the “Fund summary” section for the fund, the information under the headings “Fees and expenses” and “Expense example” is amended and restated by the following:

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.59</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.23</td>
</tr>
<tr>
<td><strong>Acquired fund fees and expenses</strong></td>
<td><strong>0.01</strong></td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.83</td>
</tr>
<tr>
<td>Contractual expense reimbursement</td>
<td>-0.08</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses after expense reimbursements</strong></td>
<td><strong>0.75</strong></td>
</tr>
</tbody>
</table>

1 “Management fee” has been restated to reflect the contractual management fee schedule effective September 28, 2018.

2 “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.

3 The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

4 The advisor contractually agrees to waive a portion of its management fee and/or reimburse expenses for the fund and certain other John Hancock funds according to an asset level breakpoint schedule that is based on the aggregate net assets of all the funds participating in the waiver or reimbursement. This waiver is allocated proportionally among the participating funds. During its most recent fiscal year, the fund’s reimbursement amounted to 0.01% of the fund’s average daily net assets. This agreement expires on June 30, 2020, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

5 “The advisor contractually agrees to reduce its management fee or, if necessary, make payment to the fund in an amount equal to the amount by which expenses of the fund exceed 0.74% of average net assets of the fund. For purposes of this agreement, “expenses of the fund” means all fund expenses, excluding (a) taxes, (b) brokerage commissions, (c) interest expense, (d) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the fund’s business, (e) class-specific expenses, (f) borrowing costs, (g) prime brokerage fees, (h) acquired fund fees and expenses paid indirectly, and (i) short dividend expense. This agreement expires on December 31, 2019, unless renewed by mutual agreement of the advisor and the fund based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then, except as shown below, assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>77</td>
</tr>
<tr>
<td>3 years</td>
<td>257</td>
</tr>
<tr>
<td>5 years</td>
<td>453</td>
</tr>
<tr>
<td>10 years</td>
<td>1,018</td>
</tr>
</tbody>
</table>

*You should read this Supplement in conjunction with the Prospectus and retain it for future reference.*

JHF2NPNS 9/28/18
John Hancock Funds II  
U.S. Growth Fund (the fund)

Supplement dated September 13, 2018 to the current Class NAV and Class 1 Prospectus, as may be supplemented

Effective on or about September 28, 2018, under “Appendix A: Schedule of Management Fees” the disclosure regarding the fund’s management fee schedule is revised and restated as follows:

<table>
<thead>
<tr>
<th>APR</th>
<th>Advisory Fee Breakpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.600%</td>
<td>first $500 million;</td>
</tr>
<tr>
<td>0.550%</td>
<td>next $1 billion;</td>
</tr>
<tr>
<td>0.530%</td>
<td>excess over $1.5 billion</td>
</tr>
</tbody>
</table>

You should read this Supplement in conjunction with the Prospectus and retain it for future reference.
John Hancock Funds II (the Trust)
Floating Rate Income Fund (the fund)

Supplement dated August 9, 2018 to the current Class NAV Prospectus, as supplemented

The following information supplements and supersedes any information to the contrary relating to the fund contained in the current Class NAV Prospectus or in the supplement dated June 21, 2018 to the current Class NAV Prospectus.

The Trust’s Board of Trustees has approved the hiring and appointment of BCSF Advisors, LP (Bain Capital Credit), a subsidiary of Bain Capital Credit, LP, to replace Western Asset Management Company (Western Asset) as subadvisor to the fund effective immediately after the close of business August 29, 2018 (the Effective Date).

In connection with the appointment of Bain Capital Credit as subadvisor to the fund, the fund is also changing its fee schedule as previously disclosed. Accordingly, as of the Effective Date, the first footnote in the Annual operating expenses table is revised and restated in its entirety to read as follows:

1 “Management fee” has been restated to reflect the contractual management fee schedule effective August 30, 2018.

Additionally, as of the Effective Date, the advisory fee schedule for the fund as listed in “APPENDIX A: SCHEDULE OF MANAGEMENT FEES” is revised and restated as follows:

<table>
<thead>
<tr>
<th>Average daily net assets ($)</th>
<th>Annual rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 1.1 billion</td>
<td>0.680%</td>
</tr>
<tr>
<td>Next 1.9 billion</td>
<td>0.630%</td>
</tr>
<tr>
<td>Next 1.5 billion</td>
<td>0.605%</td>
</tr>
<tr>
<td>Next 1.5 billion</td>
<td>0.590%</td>
</tr>
<tr>
<td>Over 6 billion</td>
<td>0.570%</td>
</tr>
</tbody>
</table>

The fee schedule above became effective August 30, 2018.

You should read this Supplement in conjunction with the Prospectus and retain it for future reference.
John Hancock Funds II
Supplement dated July 12, 2018 to the current prospectus (the prospectus), as may be supplemented

International Strategic Equity Allocation Fund
Strategic Equity Allocation Fund
U.S. Strategic Equity Allocation Fund (the funds)

John Hancock Asset Management a division of Manulife Asset Management (US) LLC (JHAM US) has announced that Robert Boyda will be retiring from the firm in the first quarter of 2019. Accordingly, effective immediately, all references to Mr. Boyda are removed from the prospectus. Mr. Boyda will continue to consult with the funds’ portfolio management team in an advisory capacity until his retirement.

Nathan Thooft, CFA will continue to serve as portfolio manager of the funds and is primarily responsible for the day-to-day management of the funds’ portfolios.

You should read this Supplement in conjunction with the prospectus and retain it for future reference.
Effective July 1, 2018, the Fees and expenses table and the Expense example table in the “Fund summary” section for the fund are revised and restated as follows:

**FEES AND EXPENSES**

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee&lt;sup&gt;1&lt;/sup&gt;</td>
<td>0.57</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td>0.61</td>
</tr>
</tbody>
</table>

<sup>1</sup>“Management fee” has been restated to reflect the contractual management fee schedule effective July 1, 2018.

**EXPENSE EXAMPLE**

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>62</td>
</tr>
<tr>
<td>3 years</td>
<td>195</td>
</tr>
<tr>
<td>5 years</td>
<td>340</td>
</tr>
<tr>
<td>10 years</td>
<td>762</td>
</tr>
</tbody>
</table>

In “Appendix A: Schedule of Management Fees” the disclosure regarding the fund’s management fee schedule is revised and restated as follows:

<table>
<thead>
<tr>
<th>APR</th>
<th>Advisory Fee Breakpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.690%</td>
<td>first $200 million</td>
</tr>
<tr>
<td>0.640%</td>
<td>next $200 million</td>
</tr>
<tr>
<td>0.570%</td>
<td>next $600 million</td>
</tr>
<tr>
<td>0.560%</td>
<td>next $1 billion</td>
</tr>
<tr>
<td>0.550%</td>
<td>excess over $2 billion</td>
</tr>
</tbody>
</table>

The fee schedule above became effective July 1, 2018.

*You should read this Supplement in conjunction with the prospectus and retain it for your future reference.*
Supplement dated June 21, 2018 to the current Class NAV Prospectus, as may be supplemented

The following information supplements and supersedes any information to the contrary relating to the fund contained in the current Prospectus.

At an in-person meeting held on June 19–21, 2018, the Trust’s Board of Trustees approved the hiring and appointment of BCSF Advisors, LP (Bain Capital Credit), a subsidiary of Bain Capital Credit, LP, to replace Western Asset Management Company (Western Asset) as subadvisor to the fund effective on or about the close of business on August 15, 2018 (the Effective Date).

In connection with the appointment of Bain Capital Credit as subadvisor to the fund along with other changes, the Prospectus is hereby amended as of the Effective Date as follows:

1. Solely with respect to the fund, all references to Western Asset and its affiliate Western Asset Management Company Limited (“Western Asset Limited”) and Western Asset’s portfolio managers are hereby deleted. Western Asset and Western Asset Limited continue to serve as subadvisor and sub-subadvisor, respectively, to High Yield Fund, also a series of the Trust.

2. The Annual fund operating expenses table and the Expense example table under “Fees and expenses” in the Fund summary section applicable to the fund are revised and restated as follows:

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee¹</td>
<td>0.66</td>
</tr>
<tr>
<td>Other expenses²</td>
<td>0.06</td>
</tr>
<tr>
<td>Acquired fund fees and expenses³</td>
<td>0.01</td>
</tr>
<tr>
<td>Total annual fund operating expenses⁴</td>
<td>0.73</td>
</tr>
</tbody>
</table>

¹“Management fee” has been restated to reflect the contractual management fee schedule effective August 15, 2018.

²“Other expenses” shown exclude certain one-time extraordinary expenses incurred in the prior fiscal year equivalent to 0.01%.

³“Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.

⁴The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>75</td>
</tr>
<tr>
<td>3 years</td>
<td>233</td>
</tr>
<tr>
<td>5 years</td>
<td>406</td>
</tr>
<tr>
<td>10 years</td>
<td>906</td>
</tr>
</tbody>
</table>

3. The following disclosure is added following the first paragraph under the heading “A note on performance” in the “Fund summary” section applicable to the fund:
Prior to August 15, 2018, the fund was managed by a different subadvisor, and thus, the performance presented prior to August 15, 2018 should not be attributed to the current subadvisor, BCSF Advisors, LP (Bain Capital Credit). The fund’s performance shown below might have differed materially had Bain Capital Credit managed the fund prior to August 15, 2018.

4. In the “Average annual total returns” table under the heading “Past performance” in the “Fund summary” section applicable to the fund, the returns of the S&P/LSTA Leveraged Loan Index are added as stated below.

<table>
<thead>
<tr>
<th>Average annual total returns (%)—as of 12/31/16</th>
<th>Since inception (01/02/08)</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P/LSTA Leveraged Loan Index (reflects no deduction for fees, expenses, or taxes)*</td>
<td>10.16</td>
</tr>
</tbody>
</table>

* Prior to August 15, 2018, the fund’s primary benchmark was the S&P/LSTA Performing Loan Index. Effective August 15, 2018, the fund’s primary benchmark index is the S&P/LSTA Leveraged Loan Index. The S&P/LSTA Leveraged Loan Index is better aligned with the fund’s investment strategy.

5. The information regarding the subadvisor under the heading “Investment management” in the “Fund summary” section applicable to the fund is revised and restated in its entirety as follows:

Subadvisor BCSF Advisors, LP

6. In the “Fund summary” section applicable to the fund, the information under the heading “Portfolio management” is revised and restated in its entirety as follows:

<table>
<thead>
<tr>
<th>Jonathan DeSimone</th>
<th>Andrew Carlino</th>
<th>Kim Harris</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing Director and Portfolio Manager</td>
<td>Managing Director and Portfolio Manager</td>
<td>Managing Director and Portfolio Manager</td>
</tr>
<tr>
<td>Managed the fund since 2018</td>
<td>Managed the fund since 2018</td>
<td>Managed the fund since 2018</td>
</tr>
</tbody>
</table>

7. The information in the “Subadvisory Arrangements and Management Biographies” is amended to include the following:

BCSF Advisors, LP

BCSF Advisors, LP (Bain Capital Credit), a subsidiary of Bain Capital Credit, LP. Bain Capital Credit, LP was formed in 1998 as the credit investing arm of Bain Capital. Bain Capital Credit, LP is located at 200 Clarendon Street, Boston, MA 02116 and is one of the world’s premier alternative investment firms. Bain Capital Credit has entered into a resource sharing agreement with Bain Capital Credit, LP, pursuant to which Bain Capital Credit, LP will provide Bain Capital Credit with experienced investment professionals and access to the resources of Bain Capital Credit, LP. Bain Capital Credit, LP invests across the full spectrum of credit strategies, including leveraged loans, high-yield bonds, distressed debt, direct lending, structured products, non-performing loans and equities. With offices in Boston, Chicago, New York, London, Dublin, Hong Kong and Melbourne, Bain Capital Credit, LP and its subsidiaries have a global footprint with approximately $37 billion in assets under management as of April 1, 2018. Bain Capital Credit has identified the following persons as jointly and primarily responsible for the day-to-day management of the fund’s portfolio as set forth below.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Portfolio Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Floating Rate Income Fund</td>
<td>Jonathan DeSimone, Andrew Carlino, Kim Harris</td>
</tr>
</tbody>
</table>

Jonathan DeSimone — Managing Director, a Credit Committee member and the Chief Investment Officer of Bain Capital Credit, LP’s Liquid Credit business including separate accounts and dedicated funds. He serves as the Portfolio Manager for the Bain Capital Senior Loan Fund, Bain Capital High Income Partnership and Bain Capital Credit, LP’s separate accounts in liquid credit. Mr. DeSimone joined Bain Capital Credit, LP in 2002. Prior to his current role, Mr. DeSimone covered the Enterprise Services and Chemicals industries. In addition, he opened Bain Capital Credit’s London office and served as its head from 2005 to 2009. Previously, Mr. DeSimone was a Manager at Bain & Company
where he worked in the firm’s Private Equity Practice performing strategic due diligence and post-acquisition strategy assessments. Mr. DeSimone received an M.B.A. from the Amos Tuck School of Business at Dartmouth College and a B.A. from Georgetown University.

Andrew Carlino — Managing Director and Portfolio Manager in Liquid Credit. Mr. Carlino joined Bain Capital Credit, LP in 2002. Prior to his current role, Mr. Carlino was responsible for investments in the Airlines, Aerospace & Defense, and Homebuilding & Building Product sectors. Previously, Mr. Carlino was a consultant for The Boston Consulting Group and also an intelligence officer in the US Air Force. Mr. Carlino received an M.B.A. from The University of Chicago Booth Graduate School of Business and a B.S. from the United States Air Force Academy.

Kim Harris — Managing Director and Portfolio Manager in Liquid Credit. She also oversees capital markets activities. Ms. Harris joined Bain Capital Credit, LP in 2000. Previously, Ms. Harris was a Senior Vice President at BankBoston where she was responsible for underwriting and investing in leveraged bank debt across a wide range of industries. Ms. Harris received an M.B.A. from the F.W. Olin Graduate School of Business at Babson College and a B.A. from Bates College.

8. In “Appendix A: Schedule of Management Fees” the disclosure regarding the fund’s management fee schedule is amended as follows:

<table>
<thead>
<tr>
<th>Average daily net assets ($)</th>
<th>Annual rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 1.1 billion</td>
<td>0.680%</td>
</tr>
<tr>
<td>Next 1.9 billion</td>
<td>0.630%</td>
</tr>
<tr>
<td>Next 1.5 billion</td>
<td>0.605%</td>
</tr>
<tr>
<td>Next 1.5 billion</td>
<td>0.590%</td>
</tr>
<tr>
<td>Over 6 billion</td>
<td>0.570%</td>
</tr>
</tbody>
</table>

The fee schedule above became effective August 15, 2018.

You should read this Supplement in conjunction with the Prospectus and retain it for future reference.
John Hancock Funds II (the Trust)
Supplement dated June 21, 2018 to the current Class NAV prospectus, as may be supplemented

Global Bond Fund (the fund)

At a meeting held on June 19-21, 2018, the Trust’s Board of Trustees approved changes to the fund’s principal investment strategies as set forth below. Effective June 21, 2018, the following amends and restates the fifth paragraph under “Principal Investment Strategies” in the “Fund summary” relating to the fund; and the sixth paragraph of the disclosure relating to the fund’s principal investment strategies under “Additional Information About the Funds.”

Depending on the manager’s current opinion as to the proper allocation of assets among domestic and foreign issuers, investments that are economically tied to foreign countries will normally be at least 25% of the fund’s net assets. The fund may invest, without limitation, in securities and instruments that are economically tied to emerging countries. The fund may invest up to 20% of its total assets in fixed-income securities that are rated below investment grade of any rating. The fund may invest in baskets of foreign currencies (such as the euro) and directly in currencies. The average portfolio duration of the fund normally varies within three years (plus or minus) of the duration of the benchmark index, as calculated by the manager.

You should read this Supplement in conjunction with the prospectus and retain it for future reference.
John Hancock Funds II (the Trust)
Supplement dated June 21, 2018 to the current prospectus, as may be supplemented

International Growth Stock Fund (the fund)
At a meeting held on June 19-21, 2018, the Trust’s Board of Trustees approved changes to the fund’s principal investment strategies as set forth below. Effective June 21, 2018, the following amends and restates in its entirety the disclosure under “Principal Investment Strategies” in the “Fund summary” relating to the fund and the disclosure relating to the fund’s principal investment strategies under “Additional Information About the Funds”:

The fund invests primarily in a diversified portfolio of international securities whose issuers are considered by the fund’s manager to have potential for earnings or revenue growth. The fund will, under normal circumstances, invest at least 80% of its net assets (plus any borrowings for investment purposes) in stocks. The fund invests primarily in the securities of large-capitalization issuers; however, the fund may invest a significant amount of its net assets in the securities of mid-capitalization issuers.

The fund invests primarily in equity and depositary receipts of foreign issuers. The principal types of equity securities in which the fund invests are common and preferred stock. The fund invests, under normal circumstances, in issuers economically tied to at least three countries outside of the U.S. The fund may also invest in issuers located in developing countries (emerging markets). Under normal circumstances, the maximum percentage of the fund’s net assets that may be invested in these issuers is 1.25 times of the emerging market weight of the MSCI All Country World ex U.S. Growth Index.

The fund can invest in derivative instruments including forward foreign currency contracts and futures. The fund can utilize forward foreign currency contracts to mitigate the risk of foreign currency exposure. A forward foreign currency contract is an agreement between parties to exchange a specified amount of currency at a specified future time at a specified rate. Forward foreign currency contracts are used to protect against uncertainty in the level of future foreign currency exchange rates. The fund can use these contracts to hedge against adverse movements in the foreign currencies in which portfolio securities are denominated. The fund has the ability to hedge currency exposures created by its investments in foreign securities.

Also, effective June 21, 2018, the following risk disclosure is added to the “Fund summary” section for the fund, under the heading “Principal risks of investing in the fund:”

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

You should read this Supplement in conjunction with the prospectus and retain it for future reference.
John Hancock Funds II
Supplement dated June 21, 2018 to the current Prospectus, as may be supplemented

John Hancock Natural Resources Fund (the “fund”)

At its in-person meeting held on June 19–21, 2018, the Board of Trustees of John Hancock Funds II approved the closing and liquidation of the fund pursuant to a Plan of Liquidation. As of the close of business on or about October 19, 2018, there are not expected to be any shareholders in the fund, and the fund will be liquidated on such date.

For more information, please call John Hancock Investments at 800-225-5291.

You should read this Supplement in conjunction with the Prospectus and retain it for your future reference.
John Hancock Funds II
Real Return Bond Fund (the fund)

Supplement dated June 21, 2018 to the current prospectus (the prospectus), as may be supplemented

Effective July 1, 2018, under “Appendix A: Schedule of Management Fees” the disclosure regarding the fund’s management fee schedule is revised and restated as follows:

<table>
<thead>
<tr>
<th>APR</th>
<th>Advisory Fee Breakpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.700%</td>
<td>First $1 billion</td>
</tr>
<tr>
<td>0.650%</td>
<td>Next $1 billion</td>
</tr>
<tr>
<td>0.625%</td>
<td>excess over $2 billion*</td>
</tr>
</tbody>
</table>

*The fee schedule above became effective July 1, 2018.

You should read this Supplement in conjunction with the prospectus and retain it for your future reference.
John Hancock Funds II
Small Cap Value Fund (the fund)

Supplement dated June 21, 2018 to the Class NAV share prospectus (the prospectus), as may be supplemented

Effective July 1, 2018, the Fees and expenses table and the Expense example table in the “Fund summary” section for the fund are revised and restated as follows:

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee&lt;sup&gt;1&lt;/sup&gt;</td>
<td>0.98</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.07</td>
</tr>
<tr>
<td>Acquired fund fees and expenses&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.08</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses&lt;sup&gt;3&lt;/sup&gt;</strong></td>
<td>1.13</td>
</tr>
</tbody>
</table>

<sup>1</sup>“Management fee” has been restated to reflect the contractual management fee schedule effective July 1, 2018.

<sup>2</sup>“Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.

<sup>3</sup>The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>115</td>
</tr>
<tr>
<td>3 years</td>
<td>359</td>
</tr>
<tr>
<td>5 years</td>
<td>622</td>
</tr>
<tr>
<td>10 years</td>
<td>1,375</td>
</tr>
</tbody>
</table>

In “Appendix A: Schedule of Management Fees” the disclosure regarding the fund’s management fee schedule is amended as follows:

<table>
<thead>
<tr>
<th>APR</th>
<th>Advisory Fee Breakpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>First $100 million</td>
<td>1.030%</td>
</tr>
<tr>
<td>excess over $100 million</td>
<td>0.980%</td>
</tr>
</tbody>
</table>

The fee schedule above became effective July 1, 2018.

You should read this Supplement in conjunction with the prospectus and retain it for your future reference.
John Hancock Funds II
Supplement dated June 1, 2018 to the current Class NAV prospectus (the prospectus)

U.S. Growth Fund (the fund)

Effective June 1, 2018, the Fees and expenses table in the “Fund summary” section for the fund is revised and restated as follows:

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee¹</td>
<td>0.70</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.23</td>
</tr>
<tr>
<td>Acquired fund fees and expenses²</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses³</strong></td>
<td>0.94</td>
</tr>
<tr>
<td>Contractual expense reimbursement⁴</td>
<td>–0.19</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses after expense reimbursements</strong></td>
<td>0.75</td>
</tr>
</tbody>
</table>

1 “Management fee” has been restated to reflect the contractual management fee schedule effective September 29, 2016.
2 “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.
3 The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”
4 The advisor contractually agrees to reduce its management fee or, if necessary, make payment to the fund in an amount equal to the amount by which expenses of the fund exceed 0.74% of average net assets of the fund. For purposes of this agreement, “expenses of the fund” means all fund expenses, excluding (a) taxes, (b) brokerage commissions, (c) interest expense, (d) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the fund’s business, (e) class-specific expenses, (f) borrowing costs, (g) prime brokerage fees, (h) acquired fund fees and expenses paid indirectly, and (i) short dividend expense. This agreement expires on December 31, 2019, unless renewed by mutual agreement of the advisor and the fund based upon a determination that this is appropriate under the circumstances at that time.

You should read this Supplement in conjunction with the current prospectus and retain it for future reference.

JHF2NPNS 6/1/18
Redwood Fund

Effective immediately, the first paragraph under the heading “Past performance” in the “Fund summary” section is replaced in its entirety with the following:

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The S&P 500 Index shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Also, effective immediately, the “Average annual total returns” table under the heading “Past performance” in the “Fund summary” section is replaced in its entirety with the following:

<table>
<thead>
<tr>
<th>Average annual total returns (%) – as of 12/31/16</th>
<th>1 year</th>
<th>5 year</th>
<th>Since Inception (9/29/11)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Class NAV</strong> before tax</td>
<td>2.89</td>
<td>3.19</td>
<td>3.91</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>2.89</td>
<td>2.07</td>
<td>2.82</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>1.63</td>
<td>2.12</td>
<td>2.70</td>
</tr>
<tr>
<td>Bank of America Merrill Lynch 3 Month Treasury Bill Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>0.33</td>
<td>0.12</td>
<td>0.11</td>
</tr>
<tr>
<td>S&amp;P 500 Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>11.96</td>
<td>14.66</td>
<td>15.96</td>
</tr>
</tbody>
</table>

You should read this Supplement in conjunction with the prospectus and retain it for future reference.
John Hancock Funds II  
Supplement dated March 22, 2018 to the current Class NAV prospectus (the “prospectus”), as may be supplemented

**Global Equity Fund (the “fund”)**

Effective immediately, Stephen Hermsdorf is added as a portfolio manager for the fund. Mr. Hermsdorf, Paul Boyne and Doug McGraw are jointly and primarily responsible for the day-to-day management of the fund’s portfolio.

Accordingly, the following supplements and restates in its entirety the portfolio manager information in the “Fund summary” section of the prospectus under the heading “Portfolio management”:

<table>
<thead>
<tr>
<th>Paul Boyne</th>
<th>Stephen Hermsdorf</th>
<th>Doug McGraw</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Managing Director and Senior Portfolio Manager</td>
<td>Managing Director and Portfolio Manager</td>
<td>Managing Director and Portfolio Manager</td>
</tr>
<tr>
<td>Managed fund since 2013</td>
<td>Managed fund since 2018</td>
<td>Managed fund since 2013</td>
</tr>
</tbody>
</table>

The following information relating to Mr. Hermsdorf is added to the portfolio manager information in the “Subadvisory arrangements and management biographies” section of the prospectus under the heading “John Hancock Asset Management a division of Manulife Asset Management (US) LLC.” Mr. Hermsdorf is now listed as a Portfolio Manager of the fund.

**Fund**  
Global Equity Fund

**Portfolio Managers**  
Paul Boyne  
Stephen Hermsdorf  
Doug McGraw

- **Stephen Hermsdorf**, Managing Director and Portfolio Manager, who was a Portfolio Manager at Hermes Global Equities (2009–2014) prior to joining John Hancock Asset Management in 2015.

You should read this Supplement in conjunction with the prospectus and retain it for future reference.
John Hancock Funds II
Supplement dated February 20, 2018 to the current NAV prospectus

International Strategic Equity Allocation Fund
Strategic Equity Allocation Fund
U.S. Strategic Equity Allocation Fund (the funds)

Effective immediately, Marcelle Daher, CFA no longer serves as a portfolio manager of the funds. Accordingly, all references to Ms. Daher are removed from the prospectus.

Robert Boyda and Nathan Thoof, CFA will continue to serve as portfolio managers of the funds and be jointly and primarily responsible for the day-to-day management of the funds’ portfolios.

You should read this Supplement in conjunction with the prospectus and retain it for future reference.
John Hancock Funds II
Global Real Estate Fund

Supplement dated January 2, 2018 to the current Prospectus and Statement of Additional Information ("SAI")

At its in-person meeting held on December 12–14, 2017, the Board of Trustees of John Hancock Funds II (the "Board") approved the closing and liquidation of Global Real Estate Fund (the "Fund") pursuant to a Plan of Liquidation approved by the Board. As of the close of business on or about April 20, 2018, there will be no shareholders in the Fund, and the Fund will be liquidated on such date.

For more information, please call John Hancock Investments at 800-225-5291.

You should read this Supplement in conjunction with the Prospectus and SAI and retain it for your future reference.
John Hancock Funds II
Investment Quality Bond Fund

Supplement dated January 2, 2018 to the current Prospectus and Statement of Additional Information (“SAI”)

At its in-person meeting held on December 12–14, 2017, the Board of Trustees of John Hancock Funds II (the “Board”) approved the closing and liquidation of Investment Quality Bond Fund (the “Fund”) pursuant to a Plan of Liquidation approved by the Board. As of the close of business on or about April 20, 2018, there will be no shareholders in the Fund, and the Fund will be liquidated on such date.

For more information, please call John Hancock Investments at 800-225-5291.

You should read this Supplement in conjunction with the Prospectus and SAI and retain it for your future reference.
At its in-person meeting held on December 12–14, 2017, the Board of Trustees of John Hancock Funds II (the “Board”) approved the closing and liquidation of Real Estate Equity Fund (the “Fund”) pursuant to a Plan of Liquidation approved by the Board. As of the close of business on or about April 20, 2018, there will be no shareholders in the Fund, and the Fund will be liquidated on such date.

For more information, please call John Hancock Investments at 800-225-5291.

You should read this Supplement in conjunction with the Prospectus and SAI and retain it for your future reference.
John Hancock Funds II

Supplement dated January 2, 2018 to the current Class NAV share prospectus (the “Prospectus”)

Small Cap Growth Fund (the “fund”)

IMPORTANT NOTICE REGARDING CHANGE IN INVESTMENT POLICY

The following information supplements and supersedes any information to the contrary relating to the fund contained in the Prospectus.

At its meeting held on December 12–14, 2017, the Board of Trustees of John Hancock Funds II approved revisions to the fund’s 80% investment policy of investing in small cap companies, as set forth below, that will take effect on or about February 12, 2018. Pursuant to these revisions, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in stocks of small cap companies.

Effective on or about February 12, 2018, the Prospectus is hereby amended as follows:

In the “Principal investment strategies” section, the first paragraph is revised and restated as follows:

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in stocks of small cap companies. For the purposes of the fund, “small cap companies” are those with market capitalizations, at the time of investment, not exceeding the maximum market capitalization of any company represented in either the Russell 2000 Index (approximately $6.7 billion as of October 31, 2016) or the S&P Small Cap 600 Index (approximately $3.8 billion as of October 31, 2016).

Also, effective on or about February 12, 2018, the fund is changing its name to Small Cap Stock Fund. Accordingly, all references to Small Cap Growth Fund will be changed to reflect the fund’s new name.

You should read this Supplement in conjunction with the Prospectus and retain it for future reference.
John Hancock Funds II
Small Company Growth Fund (the “fund”)

Supplement dated January 2, 2018 to the current Class NAV prospectus (the “Prospectus”) and Statement of Additional Information (“SAI”)

Effective on or about March 3, 2018, the fund is changing its name to Small Cap Growth Fund. Accordingly, all references to Small Company Growth Fund will be changed to reflect the fund’s new name.

You should read this Supplement in conjunction with the Prospectus and SAI and retain it for future reference.
# Table of contents

1. John Hancock Asia Pacific Total Return Bond Fund
2. John Hancock Blue Chip Growth Fund
3. John Hancock Capital Appreciation Fund
4. John Hancock Capital Appreciation Value Fund
5. John Hancock Core Bond Fund
6. John Hancock Emerging Markets Fund
7. John Hancock Emerging Markets Debt Fund
8. John Hancock Equity Income Fund
9. John Hancock Floating Rate Income Fund
10. John Hancock Fundamental Global Franchise Fund
11. John Hancock Global Bond Fund
12. John Hancock Global Equity Fund
13. John Hancock Global Real Estate Fund
14. John Hancock Health Sciences Fund
15. John Hancock High Yield Fund
16. John Hancock International Growth Stock Fund
17. John Hancock International Small Cap Fund
18. John Hancock International Small Company Fund
19. John Hancock International Strategic Equity Allocation Fund
20. John Hancock International Value Fund
21. John Hancock Mid Cap Stock Fund
22. John Hancock Mid Value Fund
23. John Hancock Natural Resources Fund
24. John Hancock New Opportunities Fund
25. John Hancock Real Estate Equity Fund
26. John Hancock Real Estate Securities Fund
27. John Hancock Real Return Bond Fund
28. John Hancock Redwood Fund
29. John Hancock Science & Technology Fund
30. John Hancock Short Term Government Income Fund
31. John Hancock Small Cap Growth Fund
32. John Hancock Small Cap Value Fund
33. John Hancock Small Company Growth Fund
34. John Hancock Small Company Value Fund
35. John Hancock Spectrum Income Fund
36. John Hancock Strategic Equity Allocation Fund
37. John Hancock Strategic Income Opportunities Fund
38. John Hancock Total Return Fund
40. John Hancock U.S. High Yield Bond Fund
41. John Hancock U.S. Strategic Equity Allocation Fund
42. Additional information about the funds’ principal risks
43. Additional information about the funds’ principal investment policies
188  Your Account
192  Fund Details
195  Subadvisory arrangements and management biographies
205  Financial highlights
223  Appendix A: Schedule of Management Fees
227  Appendix B — Effective Management Fees

For more information  See back cover
John Hancock Asia Pacific Total Return Bond Fund

INVESTMENT OBJECTIVE
The fund seeks to maximize total return. Total return, commonly understood as the combination of income and capital appreciation, includes interest, capital gains, dividends and distributions realized over a given period of time.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.72</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.08</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.80</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>82</td>
</tr>
<tr>
<td>3 years</td>
<td>255</td>
</tr>
<tr>
<td>5 years</td>
<td>444</td>
</tr>
<tr>
<td>10 years</td>
<td>990</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund's performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 53% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
The fund seeks to generate capital appreciation and income by investing at least 80% of net assets (plus borrowings for investment purposes) in a diversified portfolio of bonds issued by governments, government agencies, international organizations issuing supranational bonds, and corporate issuers in Asia. Asia means those countries that are located on the Asian continent or are in the Asian region, including Australia and New Zealand. An issuer is considered to be in Asia if its principal place of business is in Asia or it is incorporated or domiciled in Asia or, for supranational issuers, its securities are denominated in Asian currencies.

The fund may invest in fixed-income securities of other issuers outside Asia if the manager considers that such securities may help to achieve the fund’s investment objective. The fund may invest in cash and other liquid short-term fixed-income securities when the manager believes that the fund could benefit from maintaining a higher cash exposure, including for temporary defensive purposes.

The fund may invest in investment-grade fixed-income securities and below-investment-grade fixed-income securities (junk bonds). The fund may invest in securities of any maturity, and there is no limit on the maturities of the fixed-income securities in which the fund may invest. There is no limit on the types of issuers in which the fund may invest, which may include issuers of U.S. dollar-denominated securities of foreign governments and corporations, mortgage-related securities, municipal obligations, asset-backed securities, mortgage-backed securities, pay-in-kind bonds, high-yield bonds, emerging-market debt, distressed investments, loan participations, and U.S. TIPS (Treasury Inflation-Protected Securities). The fund may invest in securities with debt/equity characteristics such as preferred shares, convertible bonds, and warrants. The fund may also use derivatives for hedging and efficient portfolio management purposes by utilizing futures, options, options on futures, foreign currency forward contracts, and nondeliverable forwards.

The fund is a non-diversified fund, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer.
**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Asian risk.** Some Asian securities tend to be volatile and may decline in value significantly. Certain companies in Asia may be more vulnerable to political or economic developments or lack access to efficient trading markets. Some Asian countries have restrictions on the extent to which foreigners may invest in their securities markets.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Distressed investments risk.** Distressed investments, including loans, mortgages, bonds, and notes, may not be publicly traded and may involve substantial risk. A fund may lose up to its entire investment.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Greater China risk.** Investments in the Greater China region may be subject to less developed trading markets, acute political risks such as possible negative repercussions resulting from China’s relationship with Taiwan or Hong Kong, and restrictions on monetary repatriation or other adverse government actions. For example, a government may restrict investment in companies or industries considered important to national interests, or intervene in the financial markets, such as by imposing trading restrictions, or banning or curtailing short selling. A small number of companies and industries represent a relatively large portion of the Greater China market.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, futures contracts, options on futures, and options. Foreign currency forward contracts, futures contracts, and options generally are subject to counterparty risk. Derivatives associated with foreign currency transactions are subject to currency risk.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Loan participations risk.** Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Mortgage-backed and asset-backed securities risk.** Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.
Municipal bond risk. The prices of municipal bonds, including general obligation bonds, can decline if the issuer’s credit quality declines. Revenue bond prices can decline if related projects become unprofitable. An insured municipal bond is subject to the risk that the insurer may be unable to pay claims and is not insured with respect to the market value of the obligation. Municipal bond income could become taxable in the future. Investments in AMT bonds may result in tax liability for shareholders.

Non-diversified risk. Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Warrants risk. The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The fund’s custom blended benchmark comprises 50% J.P. Morgan Asia Credit Index/50% J.P. Morgan Emerging Local Markets Plus Asia Index and shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.95</td>
<td>–1.66</td>
<td>6.11</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 6.30%.

Best quarter: Q1 ’16, 5.33%

Worst quarter: Q3 ’15, –3.69%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>Since inception (01/16/13)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>6.11</td>
<td>0.68</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>5.38</td>
<td>–0.50</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>3.46</td>
<td>–0.03</td>
</tr>
<tr>
<td>J.P. Morgan Asia Credit Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>5.81</td>
<td>3.80</td>
</tr>
<tr>
<td>J.P. Morgan Emerging Local Market Plus Asia Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>0.55</td>
<td>–1.99</td>
</tr>
<tr>
<td>50% J.P. Morgan Asia Credit Index and 50% J.P. Morgan Emerging Local Market Plus Asia Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>3.17</td>
<td>0.88</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC

Subadvisor John Hancock Asset Management a division of Manulife Asset Management (US) LLC
PORTFOLIO MANAGEMENT

Neal Capecci  
Portfolio Manager  
Managed the fund since 2013

Endre Pedersen  
Portfolio Manager  
Managed the fund since 2013

Jimond Wong, CFA, CPA  
Portfolio Manager  
Managed the fund since 2016

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Blue Chip Growth Fund

INVESTMENT OBJECTIVE

To provide long-term growth of capital. Current income is a secondary objective.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee¹</td>
<td>0.75</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.79</td>
</tr>
</tbody>
</table>

¹ “Management fee” has been restated to reflect the contractual management fee schedule effective July 1, 2017.

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>81</td>
</tr>
<tr>
<td>3 years</td>
<td>252</td>
</tr>
<tr>
<td>5 years</td>
<td>439</td>
</tr>
<tr>
<td>10 years</td>
<td>978</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER

The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 26% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in the common stocks of large- and medium-sized blue chip growth companies. The manager defines blue chip growth companies as those well established in their industries and with the potential for above-average earnings growth.

In identifying blue chip companies in which to invest, the manager generally considers whether they have viable or growing leading market positions, seasoned management teams, and strong financial fundamentals. This investment approach reflects the manager’s belief that the combination of solid company fundamentals (with emphasis on the potential for above-average growth in earnings or operating cash flow) and a positive industry outlook will ultimately reward investors. The manager also seeks to invest in some companies with good prospects for dividend growth.

While most of the assets of the fund are invested in U.S. common stocks, the fund may also invest in other types of securities, including (i) U.S. dollar- and foreign currency-denominated foreign securities (up to 20% of net assets), (ii) convertible stocks, warrants, and bonds, and (iii) futures and options. Combined investments in convertible securities, preferred stocks, and debt securities are limited to 25% of total assets. The fund may invest in debt securities of any type without regard to quality or rating, including those rated below investment-grade (junk bonds) (up to 5% of total assets). The fund’s investment policies are based on credit ratings at the time of purchase. The fund’s debt securities may include privately negotiated notes or loans, including loan participations and assignments (bank loans). Some loans may be illiquid.

The fund holds a certain portion of its assets in money market reserves consisting of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) or U.S. dollar- and foreign currency-denominated money market securities. These include repurchase agreements in the two highest rating categories that mature in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.
The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures, and options. Such securities may bear interest or pay dividends at below market rates or even relatively nominal market rates.

In pursuing the fund’s investment objective, the manager may deviate from the fund’s normal investment criteria to purchase securities the manager believes might appreciate substantially. The fund may invest significantly in the information technology sector, and the fund may at times invest significantly in stocks of technology companies.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund’s investments. Foreign currencies may decline in value, which could negatively impact performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts and options. Futures contracts and options generally are subject to counterparty risk.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments. More volatility implies that the potential for both higher returns and greater losses exists. Hybrid instruments may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

**Information technology risk.** Information technology companies can be significantly affected by rapid obsolescence, short product cycles, competition, and government regulation, among other factors.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Large company risk.** Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.
Loan participations risk. Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mid-sized company risk. Mid-sized companies are generally less established and may be more volatile than larger companies. Mid-capitalization securities may underperform the market as a whole.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Technology companies risk. Technology companies can be significantly affected by rapid obsolescence, short product cycles, competition, and government regulation, among other factors.

Telecommunications sector risk. Telecommunication services companies are subject to government regulation of services and rates of return and can be significantly affected by intense competition, among other factors.

Warrants risk. The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.

PAST PERFORMANCE
The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The Russell 1000 Growth Index shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12.74</td>
<td>-42.55</td>
<td>42.70</td>
<td>16.26</td>
<td>1.36</td>
<td>18.24</td>
<td>41.36</td>
<td>9.13</td>
<td>11.08</td>
<td>0.90</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 27.45%.

Best quarter: Q1 ’12, 18.74%
Worst quarter: Q4 ’08, -24.87%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Class NAV</strong> (before tax)</td>
<td>0.90</td>
<td>15.38</td>
<td>8.33</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>-0.55</td>
<td>13.65</td>
<td>7.46</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>1.70</td>
<td>12.28</td>
<td>6.72</td>
</tr>
<tr>
<td>S&amp;P 500 Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>11.96</td>
<td>14.66</td>
<td>6.95</td>
</tr>
<tr>
<td>Russell 1000 Growth Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>7.08</td>
<td>14.50</td>
<td>8.33</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor T. Rowe Price Associates, Inc.
PORTFOLIO MANAGEMENT

Larry J. Puglia, CFA, CPA
Vice President
Managed the fund since 2005

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Capital Appreciation Fund

INVESTMENT OBJECTIVE
To seek long-term growth of capital.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>NAV</th>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NAV</th>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAV</td>
<td>Management fee 0.70</td>
</tr>
<tr>
<td>NAV</td>
<td>Other expenses 0.04</td>
</tr>
<tr>
<td>0.74</td>
<td>Total annual fund operating expenses</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>NAV</th>
<th>Expenses ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>76</td>
<td>1 year</td>
</tr>
<tr>
<td>237</td>
<td>3 years</td>
</tr>
<tr>
<td>411</td>
<td>5 years</td>
</tr>
<tr>
<td>918</td>
<td>10 years</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 45% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 65% of its total assets in equity and equity-related securities of companies, at the time of investment, that exceed $1 billion in market capitalization and that the manager believes have above average growth prospects. These companies are generally mid-to large-capitalization companies.

The manager follows a highly disciplined investment selection and management process that seeks to identify companies that show superior absolute and relative earnings growth and also are attractively valued. The manager looks for companies that experience some or all of the following: (i) above-average revenue and earnings per share growth, (ii) strong market position, (iii) improving profitability and distinctive attributes such as unique marketing ability, (iv) strong research and development and productive new product flow, and (v) financial strength. Such companies generally trade at high prices relative to their current earnings. Earnings predictability and confidence in earnings forecasts are important parts of the selection process.

Securities in which the fund invests have historically been more volatile than the S&P 500 Index. Also, companies that have an earnings growth rate higher than that of the average S&P 500 company tend to reinvest their earnings rather than distribute them. Therefore, the fund is not likely to receive significant dividend income on its securities. Seeking to invest in companies with above market-average growth, the fund may invest significantly in sectors associated with such growth, including information technology.

In addition to common stocks, nonconvertible preferred stock and convertible securities, equity-related securities in which the fund invests include: (i) American Depositary Receipts (ADRs); (ii) warrants and rights; (iii) investments in various types of business ventures, including partnerships and joint ventures; (iv) real estate investment trusts (REITs); and (v) initial public offerings (IPOs) and similar securities. (Convertible securities are securities—like bonds, corporate notes and preferred stocks—that the fund can convert into the company’s common stock, cash value of common stock, or some other equity security.)

In addition to the principal strategies discussed above, the fund may also use the following investment strategies to attempt to increase the fund’s return or protect its assets if market conditions warrant:
The fund may make short sales of a security including short sales “against the box.”

The fund may invest up to 20% of its total assets in foreign equity securities. (For purposes of this 20% limit, ADRs and other similar receipts or shares traded in U.S. markets are not considered to be foreign securities.)

The fund may invest in U.S. government securities issued or guaranteed by the U.S. government or by an agency or instrumentality of the U.S. government.

The fund may invest in mortgage-related securities issued or guaranteed by U.S. governmental entities, including collateralized mortgage obligations, multi-class pass-through securities and stripped mortgage-backed securities.

The fund may invest in fixed-income securities rated investment grade. These include corporate debt and other debt obligations of U.S. and foreign issuers. The fund may invest in obligations that are not rated, but that the manager believes are of comparable quality to these obligations.

The fund may invest in repurchase agreements.

The manager considers selling or reducing a stock position when, in the opinion of the manager, the stock has experienced a fundamental disappointment in earnings, it has reached an intermediate price objective and its outlook no longer seems sufficiently promising, a relatively more attractive stock emerges or the stock has experienced adverse price movement. The fund may focus its investments in a particular sector or sectors of the economy.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

PRINCIPAL RISKS OF INVESTING IN THE FUND

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Credit and counterparty risk. The issuer or guarantor of a fixed-income security or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Information technology risk. Information technology companies can be significantly affected by rapid obsolescence, short product cycles, competition, and government regulation, among other factors.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.
Mid-sized company risk. Mid-sized companies are generally less established and may be more volatile than larger companies. Mid-capitalization securities may underperform the market as a whole.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Real estate investment trust risk. REITs, pooled investment vehicles that typically invest in real estate directly or in loans collateralized by real estate, carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Real estate securities risk. Securities of companies in the real estate industry carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Short sales risk. In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

Warrants risk. The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11.64</td>
<td>–37.23</td>
<td>42.22</td>
<td>11.83</td>
<td>0.13</td>
<td>15.91</td>
<td>37.51</td>
<td>9.79</td>
<td>11.42</td>
<td>–1.33</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 27.76%.

Best quarter: Q1 ’12, 19.41%

Worst quarter: Q4 ’08, –20.95%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>–1.33</td>
<td>13.98</td>
<td>7.94</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>–4.09</td>
<td>11.85</td>
<td>6.87</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>1.51</td>
<td>11.07</td>
<td>6.36</td>
</tr>
<tr>
<td>Russell 1000 Growth Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>7.08</td>
<td>14.50</td>
<td>8.33</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Jennison Associates LLC
PORTFOLIO MANAGEMENT

Michael A. Del Balso
Managing Director
Managed the fund since 2005

Kathleen A. McCarragher
Director and Managing Director
Managed the fund since 2005

Spiros “Sig” Segalas
Director, President and Chief Investment Officer
Managed the fund since 2005

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Capital Appreciation Value Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.81</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td>0.85</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>87</td>
</tr>
<tr>
<td>3 years</td>
<td>271</td>
</tr>
<tr>
<td>5 years</td>
<td>471</td>
</tr>
<tr>
<td>10 years</td>
<td>1,049</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund's portfolio turnover rate was 61% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests primarily in common stocks of established U.S. companies that have above-average potential for capital growth. Common stocks typically constitute at least 50% of the fund’s total assets. The remaining assets are generally invested in other securities, including convertible securities, corporate and government debt, bank loans (which represent an interest in amounts owed by a borrower to a syndicate of lenders), foreign securities, futures and options. The fund may invest up to 20% of its total assets in foreign securities.

The fund’s common stocks generally fall into one of two categories: the larger category comprises long-term core holdings whose prices when purchased by the fund are considered low in terms of company assets, earnings, or other factors; the smaller category comprises opportunistic investments whose prices the manager expects to rise in the short term but not necessarily over the long term. There are no limits on the market capitalization of the issuers of the stocks in which the fund invests. Since the manager attempts to prevent losses as well as achieve gains, the manager typically uses a value approach in selecting investments. The manager’s in-house research team seeks to identify companies that seem undervalued by various measures, such as price/book value, and may be temporarily out of favor but are believed to have good prospects for capital appreciation. The manager may establish relatively large positions in companies it finds particularly attractive.

In addition, the manager searches for attractive risk/reward values among all types of securities. The portion of the fund invested in a particular type of security, such as common stocks, results largely from case-by-case investment decisions, and the size of the fund’s cash reserve may reflect the manager’s ability to find companies that meet valuation criteria rather than its market outlook.

Bonds, bank loans and convertible securities may be purchased to gain additional exposure to a company or for their income or other features; maturity and quality are not necessarily major considerations in determining whether to purchase a particular security. Some loans may be illiquid. The fund’s investments in below-investment grade debt securities and loans are limited to 25% of total assets. If a security is split rated (i.e., rated investment grade by at least one rating agency and noninvestment grade by another rating agency), the higher rating will be used for purposes of this requirement. The fund may also purchase other securities,
including bank debt, loan participations and assignments and futures and options. The fund’s investments in options, if any, will be primarily in an effort to protect against downside risk or to generate additional income.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less.

The fund may invest up to 10% of its total assets in hybrid instruments to protect against downside risk or as a substitute for investing directly in certain securities. Hybrid instruments are a type of high-risk derivative such as covered calls, over-the-counter options and credit default swaps, which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below (or even relatively nominal) rates. In addition, the fund may invest up to 10% of its total assets in mortgage- and asset-backed securities.

The fund may sell securities for a variety of reasons such as to secure gains, limit losses or redeploy assets into more promising opportunities.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Convertible securities risk.** The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. As the market price of underlying common stock declines below the conversion price, the market value of the convertible security tends to be increasingly influenced by its yield.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts, options, and credit default swaps. Futures contracts, options, and credit default swaps generally are subject to counterparty risk.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Large company risk.** Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand
may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Loan participations risk.** Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Mortgage-backed and asset-backed securities risk.** Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

**Value investing style risk.** The fund emphasizes a value style of investing, which focuses on undervalued companies with characteristics for improved valuations. This style of investing is subject to the risk that the valuations never improve or that the returns on value equity securities are less than returns on other styles of investing or the overall stock market. Value stocks also may decline in price, even though in theory they are already underpriced.

### PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

**Calendar year total returns (%)—Class NAV**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14.90</td>
<td>22.29</td>
<td>12.15</td>
<td>5.13</td>
<td>8.19</td>
</tr>
</tbody>
</table>

**Year-to-date total return.** The fund’s total return for the nine months ended September 30, 2017, was 12.04%.

**Best quarter:** Q1 ’12, 9.90%

**Worst quarter:** Q3 ’15, –2.83%

**Average annual total returns (%)—as of 12/31/16**

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (01/06/11)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>8.19</td>
<td>12.38</td>
<td>10.55</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>6.49</td>
<td>9.28</td>
<td>7.96</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>5.37</td>
<td>9.00</td>
<td>7.70</td>
</tr>
<tr>
<td>S&amp;P 500 Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>11.96</td>
<td>14.66</td>
<td>12.21</td>
</tr>
</tbody>
</table>

### INVESTMENT MANAGEMENT

**Investment advisor** John Hancock Advisers, LLC

**Subadvisor** T. Rowe Price Associates, Inc.

### PORTFOLIO MANAGEMENT

**David R. Giroux, CFA**

*Vice President*

Managed the fund since 2011
OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Core Bond Fund

INVESTMENT OBJECTIVE
To seek total return consisting of income and capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.58</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.62</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>63</td>
</tr>
<tr>
<td>3 years</td>
<td>199</td>
</tr>
<tr>
<td>5 years</td>
<td>346</td>
</tr>
<tr>
<td>10 years</td>
<td>774</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 363% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in a broad range of investment-grade debt securities, including U.S. government obligations, corporate bonds, mortgage-backed and other asset-backed securities and money market instruments.

The fund invests in debt securities that the manager believes offer attractive yields and are undervalued relative to issues of similar credit quality and interest rate sensitivity. The fund may also invest in unrated bonds that the manager believes are comparable to investment-grade debt securities. The fund may invest to a significant extent in mortgage-backed securities, including collateralized mortgage obligations.

Under normal market conditions, the manager expects to maintain an effective duration within 10% (in either direction) of the duration of the Bloomberg Barclays U.S. Aggregate Bond Index (the duration of this index as of October 31, 2017 was 5.97 years).

The fund may invest:
- Up to 25% of total assets in asset-backed securities, other than mortgage-backed securities;
- Up to 20% of total assets in U.S. dollar-denominated obligations of foreign issuers; and
- Up to 10% of total assets in stripped mortgage-backed securities.

As part of a mortgage-backed securities investment strategy, the fund may enter into dollar rolls. The fund may also enter into reverse repurchase agreements to enhance return.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

PRINCIPAL RISKS OF INVESTING IN THE FUND
The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:
Changing distribution levels risk. The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts, reverse repurchase agreements, and options. Futures contracts and options generally are subject to counterparty risk. An event of default or insolvency of the counterparty to a reverse repurchase agreement could result in delays or restrictions with respect to the fund’s ability to dispose of the underlying securities. In addition, a reverse repurchase agreement may be considered a form of leverage and may, therefore, increase fluctuations in the fund’s net asset value per share (NAV).

High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect fund performance. Redemption risk is heightened during periods of declining or illiquid markets.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.
Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.30</td>
<td>2.54</td>
<td>10.86</td>
<td>7.25</td>
<td>8.44</td>
<td>6.42</td>
<td>–2.12</td>
<td>5.94</td>
<td>0.28</td>
<td>2.48</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 3.02%.

Best quarter: Q3 ’09, 4.75%

Worst quarter: Q4 ’16, –3.04%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>2.48</td>
<td>2.55</td>
<td>4.77</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>1.18</td>
<td>1.36</td>
<td>3.14</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>1.42</td>
<td>1.49</td>
<td>3.10</td>
</tr>
<tr>
<td>Bloomberg Barclays U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>2.65</td>
<td>2.23</td>
<td>4.34</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Wells Capital Management, Incorporated

PORTFOLIO MANAGEMENT

Maulik Bhansali, CFA
Senior Portfolio Manager
Managed the fund since 2017

Troy Ludgood*
Senior Portfolio Manager
Managed the fund since 2008

Thomas O’Connor, CFA
Senior Portfolio Manager
Managed the fund since 2007

Jarad Vasquez
Senior Portfolio Manager
Managed the fund since 2017

*Effective May 1, 2018, Troy Ludgood will no longer serve as portfolio manager of the fund.

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
INVESTMENT OBJECTIVE

To seek long-term capital appreciation.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.92</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.16</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total annual fund operating expenses</th>
<th>1.08</th>
</tr>
</thead>
</table>

1 “Management fee” has been restated to reflect the contractual management fee schedule effective April 1, 2017.

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>110</td>
</tr>
<tr>
<td>3 years</td>
<td>343</td>
</tr>
<tr>
<td>5 years</td>
<td>595</td>
</tr>
<tr>
<td>10 years</td>
<td>1,317</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER

The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 14% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

Under normal circumstances, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in companies associated with emerging markets designated from time to time by the Investment Committee of the manager. These emerging markets (Approved Markets) may include frontier markets (early-development emerging markets). A company is associated with an emerging market if its securities meet the definition of "Approved Market Securities," as defined below.

The fund invests across all market capitalizations with an increased exposure to securities of small-cap issuers and securities the manager considers to be value securities, as described below. The fund invests primarily in Approved Markets equity securities listed on bona fide securities exchanges of any country or actively traded on over-the-counter markets. The fund may invest in financial services companies. The fund also may invest up to 10% of its total assets in shares of other investment companies that invest in one or more Approved Markets, although it intends to do so only where access to those markets is otherwise significantly limited.

The manager primarily considers value stocks to be those with a high book value in relation to their market value. The manager may also consider additional factors such as price-to-cash flow or price-to-earnings ratios, as well as economic conditions and developments in the issuer’s industry. The criteria used to assess value may change from time to time. The manager may also consider profitability of an eligible company relative to others in making investment decisions. In assessing profitability, the manager may consider ratios such as earnings or profits from operations relative to book value or assets.

In determining Approved Markets, the manager may consider various factors, including, without limitation, the data, analysis, and classification of countries published or disseminated by the World Bank, the International Finance Corporation, FTSE International, MSCI, and Citigroup. Approved Markets may not include all emerging markets classified by such entities. Other factors the manager may consider include market liquidity, information availability, government regulations (including repatriation rules), and market access, among others.
The fund may also use derivatives such as futures contracts and options on futures contracts to adjust market exposure based on expected cash inflows to or outflows from the fund. The fund may use derivatives for an Approved Market or other equity market (including U.S.) securities and indexes. The fund may also enter into forward currency contracts to facilitate the settlement of equity purchases of foreign securities, repatriation of foreign currency balances, or currency exchange.

To facilitate seeking broad market diversification, the manager will not use fundamental securities research techniques in selecting securities. The manager retains full discretion with respect to investing in and allocating assets among Approved Markets and issuers associated with them. The fund may focus its investments in a particular sector or sectors of the economy.

**Approved Markets**

As of the date of this prospectus, the fund considers the following emerging-market countries to be Approved Markets for purposes of its 80% policy described above. In determining when and whether to invest in an Approved Market, the manager may consider factors such as asset growth in the fund and market characteristics. The Investment Committee of the manager may authorize countries for future investment in addition to the countries listed below. The fund may continue to hold investments in countries previously authorized for investment that are not currently authorized.

- Brazil
- Chile
- China
- Colombia
- Czech Republic
- Greece
- Hungary
- India
- Indonesia
- Malaysia
- Mexico
- Peru
- Philippines
- Poland
- Russia
- South Africa
- South Korea
- Spain
- Turkey
- Ukraine
- Vietnam
- Zimbabwe

**Approved Market Securities**

“Approved Market Securities” are defined as securities that are associated with an Approved Market, and include, among others: (a) securities of companies that are organized under the laws of, or maintain their principal place of business in, an Approved Market; (b) securities for which the principal trading market is in an Approved Market; (c) securities issued or guaranteed by the government of an Approved Market country, its agencies or instrumentalities, or the central bank of such country; (d) securities denominated in an Approved Market currency issued by companies to finance operations in Approved Markets; (e) securities of companies that derive at least 50% of their revenues or profits from goods produced or sold, investments made, or services performed in Approved Markets, or have at least 50% of their assets in Approved Markets; (f) Approved Market equity securities in the form of depositary shares; (g) securities of pooled investment vehicles that invest primarily in Approved Markets securities or derivative instruments that derive their value from Approved Market securities; or (h) securities included in the fund’s benchmark index. Securities of Approved Markets may include securities of companies that have characteristics and business relationships common to companies in other countries. As a result, the value of the securities of such companies may reflect economic and market forces in such other countries as well as in the Approved Markets. The manager, however, will select only those companies that, in its view, have sufficiently strong exposure to economic and market forces in Approved Markets. For example, the manager may invest in companies organized and located in the United States or other countries outside of Approved Markets, including companies having their entire production facilities outside of Approved Markets, when such companies’ securities meet the definition of Approved Market securities.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

- **Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.
- **Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund’s investments. Foreign currencies may decline in value, which could negatively impact performance.
- **Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.
- **Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.
- **Emerging-market risk.** The risks of investing in foreign securities are magnified in emerging markets. Emerging-market countries may experience higher inflation, interest rates, and unemployment and greater social, economic, and political uncertainties than more developed countries.
- **Frontier-market risk.** Frontier-market countries generally have smaller economies and less-developed capital markets and political systems than traditional emerging-market countries, which magnifies emerging-market risks.
- **Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.
Financial services sector risk. Financial services companies can be significantly affected by economic, market, and business developments, borrowing costs, interest-rate fluctuations, competition, and government regulation, among other factors.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Greater China risk. Investments in the Greater China region may be subject to less developed trading markets, acute political risks such as possible negative repercussions resulting from China’s relationship with Taiwan or Hong Kong, and restrictions on monetary repatriation or other adverse government actions. For example, a government may restrict investment in companies or industries considered important to national interests, or intervene in the financial markets, such as by imposing trading restrictions, or banning or curtailing short selling. A small number of companies and industries represent a relatively large portion of the Greater China market.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, futures contracts, options on futures contracts, and options. Foreign currency forward contracts, futures contracts, and options generally are subject to counterparty risk. Derivatives associated with foreign currency transactions are subject to currency risk.

Investment company securities risk. A fund bears underlying fund fees and expenses indirectly.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-capitalization companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>–51.35</td>
<td>98.61</td>
<td>23.69</td>
<td>–24.90</td>
<td>20.14</td>
<td>–2.87</td>
<td>–1.49</td>
<td>–14.80</td>
<td>11.08</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 26.25%.

Best quarter: Q2 ’09, 48.87%

Worst quarter: Q4 ’08, –27.58%
Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (05/01/07)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>11.08</td>
<td>1.70</td>
<td>1.59</td>
</tr>
<tr>
<td></td>
<td>10.15</td>
<td>0.96</td>
<td>0.68</td>
</tr>
<tr>
<td></td>
<td>6.26</td>
<td>0.98</td>
<td>0.93</td>
</tr>
<tr>
<td>MSCI Emerging Markets Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>11.60</td>
<td>1.64</td>
<td>1.52</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Dimensional Fund Advisors LP

PORTFOLIO MANAGEMENT

Joseph H. Chi, CFA
Senior Portfolio Manager and Vice President
Managed the fund since 2010

Jed S. Fogdall
Senior Portfolio Manager and Vice President
Managed the fund since 2010

Mary T. Phillips, CFA
Senior Portfolio Manager and Vice President
Managed the fund since 2017

Allen Pu, CFA
Senior Portfolio Manager and Vice President
Managed the fund since 2015

Bhanu P. Singh
Senior Portfolio Manager and Vice President
Managed the fund since 2015

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Emerging Markets Debt Fund

INVESTMENT OBJECTIVE
To seek total return with an emphasis on current income as well as capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

| Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment) | NAV |
| Management fee                                               | 0.71|
| Other expenses                                               | 0.08|
| **Total annual fund operating expenses**                     | 0.79|

| Contractual expense reimbursement¹                           | -0.01|
| **Total annual fund operating expenses after expense reimbursements** | 0.78|

¹ The advisor contractually agrees to reduce its management fee or, if necessary, make payment to the fund, in an amount equal to the amount by which expenses of the fund exceed 0.78% of average net assets. For purposes of this agreement, “expenses of the fund” means all fund expenses, excluding (a) taxes, (b) brokerage commissions, (c) interest expense, (d) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the fund’s business, (e) class-specific expenses, (f) acquired fund fees and expenses paid indirectly, (g) borrowing costs, (h) prime brokerage fees, and (i) short dividend expense. This agreement expires on December 31, 2018, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>80</td>
</tr>
<tr>
<td>3 years</td>
<td>251</td>
</tr>
<tr>
<td>5 years</td>
<td>438</td>
</tr>
<tr>
<td>10 years</td>
<td>977</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 20% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets in fixed-income securities and debt instruments of emerging-market issuers. The manager may consider, but is not limited to, the classifications by the World Bank, the International Finance Corporation, or the United Nations and its agencies in determining whether a country is an emerging or a developed country. Examples of emerging-market countries include most African, Central Asian, Eastern European, and South and Central American nations.

The manager uses proprietary research to identify specific countries, corporate sectors, and issuers that are attractively priced. The manager’s investment decisions are not constrained by market capitalization, company fundamentals, security valuation or seasoning, or similar characteristics. The manager uses economic and industry analysis to try to anticipate shifts in the business cycle. Due to potentially volatile conditions in emerging markets, the fund’s portfolio turnover ratio may be higher-than-average, which could increase transaction costs.

The fund may invest in debt securities of any maturity denominated in any currency, including but not limited to: debt issued by governments or government agencies, including the U.S. Treasury; U.S. and foreign corporate-debt instruments; mortgage- and asset-backed securities and collateralized mortgage obligations; and variable and floating-rate senior and subordinated corporate-debt obligations. The fund may invest in countries that do not have sovereign bond ratings or whose bonds are rated below-investment-grade (junk bonds). The fund may invest in corporate or other privately issued debt instruments of issuers with market capitalizations below $1 billion. The fund may attempt to mitigate the risk of unexpected, adverse currency fluctuations through the use of exchange-listed or over-
the-counter financial derivatives instruments, including currency forwards, nondeliverable forwards, currency options, interest-rate swaps, interest-rate futures, interest-rate options, index options, and credit default swaps.

The fund is non-diversified and may both invest in a smaller number of issuers and invest more of its assets in the securities of a single issuer than a diversified fund.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Emerging-market risk.** The risks of investing in foreign securities are magnified in emerging markets. Emerging-market countries may experience higher inflation, interest rates, and unemployment and greater social, economic, and political uncertainties than more developed countries.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: credit default swaps, foreign currency forward contracts and swaps, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemptions risk is heightened during periods of declining or illiquid markets.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Mortgage-backed and asset-backed securities risk.** Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

**Non-diversified risk.** Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.
Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

A note on performance

Class A and Class NAV shares commenced operations on January 4, 2010 and June 20, 2013, respectively. Returns for Class NAV shares prior to June 20, 2013 are those of Class A shares except that they do not include sales charges and would be lower if they did. Returns for Class NAV shares would have been substantially similar to returns of Class A shares because each share class is invested in the same portfolio of securities and returns would differ only to the extent that expenses of the classes are different.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12.63</td>
<td>0.12</td>
<td>18.71</td>
<td>−6.53</td>
<td>4.86</td>
<td>−4.37</td>
<td>14.21</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 12.36%.

Best quarter: Q1 ’12, 7.27%
Worst quarter: Q3 ’11, −8.89%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (01/04/10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>14.21</td>
<td>4.91</td>
<td>5.27</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>11.22</td>
<td>2.43</td>
<td>2.74</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>8.00</td>
<td>2.73</td>
<td>3.07</td>
</tr>
<tr>
<td>JP Morgan EMBI Global Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>10.19</td>
<td>5.44</td>
<td>6.80</td>
</tr>
</tbody>
</table>

1 Previously, returns for Class NAV shares prior to when the class commenced operations were those of Class A shares that were recalculated to apply the gross fees and expenses of Class NAV shares.

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor John Hancock Asset Management a division of Manulife Asset Management (US) LLC

PORTFOLIO MANAGEMENT

Roberto Sanchez-Dahl, CFA
Managing Director, Senior Portfolio Manager
Managed the fund since 2013

Paolo H. Valle
Managing Director, Senior Portfolio Manager
Managed the fund since 2013

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Equity Income Fund

INVESTMENT OBJECTIVE
To provide substantial dividend income and also long-term growth of capital.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.73</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.05</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.78</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>80</td>
</tr>
<tr>
<td>3 years</td>
<td>249</td>
</tr>
<tr>
<td>5 years</td>
<td>433</td>
</tr>
<tr>
<td>10 years</td>
<td>966</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 21% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities, with at least 65% in common stocks of well-established companies paying above-average dividends. The fund employs a “value” approach and invests in stocks and other securities that appear to be undervalued by various measures but have good prospects for capital appreciation and dividend growth.

Under normal market conditions, substantial dividend income means that the yield on the fund’s portfolio securities generally exceeds the yield on the fund’s benchmark. The manager believes that income can contribute significantly to total return over time and expects the fund’s yield to exceed that of the S&P 500 Index. While the price of a company’s stock can go up or down, stocks paying a high level of dividend income tend to be less volatile than those paying a lower level and may help offset losses in falling markets.

The fund will generally consider companies with established operating histories, above-average dividend yield or low price/earnings ratios relative to the S&P 500 Index, positive financial characteristics, and/or low stock price relative to a company’s underlying value. The fund may also purchase other types of securities in keeping with its objective, including: (i) U.S. dollar- and foreign currency-denominated foreign securities (up to 25% of total assets); (ii) preferred stocks; (iii) convertible stocks, bonds, and warrants; (iv) futures and options; and (v) bank debt, loan participations, and assignments.

The fund may invest in fixed-income securities without regard to quality or rating, including privately negotiated notes or loans (including loan participations and assignments (bank loans)) and up to 10% in below-investment-grade fixed-income securities (junk bonds). The fund’s fixed-income investments may include privately negotiated notes or loans, including loan participations and assignments (bank loans). Some loans may be illiquid.

The fund holds a certain portion of its assets in money market reserves consisting of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) or U.S. dollar- and foreign currency-denominated money market securities. These include repurchase agreements in the two highest rating categories that mature in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.
The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures, and options. Such securities may bear interest or pay dividends at below market rates or even relatively nominal market rates.

In pursuing the fund’s investment objective, the manager may deviate from the fund’s normal investment criteria to purchase securities the manager believes might appreciate substantially. The fund may invest significantly in the information technology sector.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund’s investments. Foreign currencies may decline in value, which could negatively impact performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts and options. Futures contracts and options generally are subject to counterparty risk.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

**Information technology risk.** Information technology companies can be significantly affected by rapid obsolescence, short product cycles, competition, and government regulation, among other factors.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Large company risk.** Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.
Loan participations risk. Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Warrants risk. The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The S&P 500 Index shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment.

Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

PAST PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar year total returns (%)—Class NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>3.24</td>
<td>–35.79</td>
<td>25.70</td>
<td>15.10</td>
<td>–0.86</td>
<td>17.38</td>
<td>29.86</td>
<td>7.48</td>
<td>–6.74</td>
<td>18.99</td>
</tr>
<tr>
<td>Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 10.13%.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Best quarter: Q2 ’09, 19.53%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Worst quarter: Q4 ’08, –22.19%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average annual total returns (%)—as of 12/31/16</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Class NAV (before tax)</td>
<td>1 year</td>
<td>5 year</td>
<td>10 year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>18.99</td>
<td>12.70</td>
<td>5.63</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>17.04</td>
<td>10.83</td>
<td>4.13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 1000 Value Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>11.15</td>
<td>9.56</td>
<td>3.96</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S&amp;P 500 Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>17.34</td>
<td>14.80</td>
<td>5.72</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment advisor John Hancock Advisers, LLC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subadvisor T. Rowe Price Associates, Inc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PORTFOLIO MANAGEMENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John D. Linehan, CFA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio Manager and Vice President</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managed the fund since 2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Floating Rate Income Fund

INVESTMENT OBJECTIVE
To seek a high level of current income.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.69</td>
</tr>
<tr>
<td>Other expenses¹</td>
<td>0.06</td>
</tr>
<tr>
<td>Acquired fund fees and expenses²</td>
<td>0.01</td>
</tr>
<tr>
<td>Total annual fund operating expenses³</td>
<td>0.76</td>
</tr>
</tbody>
</table>

¹ “Other expenses” shown exclude certain one-time extraordinary expenses incurred in the prior fiscal year equivalent to 0.01%.
² “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.
³ The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>78</td>
</tr>
<tr>
<td>3 years</td>
<td>243</td>
</tr>
<tr>
<td>5 years</td>
<td>422</td>
</tr>
<tr>
<td>10 years</td>
<td>942</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 66% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in floating-rate loans, which often include debt securities of domestic and foreign issuers that are rated below investment grade (rated below Baa by a nationally recognized statistical rating organization such as Moody’s Investors Service, Inc. or BBB by Standard and Poor’s Ratings Services), at the time of purchase, or are of comparable quality, as determined by the manager, and other floating-rate securities. Bonds that are rated at or below BB by Standard and Poor’s Ratings Services or Ba by Moody’s Investors Service, Inc. are considered junk bonds.

The fund may invest in domestic and foreign loans and loan participations that pay interest at rates that float or reset periodically at a margin above a generally recognized base lending rate such as the Prime Rate, the London InterBank Offered Rate (LIBOR), or another generally recognized base lending rate. Loans and debt instruments rated below investment grade are considered speculative. The fund may invest in loans of companies whose financial conditions are troubled or uncertain and that may be involved in bankruptcy proceedings, reorganizations, or financial restructurings. Some loans may be illiquid. The fund may also acquire and hold warrants and other equity interests. The fund may invest in loans, loan participations, and other securities of any maturity and duration. The fund may also invest in loans of any aggregate principal amount, which will vary from time to time.

For purposes of reducing risk and/or improving liquidity, the fund may invest in derivative instruments such as options (including options on securities indexes) and swaps (including credit default swaps).
The fund may invest in any number of issuers and may, at times, invest its assets in a small number of issuers. The fund’s investment process may result in a higher-than-average portfolio turnover ratio.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Distressed investments risk.** Distressed investments, including loans, mortgages, bonds, and notes, may not be publicly traded and may involve substantial risk. A fund may lose up to its entire investment.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: credit default swaps, options, and swaps. Options and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation.

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Loan participations risk.** Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

**Small number of issuers risk.** Adverse events affecting a particular issuer or group of issuers may magnify losses for funds which may invest a large portion of assets in any one issuer or a small number of issuers.

**Warrants risk.** The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.
PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Return</td>
<td>–23.94</td>
<td>41.69</td>
<td>10.11</td>
<td>2.42</td>
<td>9.26</td>
<td>5.49</td>
<td>0.11</td>
<td>–3.96</td>
<td>11.41</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 1.75%.

Best quarter: Q2 ’09, 14.35%
Worst quarter: Q4 ’08, –21.31%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Component</th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (01/02/08)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>11.41</td>
<td>4.31</td>
<td>4.61</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>8.71</td>
<td>2.04</td>
<td>2.27</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>6.38</td>
<td>2.33</td>
<td>2.62</td>
</tr>
<tr>
<td>S&amp;P/LSTA Performing Loan Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>10.36</td>
<td>5.41</td>
<td>5.15</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Western Asset Management Company
Sub-Subadvisor Western Asset Management Company Limited

PORTFOLIO MANAGEMENT

Michael C. Buchanan, CFA
Co-Portfolio Manager
Managed the fund since 2008

S. Kenneth Leech
Co-Portfolio Manager
Managed the fund since 2014

Timothy J. Settel
Co-Portfolio Manager
Managed the fund since 2008

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Fundamental Global Franchise Fund

INVESTMENT OBJECTIVE
The fund seeks to provide capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.80</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.06</td>
</tr>
<tr>
<td>Acquired fund fees and expenses¹</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses²</strong></td>
<td>0.87</td>
</tr>
</tbody>
</table>

¹ “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.

² The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>89</td>
</tr>
<tr>
<td>3 years</td>
<td>278</td>
</tr>
<tr>
<td>5 years</td>
<td>482</td>
</tr>
<tr>
<td>10 years</td>
<td>1,073</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 54% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in securities of franchise companies. A franchise company is one whose return on invested capital over a three-year period is above its cost of capital. Return on invested capital quantifies how well a company generates cash flow relative to the capital it has invested in its business, while its cost of capital refers to the cost of raising money to fund its business. These companies will have a leading share of industry sales, the ability to generate consistent sales growth over time as their products and services attract a larger customer base, and a strong record of return on capital invested in the company with a sustainable competitive advantage, meaning bargaining power with buyers and/or sellers and a unique product or process that is difficult to replicate or substitute and hard for others to compete with.

Under normal market conditions, at least 40% of the value of the fund’s net assets will be invested in issuers domiciled outside of the United States, which includes securities for which the relevant reference entity is domiciled outside the United States, such as American Depositary Receipts (ADRs) that trade on U.S. exchanges. The manager’s primary method of analysis is fundamental analysis, which is the ability to assess the health of a company, its competitive positioning, its strength of management, and its competitive advantages. Investment decisions are a function of finding stocks that possess the qualitative factors as outlined above and the manager believes are trading at a significant discount to the manager’s estimation of value.

The fund is non-diversified, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer.
The fund may invest significantly in securities of companies in certain sectors, such as the consumer staples and consumer discretionary sectors (as defined by the Global Industry Classification Standards (GICS)), and may therefore experience greater volatility than funds investing in a broader range of sectors and may be more susceptible to the impact of market, economic, regulatory, and other factors affecting that sector.

The manager focuses on the equity securities of small-, mid-, and large-capitalization companies in both developed and emerging countries. The manager primarily invests in common stocks of developed and emerging companies, as well as ADRs, which trade on U.S. exchanges.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

**Large company risk.** Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

**Non-diversified risk.** Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

**PAST PERFORMANCE**

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

**Calendar year total returns (%)—Class NAV**

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25.52</td>
<td>1.00</td>
<td>14.28</td>
<td>3.22</td>
</tr>
</tbody>
</table>
Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 20.80%.

Best quarter: Q1 ’13, 9.14%

Worst quarter: Q4 ’16, −5.40%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Class NAV (before tax)</th>
<th>1 year</th>
<th>Since inception (06/29/12)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.22</td>
<td>11.68</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>0.54</td>
<td>9.48</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>3.76</td>
<td>8.84</td>
</tr>
</tbody>
</table>

MSCI World Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes) | 8.15 | 11.53

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC

Subadvisor John Hancock Asset Management a division of Manulife Asset Management (US) LLC

PORTFOLIO MANAGEMENT

Emory W. Sanders, Jr., CFA
Senior Managing Director and Senior Portfolio Manager
Lead Manager of the fund since 2012

Jonathan White, CFA
Managing Director and Portfolio Manager
Managed the fund since 2013

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Global Bond Fund

INVESTMENT OBJECTIVE
To seek maximum total return, consistent with preservation of capital and prudent investment management.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.70</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.08</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.78</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>80</td>
</tr>
<tr>
<td>3 years</td>
<td>249</td>
</tr>
<tr>
<td>5 years</td>
<td>433</td>
</tr>
<tr>
<td>10 years</td>
<td>966</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 56% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in fixed-income instruments that are economically tied to at least three countries (one of which may be the United States), which may be represented by futures contracts (including related options) with respect to such securities, and options on such securities. These fixed-income instruments may be denominated in foreign currencies or in U.S. dollars, which may be represented by forwards or derivatives, such as options, futures contracts, or swap agreements.

In selecting securities for the fund, the manager utilizes economic forecasting, interest rate anticipation, credit and call risk analysis, foreign currency exchange rate forecasting, and other security selection techniques. The proportion of the fund’s assets committed to investment in securities with particular characteristics (such as maturity, type and coupon rate) will vary based on the manager’s outlook for the U.S. and foreign economies, the financial markets, and other factors.

The types of fixed-income securities in which the fund may invest include the following securities which, unless otherwise noted, may be issued by domestic or foreign issuers and may be denominated in U.S. dollars or foreign currencies:
- securities issued or guaranteed by the U.S. government, its agencies or government-sponsored enterprises;
- corporate debt securities of U.S. and foreign issuers, including convertible securities and corporate commercial paper;
- mortgage-backed and other asset-backed securities;
- inflation-indexed bonds issued by both governments and corporations;
- structured notes, including hybrid or “indexed” securities, event-linked bonds, bank capital and trust preferred securities;
- loan participations and assignments;
- delayed funding loans and revolving credit facilities;
- bank certificates of deposit, fixed time deposits and bankers’ acceptances;
- debt securities issued by states or local governments and their agencies, authorities and other government-sponsored enterprises;
- repurchase agreements and reverse repurchase agreements;
- obligations of foreign governments or their subdivisions, agencies and government-sponsored enterprises; and
- obligations of international agencies or supranational entities.

Fixed-income securities may have fixed, variable, or floating rates of interest, including rates of interest that vary inversely at a multiple of a designated or floating rate, or that vary according to change in relative values of currencies.

Depending on the manager's current opinion as to the proper allocation of assets among domestic and foreign issuers, investments that are economically tied to foreign countries will normally be at least 25% of the fund's net assets. The fund may invest, without limitation, in securities and instruments that are economically tied to emerging countries. The fund may invest up to 10% of its total assets in fixed-income securities that are rated below investment grade but rated B or higher by Moody's Investors Service, Inc. or equivalently rated by Standard and Poor's Ratings Services or Fitch Ratings Inc., or, if unrated, determined by the manager to be of comparable quality (except that within such limitations, the fund may invest in mortgage-related securities and variable rate master demand notes rated below B). The fund's investment policies are based on credit ratings at the time of purchase. The fund may invest in baskets of foreign currencies (such as the euro) and directly in currencies. The average portfolio duration of the fund normally varies within three years (plus or minus) of the duration of the benchmark index, as calculated by the manager.

The fund may invest up to 10% of its total assets in preferred stocks. The fund may have significant investments in fixed-income instruments issued by companies in the financial services sector.

The fund's investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may make short sales of a security including short sales "against the box."

The fund is a non-diversified fund, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer.

The fund may:
- purchase and sell options on domestic and foreign securities, securities indexes and currencies,
- purchase and sell futures and options on futures,
- purchase and sell currency or securities on a forward basis, and
- enter into interest rate, index, equity, total return, currency, and credit default swap agreements.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

**Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund's investments. Foreign currencies may decline in value, which could negatively impact performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company's financial condition or overall market conditions.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.
Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: credit default swaps, foreign currency forward contracts, foreign currency swaps, total return swaps, futures contracts, options on futures, interest-rate swaps, inverse floating-rate securities, options, reverse repurchase agreements, and swaps. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk. An event of default or insolvency of the counterparty to a reverse repurchase agreement could result in delays or restrictions with respect to the fund’s ability to dispose of the underlying securities. In addition, a reverse repurchase agreement may be considered a form of leverage and may, therefore, increase fluctuations in the fund’s net asset value per share (NAV).

High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Hybrid instrument risk. Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Loan participations risk. Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

Non-diversified risk. Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Short sales risk. In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.
Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.72</td>
<td>−4.26</td>
<td>14.30</td>
<td>10.41</td>
<td>9.14</td>
<td>7.42</td>
<td>−5.01</td>
<td>1.92</td>
<td>−3.39</td>
<td>3.43</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 7.80%.

Best quarter: Q3 ’09, 10.63%

Worst quarter: Q3 ’08, −9.54%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>3.43</td>
<td>0.77</td>
<td>4.16</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>2.16</td>
<td>0.31</td>
<td>2.06</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>2.01</td>
<td>0.42</td>
<td>2.42</td>
</tr>
<tr>
<td>Bloomberg Barclays Global Aggregate Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>2.09</td>
<td>0.21</td>
<td>3.29</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Pacific Investment Management Company LLC

PORTFOLIO MANAGEMENT

Andrew Balls
Portfolio Manager
Managed the fund since 2015

Sachin Gupta
Portfolio Manager
Managed the fund since 2015

Lorenzo Paganì, Ph.D.
Portfolio Manager
Managed the fund since 2015

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to "Additional information about the funds" at page 173 of the prospectus.
John Hancock Global Equity Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.80</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.07</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.87</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>89</td>
</tr>
<tr>
<td>3 years</td>
<td>278</td>
</tr>
<tr>
<td>5 years</td>
<td>482</td>
</tr>
<tr>
<td>10 years</td>
<td>1,073</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 46% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
The fund seeks to generate capital appreciation by investing at least 80% of net assets (plus borrowings for investment purposes) in a diversified portfolio of equity securities. Under normal market conditions, at least 40% of the value of the fund’s net assets will be invested in securities of issuers domiciled outside of the United States, including in emerging markets. This includes securities of foreign issuers that trade on U.S. exchanges. Equity securities include common and preferred stocks and their equivalents, including depositary receipts, warrants, rights, and convertible securities. The fund may invest in securities of any market-capitalization.

The manager employs an unconstrained, bottom-up stock selection process based on fundamental research to attempt to identify undervalued companies that exhibit attractive valuations, solid business franchises, sustainable margins/cash flow, disciplined capital allocation, strong management teams, and strong balance sheets. The manager considers diversification benefits and liquidity of the security in making investment decisions.

PRINCIPAL RISKS OF INVESTING IN THE FUND
The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.
Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

Warrants risk. The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.

**PAST PERFORMANCE**

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

**Calendar year total returns (%)—Class NAV**

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 12.59%.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Best quarter: Q2 ’14, 4.43%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Worst quarter: Q3 ’15, –7.66%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Average annual total returns (%)—as of 12/31/16**

<table>
<thead>
<tr>
<th>Type of Return</th>
<th>1 year</th>
<th>Since inception (05/16/13)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>9.38</td>
<td>6.30</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>8.48</td>
<td>4.75</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>5.31</td>
<td>4.22</td>
</tr>
<tr>
<td>MSCI World Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>8.15</td>
<td>6.75</td>
</tr>
</tbody>
</table>
INVESTMENT MANAGEMENT

**Investment advisor** John Hancock Advisers, LLC  
**Subadvisor** John Hancock Asset Management a division of Manulife Asset Management (US) LLC

PORTFOLIO MANAGEMENT

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Managed the fund since</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul Boyne</td>
<td>Senior Managing Director and Senior Portfolio Manager</td>
<td>2013</td>
</tr>
<tr>
<td>Doug McGraw</td>
<td>Managing Director and Portfolio Manager</td>
<td>2013</td>
</tr>
</tbody>
</table>

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Global Real Estate Fund

INVESTMENT OBJECTIVE
To seek a combination of long-term capital appreciation and current income.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.90</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.09</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.99</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>101</td>
</tr>
<tr>
<td>3 years</td>
<td>315</td>
</tr>
<tr>
<td>5 years</td>
<td>547</td>
</tr>
<tr>
<td>10 years</td>
<td>1,213</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 124% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of U.S. real estate investment trusts (“REITs”), foreign entities with tax-transparent structures similar to REITs and U.S. and foreign real estate operating companies. Equity securities include common stock, preferred stock and securities convertible into common stock. The fund will be invested in issuers located in at least three different countries, including the United States.

The fund may also invest its assets in short-term debt securities, notes, bonds, securities of companies not principally engaged in real estate, stock index futures contracts and similar instruments and American Depositary Receipts (ADRs), European Depositary Receipts (EDRs) and Global Depositary Receipts (GDRs).

A company is considered to be a real estate operating company if, in the opinion of the manager, at least 50% of its revenues or 50% of the market value of its assets at the time its securities are purchased by the fund are attributed to the ownership, construction, management or sale of real estate.

The manager looks for real estate securities it believes will provide superior returns to the fund, and attempts to focus on companies with the potential for stock price appreciation and a record of paying dividends.

To find these issuers, the manager tracks economic conditions and real estate market performance in major metropolitan areas and analyzes performance of various property types within those regions. To perform this analysis, it uses information from a global network of real estate professionals to evaluate the holdings of real estate companies and REITs in which the fund may invest. Its analysis also includes the companies’ management structure, financial structure and business strategy. The manager also considers the effect of the real estate securities markets in general when making investment decisions. The manager does not attempt to time the market.

The fund may realize some short-term gains or losses if the manager chooses to sell a security because it believes that one or more of the following is true:

- A security is not fulfilling its investment purpose;
- A security has reached its optimum valuation; or
- A particular company or general economic conditions have changed.

The manager’s U.S. fund management team will select all North and South American investments. Foreign investments will be selected by fund management teams within affiliates of the manager under common control with Deutsche Bank AG, the indirect parent company of the manager. All fund management teams will contribute to the global regional allocation process.

The fund concentrates its investments in securities of issuers in the real estate industry.

**Description of REITs**

A REIT invests primarily in income-producing real estate or makes loans to persons involved in the real estate industry.

Some REITs, called equity REITs, buy real estate and pay investors income from the rents received from the real estate owned by the REIT and from any profits on the sale of its properties. Other REITs, called mortgage REITs, lend money to building developers and other real estate companies and pay investors income from the interest paid on those loans. There are also hybrid REITs which engage in both owning real estate and making loans.

If a REIT meets certain requirements, it is not taxed on the income it distributes to its investors.

Based on its recent practices, the manager expects that the fund’s assets will be invested primarily in equity REITs. In changing market conditions, the fund may invest in other types of REITs. While a REIT is an entity defined by U.S. tax laws, various countries have created entities similar in terms of tax treatment to REITs.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

- **Concentration risk.** Because the fund may focus on one or more industries or sectors of the economy, its performance depends in large part on the performance of those sectors or industries. As a result, the value of an investment may fluctuate more widely than it would in a fund that is diversified across industries and sectors. A downturn in the real estate industry may significantly detract from performance.

- **Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

- **Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

- **Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

- **Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

- **Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

- **Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

- **High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

- **Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.
Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Real estate investment trust risk. REITs, pooled investment vehicles that typically invest in real estate directly or in loans collateralized by real estate, carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Real estate securities risk. Securities of companies in the real estate industry carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>–9.94</td>
<td>–45.40</td>
<td>33.28</td>
<td>17.41</td>
<td>–7.34</td>
<td>28.92</td>
<td>3.48</td>
<td>15.93</td>
<td>0.69</td>
<td>3.41</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 6.99%.

Best quarter: Q2 ’09, 31.48%

Worst quarter: Q4 ’08, –29.72%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>3.41</td>
<td>10.00</td>
<td>1.39</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>1.22</td>
<td>8.44</td>
<td>–0.11</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>1.91</td>
<td>7.17</td>
<td>0.39</td>
</tr>
<tr>
<td>EPRA/NAREIT Global Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>4.62</td>
<td>9.68</td>
<td>1.88</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Deutsche Investment Management Americas Inc.
Sub-Subadvisor RREEF America L.L.C.

PORTFOLIO MANAGEMENT

John Hammond
Managing Director, Lead Portfolio Manager and Head of European Real Estate Securities; Portfolio Manager
Managed the fund since 2006

Robert Thomas
Managing Director, Co-Lead Portfolio Manager and Co-Head of Americas Real Estate Securities.
Managed the fund since 2017

Chris Robinson
Managing Director, Lead Portfolio Manager and Head of Asia-Pacific Real Estate Securities
Managed the fund since 2012

John W. Vojticek
Managing Director; CIO and Global Portfolio Manager of Real Estate Securities
Managed the fund since 2006
David W. Zonavetch, CPA  
Managing Director; Co-Lead Portfolio Manager and Co-Head of Americas Real Estate Securities  
Managed the fund since 2013

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Health Sciences Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>1.05</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.09</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>1.14</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>116</td>
</tr>
<tr>
<td>3 years</td>
<td>362</td>
</tr>
<tr>
<td>5 years</td>
<td>628</td>
</tr>
<tr>
<td>10 years</td>
<td>1,386</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 131% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in common stocks of companies engaged, at the time of investment, in the research, development, production, or distribution of products or services related to health care, medicine, or the life sciences (collectively termed “health sciences”).

While the fund may invest in companies of any size, the majority of its assets are expected to be invested in large- and mid-capitalization companies.

The manager’s portfolio managers divide the health sciences sector into four main areas: pharmaceutical companies, health care services companies, medical products and devices providers, and biotechnology firms. Their allocation among these four areas will vary depending on the relative potential within each area and the outlook for the overall health sciences sector. While most assets will be invested in U.S. common stocks, the fund may purchase other securities, including foreign securities, futures, and options in keeping with its investment objective. In addition, the fund writes call and put options primarily as a means of generating additional income. The fund reserves the right to use options to seek protection against a decline in the value of its securities or an increase in prices of securities that may be purchased. Normally, the fund will own the securities on which it writes these options. The premium income received by writing covered calls can help reduce but not eliminate portfolio volatility.

The fund concentrates its investments (invests more than 25% of its total assets) in securities of companies in the health sciences sector, a comparatively narrow segment of the economy, and therefore may experience greater volatility than funds investing in a broader range of industries.

In managing the fund, the manager uses a fundamental, bottom-up analysis that seeks to identify high quality companies and the most compelling investment opportunities. In general, the fund will follow a growth investment strategy, seeking companies whose earnings are expected to grow faster than inflation and the economy in general. When stock valuations seem unusually high, however, a “value” approach, which gives preference to seemingly undervalued companies, may also be emphasized.
The fund may invest up to 35% of its total assets in foreign securities (including emerging market securities) and may have exposure to foreign currencies through its investment in these securities, its direct holdings of foreign currencies or through its use of foreign currency exchange contracts for the purchase or sale of a fixed quantity of a foreign currency at a future date.

In pursuing its investment objective, the fund’s management has the discretion to purchase some securities that do not meet its normal investment criteria, as described above, when it perceives an unusual opportunity for gain. These special situations might arise when the fund’s management believes a security could increase in value for a variety of reasons including a change in management, an extraordinary corporate event, or a new product introduction or a favorable competitive development.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less.

The fund may sell securities for a variety of reasons such as to secure gains, limit losses or redeploy assets into more promising opportunities.

Use of Hedging and Other Strategic Transactions. The fund is authorized to use all of the various investment strategies referred to under “Additional Information About the Funds’ Principal Risks— Hedging, derivatives and other strategic transactions risk” including entering into option transactions.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Concentration risk.** Because the fund may focus on one or more industries or sectors of the economy, its performance depends in large part on the performance of those sectors or industries. As a result, the value of an investment may fluctuate more widely than it would in a fund that is diversified across industries and sectors.

**Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Healthcare sector risk.** Health sciences companies may be significantly affected by product obsolescence, thin capitalization, limited product lines and markets, civil liability claims, and legislative or regulatory activities, among other factors.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts and options. Futures contracts and options generally are subject to counterparty risk.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Large company risk.** Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.
Mid-sized company risk. Mid-sized companies are generally less established and may be more volatile than larger companies. Mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE
The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The Lipper Health/Biotechnology Index shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30.94</td>
<td>51.20</td>
<td>31.85</td>
<td>12.51</td>
<td>–10.63</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 24.82%.

Best quarter: Q1 ’12, 17.59%
Worst quarter: Q3 ’15, –12.65%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (09/29/11)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>–10.63</td>
<td>21.29</td>
<td>21.69</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>–15.91</td>
<td>12.49</td>
<td>13.28</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>–1.83</td>
<td>16.97</td>
<td>17.41</td>
</tr>
<tr>
<td>S&amp;P 500 Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>11.96</td>
<td>14.66</td>
<td>15.79</td>
</tr>
<tr>
<td>Lipper Health/Biotechnology Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>–11.07</td>
<td>18.78</td>
<td>19.45</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor T. Rowe Price Associates, Inc.

PORTFOLIO MANAGEMENT

Ziad Bakri, MD, CFA
Portfolio Manager
Managed the fund since 2016

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock High Yield Fund

INVESTMENT OBJECTIVE

To realize an above-average total return over a market cycle of three to five years, consistent with reasonable risk.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

| Shareholder fees (%) (fees paid directly from your investment) | NAV
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.68</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.06</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.74</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>76</td>
</tr>
<tr>
<td>3 years</td>
<td>237</td>
</tr>
<tr>
<td>5 years</td>
<td>411</td>
</tr>
<tr>
<td>10 years</td>
<td>918</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER

The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 56% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) at the time of investment in high yield securities. The fund’s investments may include corporate bonds, preferred stocks, U.S. government and foreign securities, mortgage-backed securities, loan assignments or participations and convertible securities which have the following ratings (or, if unrated, are considered by the manager to be of equivalent quality):

Corporate Bonds, Preferred Stocks and Convertible Securities

Moody’s Investors Services, Inc. . . . . . . . . . . . Ba through C
Standard and Poor’s Ratings Services. . . . . . . . . . BB through D

Below-investment-grade securities are commonly referred to as “junk bonds.” The fund may also invest in investment-grade securities.

As part of its investment strategy, the fund will generally invest without restrictions within these ratings category ranges, or in unrated securities considered to be of equivalent quality by the manager.

The fund may invest in foreign bonds and other fixed-income securities denominated in foreign currencies, where, in the opinion of the manager, the combination of current yield and currency value offer attractive expected returns. Foreign securities in which the fund may invest include emerging market securities. The fund may invest up to 100% of its assets in foreign securities.

The fund may also enter into various derivative transactions for both hedging and non-hedging purposes, including for purposes of enhancing returns. These derivative transactions include, but are not limited to, futures, options, swaps and forwards. In particular, the fund may use interest rate swaps, credit default swaps (on individual securities and/or baskets of securities), futures contracts and/or mortgage-backed securities to a significant extent, although the amounts invested in these instruments may change from time to time.

The fund may invest in fixed- and floating-rate loans, generally in the form of loan participations and assignments of such loans.
The fund normally maintains an average portfolio duration of between three and seven years. However, the fund may invest in individual securities of any duration. Duration is an approximate measure of the sensitivity of the market value of a security to changes in interest rates.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: credit default swaps, futures contracts, options, and interest-rate swaps. Futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Loan participations risk.** Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Mortgage-backed and asset-backed securities risk.** Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

**Preferred and convertible securities risk.** Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.
PAST PERFORMANCE

The following information illustrates the variability of the fund's returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1.62</td>
</tr>
<tr>
<td>2008</td>
<td>-28.83</td>
</tr>
<tr>
<td>2009</td>
<td>58.75</td>
</tr>
<tr>
<td>2010</td>
<td>16.28</td>
</tr>
<tr>
<td>2011</td>
<td>1.28</td>
</tr>
<tr>
<td>2012</td>
<td>18.25</td>
</tr>
<tr>
<td>2013</td>
<td>8.64</td>
</tr>
<tr>
<td>2014</td>
<td>-0.58</td>
</tr>
<tr>
<td>2015</td>
<td>-8.04</td>
</tr>
<tr>
<td>2016</td>
<td>17.64</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 6.35%.

Best quarter: Q2 ’09, 26.09%
Worst quarter: Q4 ’08, -20.40%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>17.64</td>
<td>6.68</td>
<td>6.45</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>14.34</td>
<td>3.49</td>
<td>3.07</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>9.88</td>
<td>3.73</td>
<td>3.49</td>
</tr>
<tr>
<td>Citigroup High Yield Market Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>17.82</td>
<td>6.95</td>
<td>7.05</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Western Asset Management Company
Sub-Subadvisor Western Asset Management Company Limited

PORTFOLIO MANAGEMENT

Michael C. Buchanan, CFA
Deputy Chief Investment Officer
Managed the fund since 2006

Walter E. Kilcullen
Head of US High Yield/Portfolio Manager
Managed the fund since 2017

S. Kenneth Leech
Chief Investment Officer
Managed the fund since 2014

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to "Additional information about the funds" at page 173 of the prospectus.
John Hancock International Growth Stock Fund

INVESTMENT OBJECTIVE

The fund seeks to achieve long-term growth of capital.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.79</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.06</td>
</tr>
<tr>
<td>Acquired fund fees and expenses¹</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses²</strong></td>
<td>0.86</td>
</tr>
</tbody>
</table>

¹ “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.
² The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>88</td>
</tr>
<tr>
<td>3 years</td>
<td>274</td>
</tr>
<tr>
<td>5 years</td>
<td>477</td>
</tr>
<tr>
<td>10 years</td>
<td>1,061</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER

The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 37% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

The fund invests primarily in a diversified portfolio of international securities whose issuers are considered by the fund’s manager to have strong earnings growth. The fund will, under normal circumstances, invest at least 80% of its net assets (plus any borrowings for investment purposes) in stocks of any market capitalization.

The fund invests significantly in foreign issuers. The fund focuses its investments in equity securities of foreign issuers that are listed on a recognized foreign or U.S. securities exchange or traded in a foreign or U.S. over-the-counter market. The fund invests, under normal circumstances, in issuers located in at least three countries outside of the U.S. The fund may invest in issuers located in developing countries (emerging markets). Under normal circumstances, the maximum percentage of the fund’s net assets that may be invested in these issuers is 1.25 times of the emerging market weight of the MSCI All Country World ex U.S. Growth Index.

The fund can invest in derivative instruments including forward foreign currency contracts and futures. The fund can utilize forward foreign currency contracts to mitigate the risk of foreign currency exposure. A forward foreign currency contract is an agreement between parties to exchange a specified amount of currency at a specified future time at a specified rate. Forward foreign currency contracts are used to protect against uncertainty in the level of future foreign currency exchange rates. The fund can use these contracts to hedge against adverse movements in the foreign currencies in which portfolio securities are denominated.

The fund can invest in futures contracts, including index futures, to seek exposure to certain asset classes. A futures contract is a standardized agreement between two parties to buy or sell a specific quantity of an underlying instrument at a specific price at a specific future time. The value of the futures contract tends to increase and decrease in tandem with the value of the underlying instrument. Futures contracts are bilateral agreements, with both the purchaser and the seller equally obligated to complete the transaction. Depending on the terms of the particular contract, futures contracts are settled through either physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date.
The manager employs a disciplined investment strategy that emphasizes fundamental research, supported by quantitative analysis, portfolio construction and risk management techniques. The strategy primarily focuses on identifying issuers that they believe have sustainable earnings growth, efficient capital allocation, and attractive prices. Investments for the portfolio are selected bottom-up on a security-by-security basis. The focus is on the strengths of individual issuers, rather than sector or country trends. The fund may focus its investments in a particular sector or sectors of the economy.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts and futures contracts. Foreign currency forward contracts and futures contracts generally are subject to counterparty risk. Derivatives associated with foreign currency transactions are subject to currency risk.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

**PAST PERFORMANCE**

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhirinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.
Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>–6.88</td>
<td>15.53</td>
<td>19.21</td>
<td>0.38</td>
<td>–2.31</td>
<td>–1.16</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 18.89%.

Best quarter: Q3 ’13, 10.79%
Worst quarter: Q3 ’11, –17.92%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Class NAV (before tax)</th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (09/16/10)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>–1.16</td>
<td>5.95</td>
<td>4.96</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>–1.79</td>
<td>5.07</td>
<td>4.20</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>–0.66</td>
<td>4.35</td>
<td>3.62</td>
</tr>
<tr>
<td>MSCI AC World ex–USA Growth Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>0.50</td>
<td>5.71</td>
<td>3.81</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Invesco Advisers, Inc.

PORTFOLIO MANAGEMENT

<table>
<thead>
<tr>
<th>Brently Bates, CFA, CPA</th>
<th>Matthew Dennis, CFA</th>
<th>Mark Jason, CFA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Manager</td>
<td>Portfolio Manager</td>
<td>Portfolio Manager</td>
</tr>
<tr>
<td>Managed the fund since 2013</td>
<td>Managed the fund since 2010</td>
<td>Managed the fund since 2011</td>
</tr>
<tr>
<td>Richard Nield, CFA</td>
<td>Clas Olsson</td>
<td></td>
</tr>
<tr>
<td>Portfolio Manager</td>
<td>Portfolio Manager</td>
<td></td>
</tr>
<tr>
<td>Managed the fund since 2013</td>
<td>Managed the fund since 2010</td>
<td></td>
</tr>
</tbody>
</table>

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock International Small Cap Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.97</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.08</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td>1.05</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>107</td>
</tr>
<tr>
<td>3 years</td>
<td>334</td>
</tr>
<tr>
<td>5 years</td>
<td>579</td>
</tr>
<tr>
<td>10 years</td>
<td>1,283</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 20% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in investments of smaller companies outside the U.S., including emerging markets, which have total stock market capitalizations or annual revenues of $4 billion or less.

In some emerging markets, the fund may invest in companies that qualify as smaller companies but that still are among the largest in the market. The fund may also invest in depository receipts and may invest a portion of its assets in the equity securities of larger foreign companies.

An equity security, or stock, represents a proportionate share of the ownership of a company; its value is based on the success of the company’s business, any income paid to stockholders, the value of its assets, and general market conditions. Common stocks, preferred stocks and convertible securities are examples of equity securities. Convertible securities generally are debt securities or preferred stock that may be converted into common stock after a certain time period or under certain circumstances.

The fund may invest more than 25% of its total assets in the securities of issuers located in any one country. The fund may focus its investments in a particular sector or sectors of the economy.

When choosing equity investments for this fund, the manager applies a “bottom up,” value-oriented, long-term approach, focusing on the market price of a company’s securities relative to the manager’s evaluation of the company’s long-term earnings, asset value and cash flow potential. The manager also considers a company’s price/earnings ratio, profit margins and liquidation value and other factors.

PRINCIPAL RISKS OF INVESTING IN THE FUND
The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:
Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The S&P/Citigroup Global ex US <$2 Billion Index shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.75</td>
<td>–51.47</td>
<td>68.29</td>
<td>24.00</td>
<td>–18.19</td>
<td>21.31</td>
<td>22.96</td>
<td>–5.48</td>
<td>0.59</td>
<td>–2.68</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 28.12%.

Best quarter: Q2 '09, 36.98%

Worst quarter: Q4 '08, –31.54%
Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Class NAV (before tax)</th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>after tax on distributions</td>
<td>–2.68</td>
<td>6.66</td>
<td>2.30</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>–3.39</td>
<td>6.10</td>
<td>1.25</td>
</tr>
<tr>
<td>MSCI ACWI ex USA Small Cap Index¹ (gross of foreign withholding taxes on dividends) (reflects no deduction for fees, expenses, or taxes)</td>
<td>4.29</td>
<td>8.12</td>
<td>3.26</td>
</tr>
<tr>
<td>S&amp;P/Citigroup Global ex US &lt;$2 Billion Index¹ (reflects no deduction for fees, expenses, or taxes)</td>
<td>7.33</td>
<td>7.49</td>
<td>3.16</td>
</tr>
</tbody>
</table>

¹ Prior to July 1, 2017, the fund compared its performance to the S&P/Citigroup Global ex USA <$2 Billion Index. After this date, to better reflect the universe of investment opportunities based on the fund’s investment strategy, the fund added the MSCI ACWI ex US Small Cap Index as the benchmark to which the fund compares its performance.

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Franklin Templeton Investments Corp.

PORTFOLIO MANAGEMENT

Harlan B. Hodes, CPA
Executive Vice President, Portfolio Manager and Research Analyst
Managed the fund since 2011

David Tuttle, CFA
Vice President, Portfolio Manager and Research Analyst
Managed the fund since 2015

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock International Small Company Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
</tr>
</tbody>
</table>

Shareholder fees (%): fees paid directly from your investment

<table>
<thead>
<tr>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
</tr>
</tbody>
</table>

Annual fund operating expenses (%): expenses that you pay each year as a percentage of the value of your investment

<table>
<thead>
<tr>
<th>Management fee</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.95</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other expenses</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.13</td>
<td></td>
</tr>
</tbody>
</table>

Total annual fund operating expenses

<table>
<thead>
<tr>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.08</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
</tr>
<tr>
<td>110</td>
</tr>
<tr>
<td>3 years</td>
</tr>
<tr>
<td>343</td>
</tr>
<tr>
<td>5 years</td>
</tr>
<tr>
<td>595</td>
</tr>
<tr>
<td>10 years</td>
</tr>
<tr>
<td>1,317</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 13% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in securities of small-cap companies in the particular markets in which the fund invests. Based on market capitalization data as of October 31, 2017, the maximum market capitalization range of companies eligible for purchase by the fund was approximately $1.8 billion to $6.9 billion, depending on the country. The fund will primarily invest in a broad and diverse group of equity securities of foreign small companies of developed markets, but may also hold equity securities of companies located in emerging markets.

The fund invests its assets in securities listed on bona fide securities exchanges or traded on the over-the-counter markets, including dual-listed securities, either within or outside the issuer’s domicile country.

The manager measures company size on a country- or region-specific basis and based primarily on market capitalization. In the countries or regions authorized for investment, the manager first ranks eligible companies based on market capitalizations and then determines the universe of eligible stocks by defining the maximum market capitalization of a small company that may be purchased by the fund with respect to each country or region. These thresholds will vary based on market conditions. The fund intends to use a market-capitalization-weighted approach in seeking to set country weights based on the relative market capitalizations of eligible small companies within each country (see below). Weightings of certain countries may vary from their weightings in international indexes.

The fund may also use derivatives such as futures contracts and options on futures contracts to adjust market exposure based on expected cash inflows to or outflows from the fund. Futures contracts and options on futures contracts may be for foreign or U.S. equity securities and indexes. The fund may also enter into forward currency contracts to facilitate settlement of equity purchases of foreign securities, repatriation of foreign currency balances, or currency exchange. In addition to cash, money market instruments, and other short-term investments, the fund may invest in affiliated and unaffiliated unregistered money market funds to manage cash pending investment, to maintain liquidity to pay redemptions, to make other anticipated cash payments, or for other purposes. Investments in money market funds may involve a duplication of certain fees and expenses.
The fund does not seek current income as an investment objective and investments will not be based on an issuer’s dividend payment policy or record, although many of the companies in which the fund invests do pay dividends.

The manager may, in its discretion, invest in countries authorized by its Investment Committee, depending upon factors such as asset growth in the fund and market characteristics. Other countries may be authorized for investment in the future, and the fund may continue to hold investments in countries previously but not currently authorized. The fund may focus its investments in a particular sector or sectors of the economy.

**Market-capitalization-weighted approach**

The fund uses market capitalization weighting to determine individual security weights and, where applicable, country or region weights. Market-capitalization weighting means each security is generally purchased based on the issuer’s relative market capitalization. Market-capitalization weighting will be adjusted by the manager for a variety of factors, including free float, momentum, trading strategies, liquidity management, profitability, and market conditions, among others. The manager may deviate from market-capitalization weighting to limit or fix the exposure of the fund to a particular country or issuer to a maximum proportion of fund assets and may exclude the stock of a company that meets applicable market-capitalization criteria at its discretion. These adjustments will result in a deviation from traditional market-capitalization weighting.

Country weights may be based on the total market capitalization of companies within each country and may take into consideration the free float of companies within a country or whether these companies are eligible to be purchased for the particular strategy. In addition, to maintain a satisfactory level of diversification, the Investment Committee may limit or adjust the exposure to a particular country or region to a maximum proportion of the assets of that vehicle. Country weights may also deviate from target weights due to general day-to-day trading patterns and price movements.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, futures contracts, options on futures contracts, and options. Foreign currency forward contracts, futures contracts, and options generally are subject to counterparty risk. Derivatives associated with foreign currency transactions are subject to currency risk.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.
PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The MSCI EAFE Small Cap Index shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.24</td>
<td>–45.44</td>
<td>41.24</td>
<td>22.67</td>
<td>–16.59</td>
<td>18.91</td>
<td>27.13</td>
<td>–6.52</td>
<td>5.25</td>
<td>5.17</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 24.80%.

Best quarter: Q2 '09, 31.78%

Worst quarter: Q3 '08, –22.60%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Metric</th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>5.17</td>
<td>9.36</td>
<td>2.74</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>4.11</td>
<td>8.58</td>
<td>1.70</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>2.92</td>
<td>7.03</td>
<td>1.70</td>
</tr>
<tr>
<td>MSCI World ex–USA Small Cap Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>4.72</td>
<td>9.36</td>
<td>3.07</td>
</tr>
<tr>
<td>MSCI EAFE Small Cap Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>2.55</td>
<td>10.92</td>
<td>3.30</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Dimensional Fund Advisors LP

PORTFOLIO MANAGEMENT

Joseph H. Chi, CFA
Senior Portfolio Manager and Vice President
Managed the fund since 2010

Jed S. Fogdall
Senior Portfolio Manager and Vice President
Managed the fund since 2010

Arun Keswani, CFA
Senior Portfolio Manager and Vice President
Managed the fund since 2015

Mary T. Phillips, CFA
Senior Portfolio Manager and Vice President
Managed the fund since 2017

Bhanu P. Singh
Senior Portfolio Manager and Vice President
Managed the fund since 2015

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
INVESTMENT OBJECTIVE
To seek capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.62</td>
</tr>
<tr>
<td>Other expenses&lt;sup&gt;1&lt;/sup&gt;</td>
<td>0.06</td>
</tr>
<tr>
<td>Acquired fund fees and expenses&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses&lt;sup&gt;3&lt;/sup&gt;</strong></td>
<td>0.69</td>
</tr>
</tbody>
</table>

1 “Other expenses” shown exclude certain one-time extraordinary expenses incurred in the prior fiscal year equivalent to 0.01%.
2 “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.
3 The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>70</td>
</tr>
<tr>
<td>3 years</td>
<td>221</td>
</tr>
<tr>
<td>5 years</td>
<td>384</td>
</tr>
<tr>
<td>10 years</td>
<td>859</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During the fiscal period from October 17, 2016 to August 31, 2017, the fund’s portfolio turnover rate was 112% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
The fund seeks to achieve its investment objective by investing under normal market conditions at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of any market capitalization, including futures on indexes of equity securities. The fund primarily invests in foreign securities. The fund’s allocation to various markets and types of securities will be actively managed.

The fund may invest in both developed and emerging markets. The fund’s investment in equity securities will vary both with respect to types of securities and markets in response to changing market and economic trends. The fund’s allocation of securities will depend on the manager’s outlook for the markets and generally reflect the manager’s strategic asset allocation analysis and their assessment of the relative attractiveness of a particular asset class, country or region. When determining whether to invest in a particular market, the manager considers various factors, including economic and political conditions, potential for economic growth and possible changes in currency exchange rates.

The fund may also invest in equity securities of U.S. issuers. Investments in exchange-traded funds (ETFs) and derivative instruments may be used to reduce risk and/or obtain efficient investment exposure, and may include options, futures contracts, and swaps (including interest-rate swaps).

The fund also may invest in fixed-income securities, including, but not limited to:

- U.S. Treasury and agency securities as well as notes backed by the Federal Deposit Insurance Corporation;
- U.S. Treasury futures contracts;
• Mortgage-backed securities, including mortgage pass-through securities, commercial mortgage-backed securities (CMBS) and collateralized mortgage obligations (CMOs);
• U.S. and foreign corporate bonds;
• Foreign government and agency securities; and
• Lower-rated fixed-income securities and high-yield securities (also known as “junk bonds”).

The foreign securities in which the fund invests may be denominated in U.S. dollars or foreign currency. The fund may actively manage its exposure to foreign currencies through the use of foreign currency forward contracts and other currency derivatives. The fund may own foreign cash equivalents and foreign bank deposits as part of its investment strategy. The fund may invest in foreign currencies for hedging and speculative purposes. The fund may focus its investments in a particular sector or sectors of the economy.

Use of Hedging and Other Strategic Transactions. The fund is authorized to use all of the various investment strategies referred to under “Principal risks — Hedging, derivatives and other strategic transactions risk,” including, but not limited to, futures and options contracts, foreign currency forward contracts and swaps. The fund may engage in derivatives transactions for hedging and non-hedging purposes including, without limitation, the following purposes:

• to attempt to protect against possible changes in the market value of securities held or to be purchased by the fund resulting from securities markets or currency exchange rate fluctuations;
• to protect the fund’s unrealized gains in the value of its securities;
• to facilitate the sale of the fund’s securities for investment purposes;
• to manage the effective maturity or duration of the fund’s securities;
• to establish a position in the derivatives markets as a method of gaining exposure to a particular security or market;
• to facilitate the repatriation of foreign currency and the settlement of purchases of foreign securities; and
• to increase or decrease exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another.

PRINCIPAL RISKS

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, futures contracts, options, foreign currency swaps, interest-rate swaps and swaps. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.
High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

Performance information is not shown because the fund had been in operation for less than a full calendar year as of the most recently completed calendar year end.

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor John Hancock Asset Management a division of Manulife Asset Management (US) LLC

PORTFOLIO MANAGEMENT

Robert Boyda
Senior Managing Director and Co-Head of Portfolio Solutions Group North America
Managed the fund since 2016

Marcelle Daher, CFA
Senior Managing Director and Co-Head of Portfolio Solutions Group North America
Managed the fund since 2016

Nathan Thooft, CFA
Senior Managing Director and Co-Head of Portfolio Solutions Group North America
Managed the fund since 2016

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to "Additional information about the funds" at page 173 of the prospectus.
John Hancock International Value Fund

INVESTMENT OBJECTIVE
To seek long-term growth of capital.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.80</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.06</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.86</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>88</td>
</tr>
<tr>
<td>3 years</td>
<td>274</td>
</tr>
<tr>
<td>5 years</td>
<td>477</td>
</tr>
<tr>
<td>10 years</td>
<td>1,061</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 31% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests primarily in equity securities of companies located outside the U.S., including in emerging markets. Although the manager will search for investments across a large number of countries and sectors, from time to time, based on economic conditions, the fund may have significant positions in particular countries or sectors such as technology (including computer hardware and software, electronics, and telecommunications) and financial institutions.

Equity securities generally entitle the holder to participate in a company’s general operating results. These include common stocks and preferred stocks. The fund also invests in American Depositary Receipts (ADRs), European Depositary Receipts (EDRs) and Global Depositary Receipts (GDRs), which are certificates typically issued by a bank or trust company that give their holders the right to receive securities issued by a foreign or domestic company.

The fund may invest in debt securities of countries and governments located anywhere in the world, as well as in equity-linked notes.

The manager’s investment philosophy is “bottom-up,” value-oriented, and long-term. In choosing equity investments, the manager will focus on the market price of a company’s securities relative to its evaluation of the company’s long-term earnings, asset value and cash flow potential. A company’s historical value measure, including price/earnings ratio, profit margins and liquidation value, will also be considered.

PRINCIPAL RISKS OF INVESTING IN THE FUND
The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.
Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: equity-linked notes (equity-linked notes generally reflect the risks associated with their underlying securities, depend on the credit of the note’s issuer, may be privately placed, and may have a limited secondary market).

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

Telecommunications sector risk. Telecommunication services companies are subject to government regulation of services and rates of return and can be significantly affected by intense competition, among other factors.

Value investing style risk. The fund emphasizes a value style of investing, which focuses on undervalued companies with characteristics for improved valuations. This style of investing is subject to the risk that the valuations never improve or that the returns on value equity securities are less than returns on other styles of investing or the overall stock market. Value stocks also may decline in price, even though in theory they are already underpriced.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.
Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8.89</td>
<td>–42.49</td>
<td>38.58</td>
<td>8.03</td>
<td>–12.91</td>
<td>19.73</td>
<td>25.40</td>
<td>–12.35</td>
<td>–7.75</td>
<td>12.68</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 14.72%.

Best quarter: Q3 '09, 24.86%
Worst quarter: Q4 '08, –21.44%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>12.68</td>
<td>6.47</td>
<td>1.11</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>11.52</td>
<td>5.50</td>
<td>0.03</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>7.18</td>
<td>4.62</td>
<td>0.47</td>
</tr>
<tr>
<td>MSCI EAFE Index (gross of foreign withholding taxes on dividends) (reflects no deduction for fees, expenses, or taxes)</td>
<td>1.51</td>
<td>7.02</td>
<td>1.22</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Templeton Investment Counsel, LLC
Sub-Subadvisor Templeton Global Advisors Limited

PORTFOLIO MANAGEMENT

Tucker Scott, CFA
Executive Vice President, Lead Portfolio Manager and Research Analyst
Managed the fund since 2005

Christopher Peel, CFA
Senior Vice President, Research Analyst and Portfolio Manager for the Templeton Global Equity Group (TGEG)
Managed the fund since 2018

Peter A. Nori, CFA
Executive Vice President, Portfolio Manager and Research Analyst
Managed the fund since 2006

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Mid Cap Stock Fund

INVESTMENT OBJECTIVE
To seek long-term growth and capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.83</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.87</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>89</td>
</tr>
<tr>
<td>3 years</td>
<td>278</td>
</tr>
<tr>
<td>5 years</td>
<td>482</td>
</tr>
<tr>
<td>10 years</td>
<td>1,073</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 89% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of medium-sized companies with significant capital appreciation potential. For the fund, “medium-sized companies” are those with market capitalizations within the collective market capitalization range of companies represented in either the Russell Mid Cap Index ($1.42 billion to $36 billion as of October 31, 2017) or the S&P Mid Cap 400 Index ($886.4 million to $12.3 billion as of October 31, 2017).

The manager’s investment approach is based primarily on proprietary fundamental analysis. Fundamental analysis involves the assessment of a company through such factors as its business environment, management, balance sheet, income statement, anticipated earnings, revenues and other related measures of value. In analyzing companies for investment, the manager looks for, among other things, a strong balance sheet, strong earnings growth, attractive industry dynamics, strong competitive advantages (e.g., strong management teams), and attractive relative value within the context of a security’s primary trading market. Securities are sold when the investment has achieved its intended purpose, or because it is no longer considered attractive. The fund may invest up to 25% of its total assets in foreign securities, including emerging market securities. The fund may focus its investments in a particular sector or sectors of the economy.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

PRINCIPAL RISKS OF INVESTING IN THE FUND
The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.
Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

Mid-sized company risk. Mid-sized companies are generally less established and may be more volatile than larger companies. Mid-capitalization securities may underperform the market as a whole.

Privately held and newly public companies risk. Investments in the stocks of privately held companies and newly public companies involve greater risks than investments in stocks of companies that have traded publicly on an exchange for extended time periods. Investments in such companies are less liquid and may be difficult to value. There may be significantly less information available about these companies’ business models, quality of management, earnings growth potential, and other criteria used to evaluate their investment prospects. An impairment of a fund’s ability to sell securities of privately held companies or newly public companies at advantageous prices exposes the fund to liquidity risk.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

|------|------|------|------|------|------|------|------|------|------|------|
| Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 22.10%. 
Best quarter: Q1 ’12, 19.75% 
Worst quarter: Q4 ’08, –25.38% 
Average annual total returns (%)—as of 12/31/16
Class NAV (before tax) | 0.71 | 13.19 | 6.53 |
| after tax on distributions | 0.56 | 10.71 | 5.09 |
| after tax on distributions, with sale | 0.46 | 10.08 | 4.97 |
| Russell Midcap Growth Index (reflects no deduction for fees, expenses, or taxes) | 7.33 | 13.51 | 7.83 |
INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Wellington Management Company LLP

PORTFOLIO MANAGEMENT

Mario E. Abularach, CFA, CMT
Senior Managing Director and Equity Research Analyst
Managed the fund since 2005

Michael T. Carmen, CFA
Senior Managing Director and Equity Portfolio Manager
Managed the fund since 2005

Stephen Mortimer
Senior Managing Director and Equity Portfolio Manager
Managed the fund since 2009

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Mid Value Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.95</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.99</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>101</td>
</tr>
<tr>
<td>3 years</td>
<td>315</td>
</tr>
<tr>
<td>5 years</td>
<td>547</td>
</tr>
<tr>
<td>10 years</td>
<td>1,213</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 55% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in companies with market capitalizations that are within the S&P Mid Cap 400 Index ($886.4 million to $12.3 billion as of October 31, 2017) or the Russell Mid Cap Value Index ($1.42 billion to $36 billion as of October 31, 2017). The fund invests in a diversified mix of common stocks of mid-size U.S. companies that are believed to be undervalued by various measures and offer good prospects for capital appreciation.

The manager employs a value approach in selecting investments. The manager’s in-house research team seeks to identify companies whose stock prices do not appear to reflect their underlying values. The manager generally looks for companies with one or more of the following characteristics:

- Low stock prices relative to net assets, earnings, cash flow, sales, book value, or private market value;
- Demonstrated or potentially attractive operating margins, profits and/or cash flow;
- Sound balance sheets and other positive financial characteristics;
- Stock ownership by management/employees; and
- Experienced and capable management.

The fund’s sector exposure is broadly diversified as a result of stock selection and therefore may vary significantly from its benchmark, the Russell Midcap Value Index. The market capitalization of companies held by the fund and included in the indices changes over time. The fund will not automatically sell or cease to purchase stock of a company it already owns just because the company’s market capitalization grows or falls outside these ranges.

The fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

In pursuing the fund’s investment objective, the manager has the discretion to deviate from its normal investment criteria, as described above, and purchase securities that the manager believes will provide an opportunity for substantial appreciation. These situations might arise when the manager believes a security could
increase in value for a variety of reasons, including a change in management, an extraordinary corporate event, a new product introduction or innovation, or a favorable competitive development.

The fund may invest in initial public offerings (IPOs). While most assets will be invested in U.S. common stocks, the fund may purchase other types of securities, for example: convertible securities and warrants, foreign securities (up to 20% of total assets), certain exchange-traded funds (ETFs), and certain derivatives (investments whose value is based on indices or other securities). For purposes of the fund, ETFs are considered securities with a market capitalization equal to the weighted average market capitalization of the basket of securities comprising the ETF.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below (or even relatively nominal) rates.

Except when engaged in temporary defensive investing, the fund normally has less than 10% of its assets in cash and cash equivalents. The fund may focus its investments in a particular sector or sectors of the economy.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Convertible securities risk.** The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. As the market price of underlying common stock declines below the conversion price, the market value of the convertible security tends to be increasingly influenced by its yield.

**Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

**Exchange-traded funds risk.** An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts and options. Futures contracts and options generally are subject to counterparty risk.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

**Initial public offerings risk.** IPO share prices are frequently volatile and may significantly impact fund performance.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.
Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

Value investing style risk. The fund emphasizes a value style of investing, which focuses on undervalued companies with characteristics for improved valuations. This style of investing is subject to the risk that the valuations never improve or that the returns on value equity securities are less than returns on other styles of investing or the overall stock market. Value stocks also may decline in price, even though in theory they are already underpriced.

PAST PERFORMANCE
The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>40.75</td>
<td>16.07</td>
<td>−5.04</td>
<td>19.37</td>
<td>31.18</td>
<td>10.50</td>
<td>−3.34</td>
<td>24.08</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 5.81%.
Best quarter: Q2 ’09, 23.03%
Worst quarter: Q3 ’11, −17.59%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Metric</th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (01/02/09)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>24.08</td>
<td>15.72</td>
<td>15.74</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>20.93</td>
<td>13.13</td>
<td>13.09</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>15.40</td>
<td>12.05</td>
<td>12.24</td>
</tr>
<tr>
<td>Russell Midcap Value Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>20.00</td>
<td>15.70</td>
<td>16.64</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT
Investment advisor John Hancock Advisers, LLC
Subadvisor T. Rowe Price Associates, Inc.

PORTFOLIO MANAGEMENT
David J. Wallack
Vice President
Managed the fund since 2009

OTHER IMPORTANT INFORMATION REGARDING THE FUND
For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Natural Resources Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.99</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.06</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td><strong>1.05</strong></td>
</tr>
<tr>
<td>Contractual expense reimbursement</td>
<td>–0.08</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses after expense reimbursements</strong></td>
<td><strong>0.97</strong></td>
</tr>
</tbody>
</table>

1 The advisor contractually agrees to waive its management fee so that the amount retained by the advisor after payment of subadvisory fees does not exceed 0.45% of the fund’s average net assets. The current expense limitation agreement expires on December 31, 2018, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>99</td>
</tr>
<tr>
<td>3 years</td>
<td>326</td>
</tr>
<tr>
<td>5 years</td>
<td>572</td>
</tr>
<tr>
<td>10 years</td>
<td>1,275</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 28% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in equity and equity-related securities of natural resource-related companies worldwide, including in emerging markets. Natural resource-related companies include companies that own, explore, mine, process or otherwise develop or provide goods and services with respect to natural resources. The fund will consider a company a natural resource-related company if the company is categorized within the following industries (according to Global Industry Classification Standards (GICS) classifications): Chemicals, Construction Materials, Containers & Packaging, Energy Equipment & Services, Metals & Mining, Oil, Gas & Consumable Fuels, and Paper & Forest Products. This list may be amended from time to time. Equity and equity-related securities in which the fund typically invests include common stock, preferred stock, rights that can be exercised to obtain stock, warrants, and debt securities or preferred stock convertible into or exchangeable for common or preferred stock and interests in master limited partnerships.

The fund may invest without limitation in foreign securities, including in emerging markets. The fund may utilize currency forwards and other currency hedging transactions in an effort to protect the value of the fund’s assets.

The management team uses a combination of top-down analysis and bottom-up stock selection. The management team attempts to identify market dynamics underpinning natural resources commodities, and in turn seeks companies the management team believes can capitalize in an environment of changing commodity prices. Factors the management team analyzes include: supply/demand characteristics, valuation relative to peers, organic reserve and production growth, and unit cost structure.
PRINCIPAL RISKS OF INVESTING IN THE FUND

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Commodity risk.** Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

**Concentration risk.** Because the fund may focus on one or more industries or sectors of the economy, its performance depends in large part on the performance of those sectors or industries. As a result, the value of an investment may fluctuate more widely than it would in a fund that is diversified across industries and sectors.

**Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, foreign currency swaps, and options. Foreign currency forward contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

**Master limited partnership risk.** MLPs generally reflect the risks associated with their underlying assets and with pooled investment vehicles. MLPs with credit-related holdings are subject to interest-rate risk and risk of default. Many MLPs in which the fund may invest operate oil, natural gas, petroleum, or other facilities within the energy sector, which makes the fund susceptible to adverse economic, environmental, or regulatory developments impacting the sector.

**Natural resources industry risk.** The natural resources industry can be significantly affected by international political and economic developments, energy conservation and exploration efforts, commodity prices, and taxes and other governmental regulations, among other factors.

**Preferred and convertible securities risk.** Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

**Warrants risk.** The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The MSCI World Metals & Mining Index and the 60% MSCI World Energy Index/40% MSCI World Metals & Mining Index show how the fund’s performance...
compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Prior to the close of business on July 17, 2014, the fund was managed by a different subadvisor pursuant to a different investment strategy, and thus, the performance presented prior to this date should not be attributed to the current subadvisor. As a result of the difference in investment strategy and subadvisor, the fund’s performance shown below might have differed materially.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

### Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>40.22</td>
<td>–50.06</td>
<td>56.98</td>
<td>14.88</td>
<td>–19.98</td>
<td>0.51</td>
<td>2.85</td>
<td>–23.05</td>
<td>–28.93</td>
<td>33.89</td>
</tr>
</tbody>
</table>

### Year-to-date total return

The fund’s total return for the nine months ended September 30, 2017, was –2.96%.

**Best quarter:** Q2 ’09, 25.62%

**Worst quarter:** Q3 ’08, –36.21%

### Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Class NAV (before tax)</strong></td>
<td>33.89</td>
<td>–5.42</td>
<td>–2.64</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>33.34</td>
<td>–5.72</td>
<td>–4.01</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>19.19</td>
<td>–4.13</td>
<td>–1.31</td>
</tr>
<tr>
<td>MSCI World Energy Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>27.57</td>
<td>1.48</td>
<td>2.32</td>
</tr>
<tr>
<td>MSCI World Metals &amp; Mining Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>56.49</td>
<td>–7.52</td>
<td>–3.43</td>
</tr>
<tr>
<td>60% MSCI World Energy Index/ 40% MSCI World Metals &amp; Mining Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>38.95</td>
<td>–2.79</td>
<td>–0.43</td>
</tr>
</tbody>
</table>

### INVESTMENT MANAGEMENT

**Investment advisor** John Hancock Advisers, LLC

**Subadvisor** Jennison Associates LLC

### PORTFOLIO MANAGEMENT

**Neil P. Brown, CFA**  
Managing Director  
Managed the fund since 2014

**John “Jay” Saunders**  
Managing Director  
Managed the fund since 2014

### OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock New Opportunities Fund

INVESTMENT OBJECTIVE
The fund seeks long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.90</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.10</td>
</tr>
<tr>
<td>Acquired fund fees and expenses</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td><strong>1.01</strong></td>
</tr>
<tr>
<td>Contractual expense reimbursement†</td>
<td>−0.21</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses after expense reimbursements</strong></td>
<td><strong>0.80</strong></td>
</tr>
</tbody>
</table>

1. The advisor contractually agrees to waive its management fee so that the amount retained by the advisor after payment of subadvisory fees does not exceed 0.45% of the fund’s average net assets. The advisor also contractually agrees to reduce its management fee or, if necessary, make payment to the fund in an amount equal to the amount by which expenses of the fund exceed 0.79% of average net assets of the fund. For purposes of this agreement, “expenses of the fund” means all fund expenses, excluding (a) taxes, (b) brokerage commissions, (c) interest expense, (d) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the Fund’s business, (e) class specific expenses, (f) underlying fund expenses (acquired fund fees), (g) borrowing costs, (h) prime brokerage fees, and (i) short dividend expense. These agreements expire on December 31, 2018, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>82</td>
</tr>
<tr>
<td>3 years</td>
<td>301</td>
</tr>
<tr>
<td>5 years</td>
<td>537</td>
</tr>
<tr>
<td>10 years</td>
<td>1,217</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 41% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
The fund invests primarily in equity securities of companies considered small-capitalization companies by the fund’s managers. The fund also invests in mid-cap and micro-cap companies and reserves the right to invest in companies of any market-capitalization including large-cap companies. Market-capitalization classification is determined at the time of purchase by each manager using its own investment criteria. The market-capitalization of individual portfolio securities and the fund’s portfolio as a whole will vary over time as market conditions change.

The fund invests in equity securities, including common stock, preferred stock and equity-equivalent securities or instruments whose values are based on common stocks, such as convertible securities, rights, warrants or options (stock or stock index), futures contracts (stock or stock index), and index swaps.

The fund employs a multi style and multi manager approach in which portions of the fund’s assets are allocated to different managers that employ distinct investment styles. The fund currently has three managers. The fund’s advisor provides or oversees the provision of all investment advisory and portfolio management services for the fund, including overseeing the investment allocation for the fund and managing the fund’s overall portfolio characteristics, including investment style exposures.
The advisor selects managers for the fund, allocates fund assets among and oversees those managers, and evaluates their performance results. The managers select the individual portfolio securities for the assets assigned to them. The advisor considers various characteristics of the manager’s portfolio when allocating assets: market capitalization, growth and profitability, valuation, sector weightings, and earnings and price volatility. The advisor also considers the correlation between the managers’ historical and expected investment returns. Since the advisor will rebalance the fund only periodically, the actual portion of the fund managed by each manager at any given time will vary.

The fund may invest in and potentially emphasize any economic sector. The fund may also invest in growth or value equity securities. Growth securities are securities a manager believes will experience relatively rapid earnings growth. Value securities, on the other hand, are securities a manager believes are selling at prices below their fundamental value.

The fund also may invest in: (a) securities of foreign issuers, including foreign issuers located in emerging markets, either directly through investments in foreign currency-denominated securities traded outside of the United States or indirectly through depositary receipts; (b) real estate investment trusts (REITs); (c) initial public offerings (IPOs); and (d) master limited partnerships (MLPs). The fund may invest in derivatives such as swaps, options, futures contracts, or options on futures contracts to gain market exposure, to adjust market exposure, or to maintain liquidity to pay redemptions. The fund may invest in foreign currency forward contracts to manage the fund’s exposure to foreign currency. The fund also may invest in investment companies, including exchange-traded funds (ETFs) for the purpose of gaining exposure to equity markets while maintaining liquidity.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

- **Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.

- **Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

- **Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

- **Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

- **Exchange-traded funds risk.** An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

- **Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

- **Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, futures contracts, futures on options, options, and swaps. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk.

  In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

- **Initial public offerings risk.** IPO share prices are frequently volatile and may significantly impact fund performance.

- **Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

- **Large company risk.** Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.
Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

Master limited partnership risk. MLPs generally reflect the risks associated with their underlying assets and with pooled investment vehicles. MLPs with credit-related holdings are subject to interest-rate risk and risk of default.

Multi manager risk. The management teams’ investment styles may not complement each other as intended. A multi manager approach could result in more exposure to certain types of securities and higher portfolio turnover.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Real estate investment trust risk. REITs, pooled investment vehicles that typically invest in real estate directly or in loans collateralized by real estate, carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Real estate securities risk. Securities of companies in the real estate industry carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

Warrants risk. The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Prior to September 27, 2014, the fund was managed solely by Dimensional Fund Advisors LP and another subadvisor pursuant to a different investment strategy. The performance presented prior to this date should not be attributed to Brandywine Global Investment Management, LLC (Brandywine) or GW&K Investment Management, LLC (GW&K).

Effective June 1, 2015, the fund eliminated its policy of investing at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of small capitalization companies and adopted other investment strategy changes. The performance information presented for periods prior to June 1, 2015, reflects management of the fund consistent with investment strategies in effect during those periods (and without Brandywine and GW&K) and might have been different if the fund’s investments had been managed under its current investment strategies by all of its current managers.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>–8.03</td>
</tr>
<tr>
<td>2008</td>
<td>–42.09</td>
</tr>
<tr>
<td>2009</td>
<td>32.54</td>
</tr>
<tr>
<td>2010</td>
<td>30.15</td>
</tr>
<tr>
<td>2011</td>
<td>–2.59</td>
</tr>
<tr>
<td>2012</td>
<td>16.88</td>
</tr>
<tr>
<td>2013</td>
<td>40.54</td>
</tr>
<tr>
<td>2014</td>
<td>2.36</td>
</tr>
<tr>
<td>2015</td>
<td>–6.19</td>
</tr>
<tr>
<td>2016</td>
<td>20.58</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 8.54%.

Best quarter: Q2 ’09, 25.26%
Worst quarter: Q4 ’08, –25.97%
Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Class NAV (before tax)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>20.58</td>
<td>13.72</td>
<td>5.46</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>20.28</td>
<td>11.63</td>
<td>4.34</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>11.70</td>
<td>10.66</td>
<td>4.12</td>
</tr>
<tr>
<td>Russell 2000 Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>21.31</td>
<td>14.46</td>
<td>7.07</td>
</tr>
</tbody>
</table>

**INVESTMENT MANAGEMENT**

**Investment advisor** John Hancock Advisers, LLC
**Subadvisor** Brandywine Global Investment Management, LLC (Brandywine)
**Subadvisor** Dimensional Fund Advisors LP (Dimensional)
**Subadvisor** GW&K Investment Management, LLC (GW&K)

**PORTFOLIO MANAGEMENT**

For each subadvisor, the listed portfolio managers are jointly and primarily responsible for the day-to-day management of the portion of the fund’s portfolio managed by that subadvisor.

**Brandywine**

Justin C. Bennitt
*Portfolio Manager (Co-Lead) & Research Analyst*
Managed the fund since 2015

Gregory P. Manley, CFA
*Portfolio Manager (Co-Lead) & Research Analyst*
Managed the fund since 2015

**Dimensional**

Joseph H. Chi, CFA
*Senior Portfolio Manager and Vice President*
Managed the fund since 2012

Jed S. Fogdall
*Senior Portfolio Manager and Vice President*
Managed the fund since 2012

Joel Schneider
*Senior Portfolio Manager and Vice President*
Managed the fund since 2015

**GW&K**

Joseph C. Craigen, CFA
*Principal and Equity Portfolio Manager*
Managed the fund since 2014

Daniel L. Miller, CFA
*Partner and Director of Equities*
Managed the fund since 2014

**OTHER IMPORTANT INFORMATION REGARDING THE FUND**

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
**INVESTMENT OBJECTIVE**

To seek long-term growth through a combination of capital appreciation and current income.

**FEES AND EXPENSES**

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.87</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.07</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td><strong>0.94</strong></td>
</tr>
</tbody>
</table>

**EXPENSE EXAMPLE**

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>96</td>
</tr>
<tr>
<td>3 years</td>
<td>300</td>
</tr>
<tr>
<td>5 years</td>
<td>520</td>
</tr>
<tr>
<td>10 years</td>
<td>1,155</td>
</tr>
</tbody>
</table>

**PORTFOLIO TURNOVER**

The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 16% of the average value of its portfolio.

**PRINCIPAL INVESTMENT STRATEGIES**

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in the equity securities of real estate companies. The definition of real estate companies is broad and includes those that derive at least 50% of revenues or profits from, or commit at least 50% of assets to, real estate activities.

The fund is likely to maintain a substantial portion of assets in real estate investment trusts (“REITs”). REITs are pooled investment vehicles that typically invest directly in real estate, in mortgages and loans collateralized by real estate, or in a combination of the two. “Equity” REITs invest primarily in real estate that produces income from properties. “Mortgage” REITs invest primarily in mortgages and derive their income from interest payments. The fund generally invests in equity REITs. Other investments in the real estate industry may include real estate operating companies, brokers, developers, and builders of residential, commercial, and industrial properties; property management firms, finance, mortgage, and mortgage servicing firms; construction supply and equipment manufacturing companies; and firms dependent on real estate holdings for revenues and profits, including lodging, leisure, timber, mining and agriculture companies.

The types of properties owned, and sometimes managed, by REITs include: office buildings, apartments and condominiums, retail properties, industrial and commercial sites, hotels and resorts, health care facilities, manufactured housing, self-storage facilities, leisure properties and special use facilities.

REITs usually specialize in a particular type of property and may concentrate their investments in particular geographical areas. For this reason and others, investing in REITs may provide investors with an efficient, low-cost means of diversifying among various types of property in different regions.

The fund will not own real estate directly and will have no restrictions on the size of companies selected for investment. Up to 20% of the fund’s net assets may be invested in companies deriving a substantial portion of revenues or profits from servicing real estate firms or in companies unrelated to the real estate business.
Stock selection is based on fundamental, bottom-up analysis that generally seeks to identify high-quality companies with both good appreciation prospects and income-producing potential. Factors considered by the manager in selecting real estate companies include one or more of the following: relative valuation; free cash flow; undervalued assets; quality and experience of management; type of real estate owned; and the nature of a company’s real estate activities.

In pursuing the fund’s investment objective, the manager has the discretion to deviate from its normal investment criteria, as described above, and purchase securities that the manager believes will provide an opportunity for substantial appreciation. These special situations might arise when the manager believes a security could increase in value for a variety of reasons, including a change in management, an extraordinary corporate event, a new product introduction or innovation, or a favorable competitive development.

While most assets will be invested in U.S. common stocks, other securities may also be purchased, including foreign stocks (up to 25% of total assets), convertible securities, futures, and options, in keeping with the objectives of the fund. The fund may invest in debt securities of any type, including municipal securities, without regard to quality or rating. The fund may purchase up to 10% of its total assets in any type of below-investment-grade debt securities (or “junk bonds”) including those in default. Fund investments in convertible securities are not subject to this limit. Below-investment-grade bonds or junk bonds can be more volatile and have a greater risk of default than investment-grade bonds. The fund’s fixed-income investments may include privately negotiated notes or loans, including loan participations and assignments (“bank loans”). These investments in bank loans will only be made in companies, municipalities or entities that meet the fund’s investment criteria. Some loans may be illiquid. Since the fund invests primarily in equity securities, the risks associated with fixed-income securities will not affect the fund as much as they would a fund that invests more of its assets in fixed-income securities.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below (or even relatively nominal) rates.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar- and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less. The fund may invest its cash reserves in U.S. dollars and foreign currencies.

The fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

The fund concentrates its investments in securities of issuers in the real estate industry.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Concentration risk.** Because the fund may focus on one or more industries or sectors of the economy, its performance depends in large part on the performance of those sectors or industries. As a result, the value of an investment may fluctuate more widely than it would in a fund that is diversified across industries and sectors. A downturn in the real estate industry may significantly detract from performance.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of
investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts and options. Futures contracts and options generally are subject to counterparty risk.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Loan participations risk.** Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Real estate investment trust risk.** REITs, pooled investment vehicles that typically invest in real estate directly or in loans collateralized by real estate, carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

**Real estate securities risk.** Securities of companies in the real estate industry carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

**PAST PERFORMANCE**

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

**Calendar year total returns (%)—Class NAV**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Return</td>
<td>–18.56</td>
<td>–40.63</td>
<td>30.08</td>
<td>29.67</td>
<td>7.02</td>
<td>16.91</td>
<td>3.10</td>
<td>29.85</td>
<td>4.71</td>
<td>5.73</td>
</tr>
</tbody>
</table>

**Year-to-date total return.** The fund’s total return for the nine months ended September 30, 2017, was 0.98%.

**Best quarter:** Q2 ’09, 36.19%

**Worst quarter:** Q4 ’08, –40.13%
Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>5.73</td>
<td>11.62</td>
<td>4.22</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>1.95</td>
<td>9.62</td>
<td>2.56</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>5.38</td>
<td>8.82</td>
<td>2.75</td>
</tr>
<tr>
<td>Wilshire US REIT Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>7.24</td>
<td>12.02</td>
<td>4.80</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor T. Rowe Price Associates, Inc.

PORTFOLIO MANAGEMENT

David M. Lee, CFA
Vice President
Managed the fund since 2006

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Real Estate Securities Fund

INVESTMENT OBJECTIVE
To seek to achieve a combination of long-term capital appreciation and current income.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.70</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.74</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>76</td>
</tr>
<tr>
<td>3 years</td>
<td>237</td>
</tr>
<tr>
<td>5 years</td>
<td>411</td>
</tr>
<tr>
<td>10 years</td>
<td>918</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 159% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of real estate investment trusts (“REITs”) and real estate companies. Equity securities include common stock, preferred stock and securities convertible into common stock.

A company is considered to be a real estate company if, in the opinion of the manager, at least 50% of its revenues or 50% of the market value of its assets at the time its securities are purchased by the fund are attributed to the ownership, construction, management or sale of real estate.

The manager looks for real estate securities it believes will provide superior returns to the fund, and attempts to focus on companies with the potential for stock price appreciation and a record of paying dividends.

To find these issuers, the manager tracks economic conditions and real estate market performance in major metropolitan areas and analyzes performance of various property types within those regions. To perform this analysis, it uses information from a nationwide network of real estate professionals to evaluate the holdings of real estate companies and REITs in which the fund may invest. Its analysis also includes the companies’ management structure, financial structure and business strategy. The goal of these analyses is to determine which of the issuers the manager believes will be the most profitable to the fund. The manager also considers the effect of the real estate securities markets in general when making investment decisions. The manager does not attempt to time the market.

A REIT invests primarily in income-producing real estate or makes loans to persons involved in the real estate industry.

Some REITs, called equity REITs, buy real estate and pay investors income from the rents received from the real estate owned by the REIT and from any profits on the sale of its properties. Other REITs, called mortgage REITs, lend money to building developers and other real estate companies and pay investors income from the interest paid on those loans. There are also hybrid REITs which engage in both owning real estate and making loans.

If a REIT meets certain requirements, it is not taxed on the income it distributes to its investors.

The fund may realize some short-term gains or losses if the manager chooses to sell a security because it believes that one or more of the following is true:
- A security is not fulfilling its investment purpose;
- A security has reached its optimum valuation; or
- A particular company or general economic conditions have changed.

Based on its recent practices, the manager expects that the fund’s assets will be invested primarily in equity REITs. In changing market conditions, the fund may invest in other types of REITs.

When the manager believes that it is prudent, the fund may invest a portion of its assets in other types of securities. These securities may include convertible securities, short-term securities, bonds, notes, securities of companies not principally engaged in the real estate industry, non-leveraged stock index futures contracts and other similar securities. (Stock index futures contracts, can help the fund’s cash assets remain liquid while performing more like stocks.)

The fund may invest up to 10% of its total assets in securities of foreign real estate companies.

The fund is a non-diversified fund, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer. The fund concentrates its investments in securities of issuers in the real estate industry.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Concentration risk.** Because the fund may focus on one or more industries or sectors of the economy, its performance depends in large part on the performance of those sectors or industries. As a result, the value of an investment may fluctuate more widely than it would in a fund that is diversified across industries and sectors. A downturn in the real estate industry may significantly detract from performance.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts. Futures contracts generally are subject to counterparty risk.

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Non-diversified risk.** Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.
Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Real estate investment trust risk. REITs, pooled investment vehicles that typically invest in real estate directly or in loans collateralized by real estate, carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Real estate securities risk. Securities of companies in the real estate industry carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

A note on performance

Class 1 shares commenced operations on October 15, 2005. Because Class NAV shares of the fund had not commenced operations as of the date of this prospectus, the returns shown are those of Class 1 shares. Returns for Class NAV shares would have been substantially similar to returns of Class 1 shares because each share class is invested in the same portfolio of securities and returns would differ only to the extent that expenses of the classes are different.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>–15.72</td>
<td>–38.98</td>
<td>30.33</td>
<td>29.06</td>
<td>9.38</td>
<td>17.18</td>
<td>–0.19</td>
<td>31.58</td>
<td>2.77</td>
<td>6.91</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 3.75%.

Best quarter: Q3 ’09, 32.15%

Worst quarter: Q4 ’08, –39.61%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>6.91</td>
<td>11.07</td>
<td>4.81</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>2.66</td>
<td>7.62</td>
<td>2.43</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>4.91</td>
<td>7.85</td>
<td>3.12</td>
</tr>
<tr>
<td>MSCI US REIT Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>8.60</td>
<td>11.86</td>
<td>4.96</td>
</tr>
</tbody>
</table>

1 Previously, returns for Class NAV shares were those of Class 1 shares that were recalculated to apply the estimated gross fees and expenses of Class NAV shares.

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Deutsche Investment Management Americas Inc
Sub-Subadvisor RREEF America L.L.C.
PORTFOLIO MANAGEMENT

Robert Thomas
Managing Director; Co-Lead Portfolio Manager and Co-Head of Americas Real Estate Securities
Managed the fund since 2017

David W. Zonavetch, CPA
Managing Director; Co-Lead Portfolio Manager and Co-Head of Americas Real Estate Securities
Managed the fund since 2013

John W. Vojticek
Managing Director; CIO and Global Portfolio Manager of Real Estate Securities
Managed the fund since 1996

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
**John Hancock Real Return Bond Fund**

**INVESTMENT OBJECTIVE**

To seek maximum real return, consistent with preservation of real capital and prudent investment management.

**FEES AND EXPENSES**

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.70</td>
</tr>
<tr>
<td>Other expenses1</td>
<td>0.14</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td><strong>0.84</strong></td>
</tr>
</tbody>
</table>

1 “Other expenses” reflect interest expense resulting from the fund’s use of certain investments such as reverse repurchase agreements or sale-buybacks. Such expense is required to be treated as a fund expense for accounting purposes. Any interest expense amount will vary based on the fund’s use of those investments as an investment strategy. Had these expenses been excluded, “Other expenses” would have been 0.04%.

**EXPENSE EXAMPLE**

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>86</td>
</tr>
<tr>
<td>3 years</td>
<td>268</td>
</tr>
<tr>
<td>5 years</td>
<td>466</td>
</tr>
<tr>
<td>10 years</td>
<td>1,037</td>
</tr>
</tbody>
</table>

**PORTFOLIO TURNOVER**

The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 81% of the average value of its portfolio.

**PRINCIPAL INVESTMENT STRATEGIES**

Under normal market conditions, the fund invests at least 80% of its net assets (plus borrowings for investment purposes) in inflation-indexed bonds of varying maturities issued by the U.S. and foreign governments, their agencies or instrumentalities and corporations, which may be represented by forwards or derivatives such as options, futures contracts, or swap agreements.

Inflation-indexed bonds are fixed-income securities that are structured to provide protection against inflation. The value of the bond’s principal or the interest income paid on the bond is adjusted to track changes in an official inflation measure. The U.S. Treasury uses the Consumer Price Index for Urban Consumers as the inflation measure. Inflation-indexed bonds issued by a foreign government are generally adjusted to reflect a comparable inflation index, calculated by that government. “Real return” equals total return less the estimated cost of inflation, which is typically measured by the change in an official inflation measure.

The types of fixed-income securities in which the fund may invest include the following securities which, unless otherwise noted, may be issued by domestic or foreign issuers and may be denominated in U.S. dollars or foreign currencies:

- securities issued or guaranteed by the U.S. government, its agencies or government-sponsored enterprises;
- corporate debt securities of U.S. and foreign issuers, including convertible securities and corporate commercial paper;
- mortgage-backed and other asset-backed securities;
- inflation-indexed bonds issued by both governments and corporations;
- structured notes, including hybrid or “indexed” securities, event-linked bonds, bank capital and trust preferred securities;
- loan participations and assignments;
- delayed funding loans and revolving credit facilities;
- bank certificates of deposit, fixed time deposits and bankers’ acceptances;
- debt securities issued by states or local governments and their agencies, authorities and other government-sponsored enterprises;
- repurchase agreements and reverse repurchase agreements;
- obligations of foreign governments or their subdivisions, agencies and government-sponsored enterprises; and
- obligations of international agencies or supranational entities.

Fixed-income securities may have fixed, variable, or floating rates of interest, including rates of interest that vary inversely at a multiple of a designated or floating rate, or that vary according to change in relative values of currencies.

The fund invests primarily in investment-grade securities, but may invest up to 10% of its total assets in high yield securities (“junk bonds”) rated B or higher by Moody’s Investors Service, Inc. or equivalently rated by Standard and Poor’s Ratings Services or Fitch Ratings Inc., or, if unrated, determined by the manager to be of comparable quality. The fund’s investment policies are based on credit ratings at the time of purchase. The fund may also invest up to 30% of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers. The fund may invest in baskets of foreign currencies (such as the euro) and direct currency. The fund will normally limit its foreign currency exposure (from foreign currency-denominated securities or foreign currencies) to 20% of its total assets. The fund may invest up to 10% of its total assets in securities and instruments that are economically tied to emerging market countries. This limitation does not apply to investment grade sovereign debt denominated in the local currency with less than 1 year remaining to maturity. The effective duration of this fund normally varies within three years (plus or minus) of the duration of the benchmark, as calculated by the manager.

The fund may invest up to 10% of its total assets in preferred stocks.

The fund may also lend its portfolio securities to brokers, dealers and other financial institutions to earn income. The fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls).

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may make short sales of a security including short sales “against the box.”

The fund may:
- purchase and sell options on domestic and foreign securities, securities indexes and currencies,
- purchase and sell futures and options on futures,
- purchase and sell currency or securities on a forward basis, and
- enter into interest rate, index, equity, total return, currency, and credit default swap agreements.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund’s investments. Foreign currencies may decline in value, which could negatively impact performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations.
**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: credit default swaps, foreign currency forward contracts, foreign currency swaps, futures contracts, repurchase agreements, interest-rate swaps, inverse floating-rate securities, options, and reverse repurchase agreements. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk. An event of default or insolvency of the counterparty to a reverse repurchase agreement could result in delays or restrictions with respect to the fund’s ability to dispose of the underlying securities, in addition, a reverse repurchase agreement may be considered a form of leverage and may, therefore, increase fluctuations in the fund’s net asset value per share (NAV).

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

**Inflation-linked security risk.** Inflation-linked debt securities are subject to the effects of changes in market interest rates caused by factors other than inflation (real interest rates). In general, the price of an inflation-linked security tends to decline when real interest rates increase. Unlike conventional bonds, the principal and interest payments of inflation-linked securities such as TIPS are adjusted periodically to a specified rate of inflation (e.g., Non-Seasonally Adjusted Consumer Price Index for all Urban Consumers (CPI-U)). There can be no assurance that the inflation index used will accurately measure the real rate of inflation. These securities may lose value in the event that the actual rate of inflation is different than the rate of the inflation index.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Loan participations risk.** Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Mortgage-backed and asset-backed securities risk.** Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

**Municipal bond risk.** The prices of municipal bonds, including general obligation bonds, can decline if the issuer’s credit quality declines. Revenue bond prices can decline if related projects become unprofitable. An insured municipal bond is subject to the risk that the insurer may be unable to pay claims and is not insured with respect to the market value of the obligation. Municipal bond income could become taxable in the future. Investments in AMT bonds may result in tax liability for shareholders.

**Preferred and convertible securities risk.** Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

**Short sales risk.** In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.
PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>11.26</td>
<td>–6.31</td>
<td>17.93</td>
<td>8.05</td>
<td>11.23</td>
<td>8.80</td>
<td>–9.68</td>
<td>3.15</td>
<td>–2.91</td>
<td>4.85</td>
<td></td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 2.23%.

Best quarter: Q1 ’09, 6.93%
Worst quarter: Q2 ’13, –8.27%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>NAV</th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>4.85</td>
<td>0.63</td>
<td>4.31</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>3.96</td>
<td>–0.50</td>
<td>2.27</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>2.75</td>
<td>0.07</td>
<td>2.63</td>
</tr>
<tr>
<td>Bloomberg Barclays US TIPS Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>4.68</td>
<td>0.89</td>
<td>4.36</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Pacific Investment Management Company LLC

PORTFOLIO MANAGEMENT

Jeremie Banet
Executive Vice President and Portfolio Manager
Managed the fund since 2015

Mihir P. Worah
Managing Director and Portfolio Manager
Managed the fund since 2008

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Redwood Fund

INVESTMENT OBJECTIVE
The fund seeks long-term capital appreciation with a high degree of downside protection and reduced volatility relative to the broad U.S. equity market.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>1.12</td>
</tr>
<tr>
<td>Other expenses¹</td>
<td>0.10</td>
</tr>
<tr>
<td>Acquired fund fees and expenses²</td>
<td>0.05</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses³</strong></td>
<td><strong>1.27</strong></td>
</tr>
</tbody>
</table>

¹ “Other expenses” shown exclude certain one-time extraordinary expenses incurred in the prior fiscal year equivalent to 0.01%.
² “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.
³ The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>129</td>
</tr>
<tr>
<td>3 years</td>
<td>403</td>
</tr>
<tr>
<td>5 years</td>
<td>697</td>
</tr>
<tr>
<td>10 years</td>
<td>1,534</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 124% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
The fund seeks to achieve its investment objective, under normal circumstances, by primarily investing in U.S. equities and simultaneously selling a call option against those stocks. The call options will typically have a strike price lower than the current stock price, which is termed “in the money.” This combination of long stock position and short in the money call option creates a yield instrument. Additionally, the fund can engage in writing out-of-the-money put options on U.S. equities. Writing out-of-the-money put options is analogous to buying the stock and selling the call option with the same strike price and generally achieves the same result. These two strategies are equivalent in terms of risk/reward due to put-call parity. In making investment decisions, the manager ordinarily analyzes estimates of “intrinsic value” (i.e., the potential downside volatility level) and correlation between such estimates and time to expiration, as well as potential returns relative to risk.

The strike price of the call options is usually set at or below the estimated intrinsic value level of the securities against which they are sold and the time to expiration of the options that the fund sells varies. The fund may also write (sell) in-the-money call options on equity indexes and/or exchange-traded funds and write call options on individual securities that it does not hold in its portfolio (i.e., naked call options).

The issuers of equity securities purchased by the fund will primarily have market capitalizations in excess of $2 billion. The fund may invest in companies located both within and outside the United States (including in emerging markets). The fund may invest any percentage of assets in any one country, region or geographic area. The fund may invest in initial public offerings (IPOs) and in exchange-traded funds (ETFs). In addition to common stocks and other equity securities (such as preferred stocks, convertible securities, and warrants), the fund may use foreign currency exchange contracts, options, stock index futures contracts, and other derivative...
instruments, primarily for the purpose of reducing the risks of individual equity positions and maximizing risk-adjusted returns, and may also be used to hedge broad market exposure. In addition to the use of written option contracts, the fund may use foreign currency exchange contracts, other options, stock index futures contracts, other futures and forward contracts, swap agreements, variance swaps, convertibles and reverse convertibles, and other derivative instruments for hedging purposes or to enhance return. Variance swap agreements involve an agreement by the two parties to exchange cash flows based on the measured variance (or square of volatility) of a specified underlying asset.

The fund’s investment process may result in an extremely high portfolio turnover ratio.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

**Exchange-traded funds risk.** An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, futures contracts, options, and swaps. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk. With naked short call positions, the writer of the option may have unlimited liability as the writer may be forced to purchase the stock for delivery at a significantly higher price than the strike price of the option.

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Initial public offerings risk.** IPO share prices are frequently volatile and may significantly impact fund performance.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

**Preferred and convertible securities risk.** Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

**Warrants risk.** The prices of warrants may not precisely reflect the prices of their underlying securities. Warrant holders do not receive dividends or have voting or credit rights. A warrant ceases to have value if not exercised prior to its expiration date.
PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The CBOE S&P 500 BuyWrite Index shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Prior to the close of business on March 17, 2014, the fund was managed by a different subadvisor, but not a different lead portfolio manager, and thus, the performance presented prior to this date should not be attributed to the current subadvisor. The current portfolio manager has been the lead portfolio manager of the fund since inception. As a result of the difference in subadvisor, the fund’s performance shown below might have differed materially.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>5.68</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>6.69</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>2.24</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>–1.36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>2.89</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 4.26%.

Best quarter: Q1 ’12, 4.51%
Worst quarter: Q3 ’15, –4.77%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (09/29/11)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>2.89</td>
<td>3.19</td>
<td>3.91</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>2.89</td>
<td>2.07</td>
<td>2.82</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>1.63</td>
<td>2.12</td>
<td>2.70</td>
</tr>
<tr>
<td>Bank of America Merrill Lynch 3 Month Treasury Bill Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>0.33</td>
<td>0.12</td>
<td>0.11</td>
</tr>
<tr>
<td>CBOE S&amp;P 500 BuyWrite Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>7.07</td>
<td>7.24</td>
<td>9.69</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Boston Partners Global Investors, Inc.

PORTFOLIO MANAGEMENT

Todd C. Hawthorne
Portfolio Manager
Managed the fund since 2011

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
**INVESTMENT OBJECTIVE**
To seek long-term growth of capital. Current income is incidental to the fund’s objective.

**FEES AND EXPENSES**
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Description</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shareholder fees (%) (fees paid directly from your investment)</strong></td>
<td>None</td>
</tr>
<tr>
<td><strong>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</strong></td>
<td></td>
</tr>
<tr>
<td>Management fee</td>
<td>1.02</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.05</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td>1.07</td>
</tr>
</tbody>
</table>

**EXPENSE EXAMPLE**
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Duration</th>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>109</td>
<td>340</td>
</tr>
<tr>
<td>3 years</td>
<td>340</td>
<td>590</td>
</tr>
<tr>
<td>5 years</td>
<td>590</td>
<td>1,306</td>
</tr>
<tr>
<td>10 years</td>
<td>1,306</td>
<td></td>
</tr>
</tbody>
</table>

**PORTFOLIO TURNOVER**
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 93% of the average value of its portfolio.

**PRINCIPAL INVESTMENT STRATEGIES**
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in the common stocks of companies expected to benefit from the development, advancement, and/or use of science and technology. For purposes of satisfying this requirement, common stock may include equity-linked notes and derivatives relating to common stocks, such as options on equity-linked notes.

The fund employs a multi-manager approach with two managers, each of which employs its own investment approach and independently manages its portion of the fund. The fund will be rebalanced periodically so that the managers manage the following portions of the fund:

- 50% * Allianz Global Investors U.S. LLC (“AllianzGI US”)
- 50% * T. Rowe Price Associates, Inc. (“T. Rowe Price”)

*Percentages are approximate. Since the fund is only rebalanced periodically, the actual portion of the fund managed by each manager will vary.

This allocation methodology may change in the future.

Some industries likely to be represented in the fund include:
- information technology including hardware, software, semiconductors and technology equipment
- telecommunications equipment and services
- media including advertising, broadcasting, cable and satellite, movies, entertainment, publishing and information services
- environmental services
- internet commerce and advertising
- life sciences and health care, including pharmaceuticals, health care equipment and services, and biotechnology
• chemicals and synthetic materials
• defense and aerospace
• alternative energy

While most of the fund’s assets are invested in U.S. common stocks, the fund may also purchase other types of securities, including U.S. dollar- and foreign currency-denominated foreign securities, convertible stocks and bonds, and warrants, and use futures and options, in keeping with the fund’s investment objective.

Stock selection for the fund generally reflects a growth approach based on an assessment of a company’s fundamental prospects for above-average earnings, rather than on a company’s size. As a result, fund holdings can range from securities of small companies developing new technologies to securities of blue chip firms with established track records. The fund may also invest in companies that are expected to benefit from technological advances even if they are not directly involved in research and development. The fund may invest in technology companies through initial public offerings (IPOs).

The fund holds a certain portion of its assets in money market reserves, which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar- and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.

The fund may sell securities for a variety of reasons such as to secure gains, limit losses or redeploy assets into more promising opportunities.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below market (or even relatively nominal) rates.

In managing its portion of the fund, AllianzGI US may enter into short sales including short sales against the box.

In pursuing the fund’s investment objective, each manager has the discretion to purchase some securities that do not meet its normal investment criteria, as described above, when they perceive an unusual opportunity for gain. These special situations might arise when a manager believes a security could increase in value for a variety of reasons including a change in management, an extraordinary corporate event, a new product introduction or innovation, or a favorable competitive development.

The fund’s investment process may, at times, result in a higher-than-average portfolio turnover ratio and increased trading expenses.

### PRINCIPAL RISKS OF INVESTING IN THE FUND

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Convertible securities risk.** The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. As the market price of underlying common stock declines below the conversion price, the market value of the convertible security tends to be increasingly influenced by its yield.

**Credit and counterparty risk.** The counterparty to an over-the-counter derivatives contract or a borrower of fund securities may not make timely payments or otherwise honor its obligations.

**Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund’s investments. Foreign currencies may decline in value, which could negatively impact performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The value of a company’s equity securities is subject to changes in the company’s financial condition, and overall market and economic conditions. Investments in the stocks of privately held companies and newly public companies involve greater risks than investments in stocks of companies that have traded publicly on an exchange for extended time periods. Investments in such companies are less liquid and difficult to value, and there is significantly less information available about these companies’ business models, quality of management, earnings growth potential, and other criteria used to evaluate their investment prospects.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**Shanghai-Hong Kong Stock Connect Program (Stock Connect) Risk.** The fund’s investments in eligible renminbi-denominated class A shares of equity securities that are listed and traded on the Shanghai Stock Exchange (SSE) (China A-Shares) through Stock Connect are generally subject to Chinese securities regulations and SSE listing rules. The fund may not sell, purchase, or otherwise transfer China A-Shares other than via Stock Connect, which may restrict or
preclude the fund’s ability to invest in China A-Shares. Stock Connect is subject to quota limitations when purchasing securities, which may restrict the fund’s ability to trade via Stock Connect on a timely basis. This may impact the fund’s ability to implement its investment strategy effectively.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts, equity-linked notes (equity-linked notes generally reflect the risks associated with their underlying securities, depend on the credit of the note’s issuer, may be privately placed, and may have a limited secondary market), and options. Futures contracts and options generally are subject to counterparty risk.

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

**Initial public offerings risk.** IPO share prices are frequently volatile and may significantly impact fund performance.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Large company risk.** Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

**Short sales risk.** In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

**Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

**PAST PERFORMANCE**

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The Lipper Science and Technology Index shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

**Calendar year total returns (%)—Class NAV**

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>13.62</td>
<td>7.19</td>
<td>8.35</td>
</tr>
</tbody>
</table>

**Year-to-date total return.** The fund’s total return for the nine months ended September 30, 2017, was 31.49%.

**Best quarter:** Q3 ’16, 12.00%

**Worst quarter:** Q3 ’15, –8.48%
Average annual total returns (%)—as of 12/31/16

Class NAV (before tax) 8.35 15.39
after tax on distributions 5.84 11.46
after tax on distributions, with sale 6.44 11.30
S&P 500 Index (reflects no deduction for fees, expenses, or taxes) 11.96 12.85
Lipper Science and Technology Index (reflects no deduction for fees, expenses, or taxes) 9.79 14.18

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Allianz Global Investors U.S. LLC
Subadvisor T. Rowe Price Associates, Inc.

PORTFOLIO MANAGEMENT

T. Rowe Price
Ken Allen
Vice President
Managed the fund since 2009

Allianz
Huachen Chen
Managing Director and Senior Portfolio Manager
Managed the fund since 2013
Walter C. Price
Managing Director and Senior Portfolio Manager
Managed the fund since 2013

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Short Term Government Income Fund

INVESTMENT OBJECTIVE
To seek a high level of current income consistent with preservation of capital. Maintaining a stable share price is a secondary goal.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.56</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.07</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.63</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>64</td>
</tr>
<tr>
<td>3 years</td>
<td>202</td>
</tr>
<tr>
<td>5 years</td>
<td>351</td>
</tr>
<tr>
<td>10 years</td>
<td>786</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 68% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
The fund seeks to achieve its investment objective by investing under normal circumstances at least 80% of its net assets (plus borrowings for investment purposes) in obligations issued or guaranteed by the U.S. government and its agencies, authorities or instrumentalities (U.S. government securities). Under normal circumstances, the fund’s effective duration is no more than three years.

U.S. government securities may be supported by:
- The full faith and credit of the United States government, such as Treasury bills, notes and bonds, and Government National Mortgage Association Certificates.
- The right of the issuer to borrow from the U.S. Treasury, such as obligations of the Federal Home Loan Mortgage Corporation.
- The credit of the instrumentality, such as for obligations of the Federal National Mortgage Association.

The fund may invest in higher-risk securities, including U.S. dollar-denominated foreign government securities and asset-backed securities. It may also invest up to 10% of its net assets in foreign governmental high yield securities (junk bonds) rated as low as B and their unrated equivalents. The fund’s investment policies are based on credit ratings at the time of purchase.

In managing the portfolio of the fund, the manager considers interest rate trends to determine which types of bonds to emphasize at a given time. The fund typically favors mortgage-related securities when it anticipates that interest rates will be relatively stable, and favors U.S. Treasuries at other times. Because high yield bonds often respond to market movements differently from U.S. government bonds, the fund may use them to manage volatility.

The fund may invest in mortgage-related securities and Treasury futures to protect against adverse changes and manage risks.

The fund may invest in other investment companies, including exchange traded funds ("ETFs"), and engage in short sales.
Under normal circumstances, the fund’s effective duration is no more than three years, which means that the fund may purchase securities with a duration of greater than three years as long as the fund’s average duration does not exceed three years.

The fund may trade securities actively which could increase transaction costs (thus lowering performance).

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Exchange-traded funds risk.** An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Investment company securities risk.** A fund bears underlying fund fees and expenses indirectly.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Mortgage-backed and asset-backed securities risk.** Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

**Short sales risk.** In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

**PAST PERFORMANCE**

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.
Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.90</td>
<td>2.94</td>
<td>2.71</td>
<td>1.05</td>
<td>−0.83</td>
<td>0.99</td>
<td>0.52</td>
<td>0.18</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 0.95%.

Best quarter: Q2 ’10, 1.66%
Worst quarter: Q2 ’13, −1.31%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Class NAV (before tax)</th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (01/02/09)</th>
</tr>
</thead>
<tbody>
<tr>
<td>after tax on distributions</td>
<td>−0.53</td>
<td>−0.31</td>
<td>0.44</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>0.10</td>
<td>0.00</td>
<td>0.62</td>
</tr>
<tr>
<td>Bloomberg Barclays US Government 1–5 Yr Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>1.02</td>
<td>0.80</td>
<td>1.46</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor John Hancock Asset Management a division of Manulife Asset Management (US) LLC

PORTFOLIO MANAGEMENT

Jeffrey N. Given
Vice President
Managed the fund since 2008

Howard C. Greene
Senior Vice President
Managed the fund since 2008

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Small Cap Growth Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee¹</td>
<td>1.00</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.07</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td><strong>1.07</strong></td>
</tr>
</tbody>
</table>

¹ “Management fee” has been restated to reflect the contractual management fee schedule effective July 1, 2017.

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>109</td>
</tr>
<tr>
<td>3 years</td>
<td>340</td>
</tr>
<tr>
<td>5 years</td>
<td>590</td>
</tr>
<tr>
<td>10 years</td>
<td>1,306</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 101% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in small-cap companies. For the purposes of the fund, “small cap companies” are those with market capitalizations, at the time of investment, not exceeding the maximum market capitalization of any company represented in either the Russell 2000 Index (approximately $9.1 billion as of October 31, 2017) or the S&P Small Cap 600 Index (approximately $5.9 billion as of October 31, 2017).

The fund invests in small-cap companies that are believed to offer above-average potential for growth in revenues and earnings. Market capitalizations of companies in the indices change over time; however, the fund will not sell a security just because a company has grown to a market capitalization outside the maximum range of the indices.

The manager selects stocks using a combination of quantitative screens and bottom-up, fundamental security research. Quantitative screening seeks to narrow the list of small capitalization companies and to identify a group of companies with strong revenue growth and accelerating earnings. Fundamental equity research seeks to identify individual companies from that group with a higher potential for earnings growth and capital appreciation.

The manager looks for companies based on a combination of criteria including one or more of the following:

- Improving market shares and positive financial trends;
- Superior management with significant equity ownership; and
- Attractive valuations relative to earnings growth outlook.

The fund is likely to experience periods of higher turnover in portfolio securities because the manager frequently adjusts the selection of companies and/or their position size based on these criteria. The fund’s sector exposures are broadly diversified, but are primarily a result of stock selection and therefore may vary
significantly from its benchmark. The fund may invest up to 25% of its total assets in foreign securities, including emerging market securities. The fund may invest significantly in the information technology sector.

Except as otherwise stated under “Additional information about the funds,” the fund normally has 10% or less (usually lower) of its total assets in cash and cash equivalents.

The fund may invest in initial public offerings (IPOs). The fund may also purchase each of the following types of securities: U.S. dollar-denominated foreign securities and certain exchange-traded funds (ETFs).

PRINCIPAL RISKS OF INVESTING IN THE FUND

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The value of a company’s equity securities is subject to changes in the company’s financial condition, and overall market and economic conditions. Investments in the stocks of privately held companies and newly public companies involve greater risks than investments in stocks of companies that have traded publicly on an exchange for extended time periods. Investments in such companies are less liquid and difficult to value, and there is significantly less information available about these companies’ business models, quality of management, earnings growth potential, and other criteria used to evaluate their investment prospects.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Information technology risk. Information technology companies can be significantly affected by rapid obsolescence, short product cycles, competition, and government regulation, among other factors.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.
Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>33.33</td>
<td>21.53</td>
<td>-6.06</td>
<td>16.32</td>
<td>44.12</td>
<td>6.96</td>
<td>-9.11</td>
<td>1.89</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 20.25%.

Best quarter: Q3 ’09, 18.64%

Worst quarter: Q3 ’11, –22.45%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Factor</th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (09/10/08)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>1.89</td>
<td>10.67</td>
<td>7.20</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>1.89</td>
<td>8.38</td>
<td>4.79</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>1.07</td>
<td>8.28</td>
<td>5.29</td>
</tr>
<tr>
<td>Russell 2000 Growth Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>11.32</td>
<td>13.74</td>
<td>10.08</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC

Subadvisor Wellington Management Company LLP

PORTFOLIO MANAGEMENT

Mario E. Abularach, CFA, CMT
Senior Managing Director and Equity Research Analyst
Managed the fund since 2008.

Steven C. Angeli, CFA
Senior Managing Director and Equity Portfolio Manager
Managed the fund since 2008

Stephen Mortimer
Senior Managing Director and Equity Portfolio Manager
Managed the fund since 2008

John V. Schneider, CFA
Vice President and Equity Research Analyst
Managed the fund since 2018

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Small Cap Value Fund

INVESTMENT OBJECTIVE

To seek long-term capital appreciation.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>1.03</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.07</td>
</tr>
<tr>
<td>Acquired fund fees and expenses¹</td>
<td>0.08</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong>²</td>
<td><strong>1.18</strong></td>
</tr>
</tbody>
</table>

¹ “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.

² The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>120</td>
</tr>
<tr>
<td>3 years</td>
<td>375</td>
</tr>
<tr>
<td>5 years</td>
<td>649</td>
</tr>
<tr>
<td>10 years</td>
<td>1,432</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER

The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 26% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in small-cap companies that are believed to be undervalued by various measures and offer good prospects for capital appreciation. The fund defines small-cap companies as those with market capitalizations at or below the market capitalization of the largest company represented in either the Russell 2000 Value Index ($9.1 billion as of October 31, 2017) or the S&P SmallCap 600 Index ($5.9 billion as of October 31, 2017).

The fund invests primarily in a diversified mix of common stocks of U.S. small-cap companies. The manager employs a value-oriented investment approach in selecting stocks, using proprietary fundamental research to identify stocks the manager believes have distinct value characteristics based on industry-specific valuation criteria. The manager focuses on high-quality companies with a proven record of above-average rates of profitability that sell at a discount relative to the overall small-cap market.

The manager seeks to identify companies demonstrating one or more of the following characteristics: sustainable competitive advantages within a market niche; strong profitability and free cash flows; strong market share positions and trends; quality of and share ownership by management; and conservative financial structures relative to industry average.

The fund’s sector exposures are broadly diversified but may vary significantly from the fund’s benchmark. The fund may invest up to 15% of its total assets in foreign securities (including up to 5% in emerging-market securities). The fund may invest significantly in financial services companies.

Under normal circumstances, the fund invests 10% or less (usually less) of its total assets in cash and cash equivalents.
The fund may invest in initial public offerings (IPOs). The fund may also purchase real estate investment trusts (REITs) or other real estate related equity securities, U.S. dollar-denominated foreign securities, and certain exchange-traded funds (ETFs). ETFs are considered securities with a market capitalization equal to the weighted average market capitalization of the basket of securities that compose the ETF. The fund may focus its investments in a particular sector or sectors of the economy.

PRINCIPAL RISKS OF INVESTING IN THE FUND

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

Financial services sector risk. Financial services companies can be significantly affected by economic, market, and business developments, borrowing costs, interest-rate fluctuations, competition, and government regulation, among other factors.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Real estate investment trust risk. REITs, pooled investment vehicles that typically invest in real estate directly or in loans collateralized by real estate, carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Real estate securities risk. Securities of companies in the real estate industry carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

Value investing style risk. The fund emphasizes a value style of investing, which focuses on undervalued companies with characteristics for improved valuations. This style of investing is subject to the risk that the valuations never improve or that the returns on value equity securities are less than returns on other styles of investing or the overall stock market. Value stocks also may decline in price, even though in theory they are already underpriced.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.
Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>29.65</td>
<td>25.94</td>
<td>0.61</td>
<td>15.33</td>
<td>33.45</td>
<td>6.60</td>
<td>–1.01</td>
<td>22.34</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 0.89%.

Best quarter: Q3 ’09, 21.36%

Worst quarter: Q3 ’11, –19.14%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>Since inception (12/16/08)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>22.34</td>
<td>14.72</td>
<td>16.88</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>20.70</td>
<td>12.80</td>
<td>15.17</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>13.50</td>
<td>11.44</td>
<td>13.68</td>
</tr>
<tr>
<td>Russell 2000 Value Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>31.74</td>
<td>15.07</td>
<td>15.53</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Wellington Management Company LLP

PORTFOLIO MANAGEMENT

Timothy J. McCormack, CFA
Senior Managing Director and Equity Portfolio Manager
Managed the fund since 2008

Shaun F. Pedersen
Senior Managing Director and Equity Portfolio Manager
Managed the fund since 2008

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Small Company Growth Fund

INVESTMENT OBJECTIVE
To seek long-term capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee¹</td>
<td>0.88</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.06</td>
</tr>
<tr>
<td>Acquired fund fees and expenses</td>
<td>0.01</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.95</td>
</tr>
</tbody>
</table>

¹“Management fee” has been restated to reflect the contractual management fee schedule effective December 26, 2017.

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>97</td>
</tr>
<tr>
<td>3 years</td>
<td>303</td>
</tr>
<tr>
<td>5 years</td>
<td>525</td>
</tr>
<tr>
<td>10 years</td>
<td>1,166</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 39% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal circumstances, the fund seeks to achieve its investment objective by investing at least 80% of its net assets (plus any borrowings for investment purposes) in small-cap companies. The fund defines small-cap companies as those that, at the time of initial purchase, have a market capitalization equal to or less than the largest company in the Russell 2000 Growth Index (approximately $6.1 billion as of July 31, 2017). The fund invests mainly in common stocks, but it may also invest in exchange-traded funds (ETFs) to a limited extent, generally for purposes of gaining temporary market exposure.

The manager employs a growth-oriented investment philosophy to analyze and select investments and seeks to own stocks of high quality companies (based on such characteristics as return-on-equity or profitability) trading at what the manager believes are attractive valuations and that are experiencing positive earnings revisions. The manager seeks to invest in companies that it believes could experience future growth rates at levels higher than the benchmark. The manager utilizes an investment process that incorporates proprietary quantitative and qualitative research.

The manager continuously monitors and evaluates its investments and attempts to mitigate risk through ownership of a well-diversified portfolio. The fund may focus its investments in a particular sector or sectors of the economy and its exposures may vary significantly from the fund’s benchmark. The fund may invest up to 10% of its total assets in foreign securities, including those in emerging markets, and may invest in initial public offerings (IPOs).

The manager will generally sell a stock if it determines, among other things, there has been an adverse change in the company’s fundamentals, competitive position, or change to its relative valuation.

Due to its investment strategy, the fund may buy and sell securities frequently, which may result in high transaction costs and additional shareholder expenses.
PRINCIPAL RISKS OF INVESTING IN THE FUND

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Cybersecurity risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small company risk. Small companies are generally less established and may be more volatile than larger companies. Small-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Prior to December 26, 2017, the fund was managed by a different subadvisor pursuant to a different investment strategy. The performance presented prior to this date should not be attributed to Redwood Investments, LLC, the fund’s current subadvisor (Redwood). The performance information presented for periods prior to December 26, 2017 reflects management of the fund consistent with investment strategies in effect during those periods and might have been different if the fund’s investments had been managed under its current investment strategies by Redwood.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10.30</td>
<td>–38.56</td>
<td>33.46</td>
<td>26.33</td>
<td>−1.20</td>
<td>18.21</td>
<td>40.64</td>
<td>7.57</td>
<td>−1.75</td>
<td>11.30</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 17.44%.

Best quarter: Q2 ’09, 19.68%

Worst quarter: Q4 ’08, −26.60%
### Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Class NAV (before tax)</th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>11.30</td>
<td>14.35</td>
<td>8.24</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>9.78</td>
<td>12.28</td>
<td>7.20</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>7.64</td>
<td>11.18</td>
<td>6.54</td>
</tr>
<tr>
<td>Russell 2000 Growth Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>11.32</td>
<td>13.74</td>
<td>7.76</td>
</tr>
</tbody>
</table>

### INVESTMENT MANAGEMENT

**Investment advisor** John Hancock Advisers, LLC  
**Subadvisor** Redwood Investments, LLC

### PORTFOLIO MANAGEMENT

- **Valerie Klaiman, CFA**  
  Co-Portfolio Manager  
  Managed the fund since 2017

- **Michael Mufson, CFA**  
  Co-Portfolio Manager  
  Managed the fund since 2017

- **Jennifer Silver, CFA**  
  Co-Portfolio Manager  
  Managed the fund since 2017

- **Ezra Samet, CFA**  
  Co-Portfolio Manager  
  Managed the fund since 2017

- **Tony Sutton**  
  Co-Portfolio Manager  
  Managed the fund since 2017

### OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Small Company Value Fund

INVESTMENT OBJECTIVE
To seek long-term growth of capital.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>1.05</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.05</td>
</tr>
<tr>
<td>Acquired fund fees and expenses¹</td>
<td>0.12</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong>²</td>
<td>1.22</td>
</tr>
</tbody>
</table>

¹ “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.

² The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>124</td>
</tr>
<tr>
<td>3 years</td>
<td>387</td>
</tr>
<tr>
<td>5 years</td>
<td>670</td>
</tr>
<tr>
<td>10 years</td>
<td>1,477</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 22% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in companies with market capitalizations, at the time of investment, that do not exceed the maximum market capitalization of any security in the Russell 2000 Index ($21.8 million to $9.1 billion as of October 31, 2017).

The fund invests in small companies whose common stocks are believed to be undervalued. The market capitalization of the companies in the fund’s portfolio and the Russell 2000 Index changes over time, and the fund will not sell a stock just because the company has grown to a market capitalization outside the range. The fund may, on occasion, purchase companies with a market capitalization above the range.

Reflecting a value approach to investing, the fund will seek the stocks of companies whose current stock prices do not appear to adequately reflect their underlying value as measured by assets, earnings, cash flow, or business franchises. The manager’s in-house research team seeks to identify companies that appear to be undervalued by various measures, and may be temporarily out of favor, but have good prospects for capital appreciation. In selecting investments, they generally look for some of the following factors:

- Low price/earnings, price/book value or price/cash flow ratios relative to the Russell 2000 Index, the company’s peers or its own historic norm;
- Low stock price relative to a company’s underlying asset values;
- Above-average dividend yield relative to a company’s peers or its own historic norm;
- A plan to improve the business through restructuring; and/or
- A sound balance sheet and other positive financial characteristics.

While most assets will be invested in U.S. common stocks, including real estate investment trusts (REITs) that pool money to invest in properties and mortgages, the fund may purchase other securities, including foreign securities (up to 20% of its total assets), futures, and options. The fund may invest in fixed-income and convertible securities without restrictions on quality or rating, including up to 10% of total assets in below-investment-grade fixed-income securities (“junk bonds”). The fund’s fixed income investments may include privately negotiated notes or loans, including loan participations and assignments (“bank loans”). These investments in bank loans will be made only in companies, municipalities or entities that meet the fund’s investment criteria. Some loans may be illiquid. Since the fund invests primarily in equity securities, the risks associated with fixed-income securities will not affect the fund as much as they would a fund that invests more of its assets in fixed-income securities.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. and foreign currency denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.

The fund may sell securities for a variety of reasons, such as to secure gains, limit losses or redeploy assets into more promising opportunities.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivatives which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below (or even relatively nominal) rates. The fund may also invest in options and enter into futures contracts. The fund may focus its investments in a particular sector or sectors of the economy.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Convertible securities risk.** The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. As the market price of underlying common stock declines below the conversion price, the market value of the convertible security tends to be increasingly influenced by its yield.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund’s investments. Foreign currencies may decline in value, which could negatively impact performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: futures contracts and options. Futures contracts and options generally are subject to counterparty risk.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.
Investment company securities risk. A fund bears underlying fund fees and expenses indirectly.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely affect the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Loan participations risk. Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Real estate investment trust risk. REITs, pooled investment vehicles that typically invest in real estate directly or in loans collateralized by real estate, carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Real estate securities risk. Securities of companies in the real estate industry carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

Value investing style risk. The fund emphasizes a value style of investing, which focuses on undervalued companies with characteristics for improved valuations. This style of investing is subject to the risk that the valuations never improve or that the returns on value equity securities are less than returns on other styles of investing or the overall stock market. Value stocks also may decline in price, even though in theory they are already underpriced.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Return</td>
<td>−1.18</td>
<td>−26.80</td>
<td>27.62</td>
<td>21.32</td>
<td>−0.94</td>
<td>16.29</td>
<td>31.61</td>
<td>0.08</td>
<td>−5.49</td>
<td>32.20</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 7.80%.

Best quarter: Q2 '09, 20.63%

Worst quarter: Q4 '08, −25.07%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Type</th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>32.20</td>
<td>13.86</td>
<td>7.82</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>28.50</td>
<td>11.06</td>
<td>6.24</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>20.94</td>
<td>10.57</td>
<td>5.98</td>
</tr>
<tr>
<td>Russell 2000 Value Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>31.74</td>
<td>15.07</td>
<td>6.26</td>
</tr>
</tbody>
</table>
INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor T. Rowe Price Associates, Inc.

PORTFOLIO MANAGEMENT

J. David Wagner, CFA
Vice President
Managed the fund since 2014

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Spectrum Income Fund

INVESTMENT OBJECTIVE
To seek a high level of current income with moderate share price fluctuation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.73</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.07</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.80</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>82</td>
</tr>
<tr>
<td>3 years</td>
<td>255</td>
</tr>
<tr>
<td>5 years</td>
<td>444</td>
</tr>
<tr>
<td>10 years</td>
<td>990</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 69% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund diversifies its assets widely among various fixed-income and equity market segments. The fund seeks to maintain broad exposure primarily to domestic and international fixed-income markets in an attempt to reduce the impact of declining markets and to benefit from good performance in particular market segments over time.

The fund normally invests in investment-grade corporate, high-yield, and foreign and emerging-market fixed-income securities, income-oriented stocks, short-term securities, asset-backed and mortgage-related securities, and U.S. government and agency securities. The fund will also seek equity income through investments in dividend-paying stocks.

Fixed-income securities may have short-, intermediate-, or long-term maturities, and will comprise a range of credit qualities with either fixed or floating interest rates. Fixed-income investments in which the fund may invest without limit include investment-grade corporate securities, asset-backed and mortgage-related securities, and bank loan participations and assignments. The fund’s fixed-income investments may include privately negotiated notes or loans, including loan participations and assignments (bank loans). Some loans may be illiquid.

The fund may invest in asset-backed securities rated lower than A (but not lower than B by Standard & Poor’s Ratings Services, Moody’s Investors Service, Inc. or Fitch Ratings Inc.). Under normal circumstances, no more than 15% of the asset-backed securities purchased for the fund will be rated less than A- by the three agencies. The lowest rating would apply in the case of split-rated asset-backed securities. Mortgage-related investments could include mortgage dollar rolls and investments in more volatile stripped mortgage securities and collateralized mortgage obligations. The fund may invest a substantial portion (up to 40% of its total assets) in below-investment-grade fixed-income securities (or their unrated equivalents), commonly known as junk bonds. The fund may invest in U.S. government and municipal securities (including Treasury Inflation-Protected Securities or TIPS), GNMA’s, and other agency-related fixed income securities, and there is no limit on the fund’s investment in these securities. The fund may also invest up to 45% of its total assets in foreign government and emerging-market fixed-income securities (excluding Yankee bonds). Foreign currency forwards, options, and futures may be used to protect the fund's foreign securities from adverse currency movements relative to the
U.S. dollar, as well as to gain exposure to currencies and markets expected to increase or decrease in value relative to other securities. The fund’s investment policies are based on credit ratings at the time of purchase.

The manager uses fundamental research and credit analysis to select fixed-income securities. The manager considers a variety of factors in analyzing fixed-income securities, including the issuer’s financial condition and operating history, the depth and quality of management, sensitivities to economic conditions, debt levels and ability to service its outstanding debt, access to capital markets, and external factors such as the economic and political conditions in the issuer’s country. Other than the specific investment limits described above, there is no minimum or maximum percentage of assets that the manager will invest in any particular type of fixed-income security. Maturities of the fund’s fixed-income investments reflect the manager’s outlook for interest rates.

The manager selects the fund’s equity investments (limited to 40% of total assets) using a value strategy with a focus on large-cap, dividend-paying common stocks. The manager invests in stocks and other securities, including preferred stock and convertible securities that appear to be temporarily undervalued by various measures and may be temporarily out of favor, but have good prospects for capital appreciation and dividend growth. The manager may vary the allocation of the fund’s assets to a particular market segment based on the relative valuations of these market segments. The manager may also weigh such factors as the outlook for the economy and market conditions, both on a global and local (country) basis, corporate earnings, and the yield advantages of one fixed-income sector over another.

The fund holds a certain portion of its assets in money market reserves consisting of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) or U.S. dollar- and foreign currency-denominated money market securities. These include repurchase agreements in the two highest rating categories that mature in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures, and options. Such securities may bear interest or pay dividends at below-market rates or even relatively nominal market rates.

In pursuing the fund’s investment objective, the manager may deviate from the fund’s normal investment criteria to purchase securities the manager believes might appreciate substantially. The fund may invest significantly in the information technology sector.

The fund’s investment process may, at times, result in a high portfolio turnover rate.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

**Exchange-traded funds risk.** An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become
subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, futures contracts, and options. Foreign currency forward contracts, futures contracts, and options generally are subject to counterparty risk. Derivatives associated with foreign currency transactions are subject to currency risk.

High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Hybrid instrument risk. Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

Investment company securities risk. A fund bears underlying fund fees and expenses indirectly.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Loan participations risk. Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

PAST PERFORMANCE
The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M. Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

|------|------|------|------|------|------|------|------|------|------|------|

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 5.87%.

Best quarter: Q2 '09, 10.47%

Worst quarter: Q4 '08, –5.24%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>8.40</td>
<td>4.58</td>
<td>5.19</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>6.91</td>
<td>2.87</td>
<td>3.37</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>4.74</td>
<td>2.88</td>
<td>3.35</td>
</tr>
<tr>
<td>Bloomberg Barclays U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>2.65</td>
<td>2.23</td>
<td>4.34</td>
</tr>
</tbody>
</table>
INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor T. Rowe Price Associates, Inc.
Sub-Subadvisor T. Rowe Price International Ltd.

PORTFOLIO MANAGEMENT

Charles M. Shriver, CFA
Vice President
Managed the fund since 2011

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Strategic Equity Allocation Fund

INVESTMENT OBJECTIVE
To seek capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.62</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td>Acquired fund fees and expenses¹</td>
<td>0.01</td>
</tr>
<tr>
<td>Total annual fund operating expenses²</td>
<td>0.67</td>
</tr>
</tbody>
</table>

¹ "Acquired fund fees and expenses" are based on indirect net expenses associated with the fund's investments in underlying investment companies.
² The "Total annual fund operating expenses" shown may not correlate to the fund’s ratios of expenses to average net assets shown in the "Financial highlights" section of the fund’s prospectus, which does not include "Acquired fund fees and expenses."

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>68</td>
</tr>
<tr>
<td>3 years</td>
<td>214</td>
</tr>
<tr>
<td>5 years</td>
<td>373</td>
</tr>
<tr>
<td>10 years</td>
<td>835</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 67% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
The fund seeks to achieve its investment objective by investing under normal market conditions at least 80% of its net assets (plus any borrowings for investment purposes) in U.S. and foreign equity securities of any market capitalization, including futures on indexes of equity securities. The fund’s allocation to various markets and types of securities will be actively managed.

The fund may invest in both developed and emerging markets. The fund’s investment in equity securities will vary both with respect to types of securities and markets in response to changing market and economic trends. The fund’s allocation of securities will depend on the manager’s outlook for the markets and generally reflect the manager’s strategic asset allocation analysis and their assessment of the relative attractiveness of a particular asset class. When determining whether to invest in a particular market, the manager considers various factors, including economic and political conditions, potential for economic growth and possible changes in currency exchange rates.

The fund also may invest in exchange-traded funds and in fixed-income securities, including, but not limited to:

- U.S. Treasury and agency securities as well as notes backed by the Federal Deposit Insurance Corporation;
- U.S. Treasury futures contracts;
- Mortgage-backed securities, including mortgage pass-through securities, commercial mortgage-backed securities (CMBS) and collateralized mortgage obligations (CMOs);
- U.S. and foreign corporate bonds;
The fund may actively manage its exposure to foreign currencies through the use of foreign currency forward contracts and other currency derivatives. The fund may own foreign cash equivalents and foreign bank deposits as part of its investment strategy. The fund may invest in foreign currencies for hedging and speculative purposes. The fund may focus its investments in a particular sector or sectors of the economy.

Use of Hedging and Other Strategic Transactions. The fund is authorized to use all of the various investment strategies referred to under “Risks of investing — Hedging, derivatives and other strategic transactions risk,” including, but not limited to, futures and options contracts, foreign currency forward contracts and swaps, including credit default swaps and total return swaps. The fund may engage in derivatives transactions for hedging and non-hedging purposes including, without limitation, the following purposes:

- to attempt to protect against possible changes in the market value of securities held or to be purchased by the fund resulting from securities markets or currency exchange rate fluctuations;
- to protect the fund’s unrealized gains in the value of its securities;
- to facilitate the sale of the fund’s securities for investment purposes;
- to manage the effective maturity or duration of the fund’s securities;
- to establish a position in the derivatives markets as a method of gaining exposure to a particular security or market;
- to facilitate the repatriation of foreign currency and the settlement of purchases of foreign securities; and
- to increase or decrease exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another.

PRINCIPAL RISKS OF INVESTING IN THE FUND

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: credit default swaps, foreign currency forward contracts, futures contracts, options, swaps, and total return swaps. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.
Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. The fund’s custom blended benchmark comprises 70% Russell 3000 Index/30% MSCI ACWI ex-US Index and shows how the fund’s performance compares against the returns of similar investments. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

<table>
<thead>
<tr>
<th>Calendar year total returns (%)—Class NAV</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>27.74</td>
<td>6.69</td>
<td>–1.70</td>
<td>10.00</td>
<td></td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 15.88%.

Best quarter: Q1 ’13, 8.75%
Worst quarter: Q3 ’15, –8.72%

<table>
<thead>
<tr>
<th>Average annual total returns (%)—as of 12/31/16</th>
<th>1 year</th>
<th>Since inception (04/13/12)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>10.00</td>
<td>10.03</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>7.24</td>
<td>8.38</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>7.25</td>
<td>7.50</td>
</tr>
<tr>
<td>S&amp;P 500 Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>11.96</td>
<td>13.06</td>
</tr>
<tr>
<td>70% Russell 3000 Index/30% MSCI AC World ex–USA Index (gross of foreign withholding taxes on dividends)(reflects no deduction for fees, expenses, or taxes)</td>
<td>10.44</td>
<td>10.31</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor John Hancock Asset Management a division of Manulife Asset Management (US) LLC
PORTFOLIO MANAGEMENT

Robert Boyda  
Senior Managing Director and Co-Head of Portfolio Solutions Group North America  
Managed the fund since 2012

Marcelle Daher, CFA  
Senior Managing Director and Co-Head of Portfolio Solutions Group North America  
Managed the fund since 2013

Nathan Thooft, CFA  
Senior Managing Director and Co-Head of Portfolio Solutions Group North America  
Managed the fund since 2013

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Strategic Income Opportunities Fund

INVESTMENT OBJECTIVE
To seek to maximize total return consisting of current income and capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.63</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.05</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.68</td>
</tr>
<tr>
<td>Contractual expense reimbursement1</td>
<td>–0.02</td>
</tr>
<tr>
<td>Total annual fund operating expenses after expense reimbursements</td>
<td>0.66</td>
</tr>
</tbody>
</table>

1 The advisor contractually agrees to reduce its management fee (after giving effect to asset breakpoints) by an annual rate of 0.02% of the fund’s average net assets. This agreement expires on December 31, 2018, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>67</td>
</tr>
<tr>
<td>3 years</td>
<td>216</td>
</tr>
<tr>
<td>5 years</td>
<td>377</td>
</tr>
<tr>
<td>10 years</td>
<td>845</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 42% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its assets in the following types of securities, which may be denominated in U.S. dollars or foreign currencies: foreign government and corporate debt securities from developed and emerging markets, U.S. government and agency securities, domestic high-yield bonds, and investment-grade corporate bonds and currency instruments. The fund may also invest in preferred stock and other types of debt securities. No more than 80% of the fund’s assets will consist of instruments denominated in foreign currencies.

Although the fund may invest up to 10% of its total assets in securities rated as low as D (in default) by Standard & Poor’s Ratings Services (S&P) or Moody’s Investors Service, Inc. (Moody’s), or their unrated equivalents, it generally intends to keep its average credit quality in the investment-grade range (i.e., AAA to BBB). Bonds that are rated at or below BB by S&P or Ba by Moody’s are considered junk bonds. There is no limit on the average maturity of the fund’s portfolio. The fund’s investment policies are based on credit ratings at the time of purchase. Under normal circumstances, the fund may invest up to 15% of total assets in asset-backed securities rated lower than A by S&P or Moody’s, or their unrated equivalents (but under no circumstances lower than B or their unrated equivalents).

In managing the fund, the manager allocates assets among the four major types of instruments noted above based on analysis of global economic factors such as fiscal and monetary policies, projected international interest-rate movements, political environments, and currency trends. In abnormal circumstances, the manager may invest up to 100% of the fund’s assets in any one sector. The manager looks for investments that are appropriate for the fund in terms of yield, credit quality, structure, and industry distribution. Relative yields and risk/reward ratios are the primary considerations in selecting securities.

The fund may use certain higher-risk investments, including derivatives such as futures, options, and swaps (including credit default swaps), as well as restricted or illiquid securities. The fund may also invest significantly in currency spots and forwards, currency futures and options, and interest-rate options for both hedging and
nonhedging purposes, including for purposes of enhancing returns. In addition, the fund may invest up to 10% of its net assets in domestic or foreign common stocks.

The fund may trade securities actively and its investment process may, at times, result in a higher-than-average portfolio turnover ratio.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

- **Asset-backed securities risk.** Asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

- **Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

- **Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

- **Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund's investments. Foreign currencies may decline in value, which could negatively impact performance.

- **Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

- **Defaulted debt risk.** Investing in defaulted debt securities is speculative and involves substantial risks in addition to those of non-defaulted high-yield securities. Defaulted debt securities generally do not generate interest payments. Principal on defaulted debt might not be repaid, and a fund could lose up to its entire investment.

- **Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

- **Equity securities risk.** The price of equity securities may decline due to changes in a company's financial condition or overall market conditions.

- **Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

- **Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

- **Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund's ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: credit default swaps, foreign currency forward contracts, futures contracts, options, and swaps. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

- **High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

- **Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

- **Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.
Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

PAST PERFORMANCE

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5.89</td>
<td>–8.38</td>
<td>31.32</td>
<td>15.37</td>
<td>2.06</td>
<td>12.25</td>
<td>2.99</td>
<td>4.64</td>
<td>1.31</td>
<td>5.08</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 5.39%.

Best quarter: Q2 ’09, 11.89%

Worst quarter: Q3 ’11, –7.57%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th>Category</th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>5.08</td>
<td>5.19</td>
<td>6.81</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>3.87</td>
<td>3.23</td>
<td>4.51</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>2.86</td>
<td>3.19</td>
<td>4.38</td>
</tr>
<tr>
<td>Bloomberg Barclays U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>2.65</td>
<td>2.23</td>
<td>4.34</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC

Subadvisor John Hancock Asset Management a division of Manulife Asset Management (US) LLC

PORTFOLIO MANAGEMENT

Christopher M. Chapman, CFA
Managing Director and Portfolio Manager
Managed the fund since 2017

Thomas C. Goggins
Senior Managing Director and Senior Portfolio Manager
Managed the fund since 2009

Daniel S. Janis III
Team Lead and Portfolio Manager
Managed the fund since 2006

Kisoo Park
Managing Director and Portfolio Manager
Managed the fund since 2015

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock Total Return Fund

INVESTMENT OBJECTIVE
To seek maximum total return, consistent with preservation of capital and prudent investment management.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.67</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.05</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.72</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>74</td>
</tr>
<tr>
<td>3 years</td>
<td>230</td>
</tr>
<tr>
<td>5 years</td>
<td>401</td>
</tr>
<tr>
<td>10 years</td>
<td>894</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 38% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 65% of its net assets in a diversified portfolio of fixed-income instruments of varying maturities, which may be represented by forwards or derivatives, such as options, futures contracts, or swap agreements.

In selecting securities for the fund, the manager utilizes economic forecasting, interest rate anticipation, credit and call risk analysis, foreign currency exchange rate forecasting, and other security selection techniques. The proportion of the fund’s assets committed to investment in securities with particular characteristics (such as maturity, type and coupon rate) will vary based on the manager’s outlook for the U.S. and foreign economies, the financial markets, and other factors.

The types of fixed-income securities in which the fund may invest include the following securities which, unless otherwise noted, may be issued by domestic or foreign issuers and may be denominated in U.S. dollars or foreign currencies:
- securities issued or guaranteed by the U.S. government, its agencies or government-sponsored enterprises;
- corporate debt securities of U.S. and foreign issuers, including convertible securities and corporate commercial paper;
- mortgage-backed and other asset-backed securities;
- inflation-indexed bonds issued by both governments and corporations;
- structured notes, including hybrid or “indexed” securities, event-linked bonds, bank capital and trust preferred securities;
- loan participations and assignments;
- delayed funding loans and revolving credit facilities;
- bank certificates of deposit, fixed time deposits and bankers’ acceptances;
- debt securities issued by states or local governments and their agencies, authorities and other government-sponsored enterprises;
- repurchase agreements and reverse repurchase agreements;
- obligations of foreign governments or their subdivisions, agencies and government-sponsored enterprises; and
- obligations of international agencies or supranational entities.

Fixed-income securities may have fixed, variable, or floating rates of interest, including rates of interest that vary inversely at a multiple of a designated or floating rate, or that vary according to change in relative values of currences.

The fund invests primarily in investment-grade securities, but may invest up to 10% of its total assets in high yield securities ("junk bonds") rated B or higher by Moody's Investors Service, Inc. or equivalently rated by Standard and Poor's Ratings Services or Fitch Ratings Inc., or, if unrated, determined by the manager to be of comparable quality (except that within such limitations, the fund may invest in mortgage-related securities and variable rate master demand notes rated below B).

The fund may also invest up to 30% of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers. The fund may invest in baskets of foreign currencies (such as the euro) and direct currency. The fund will normally limit its foreign currency exposure (from foreign-currency denominated securities or currencies) to 20% of its total assets. The fund may invest up to 15% of its total assets in securities and instruments that are economically tied to emerging market countries. This limitation does not apply to investment grade sovereign debt denominated in the local currency with less than one year remaining to maturity. The fund’s investment policies are based on credit ratings at the time of purchase.

The fund may invest up to 10% of its total assets in preferred stocks, convertible securities, and other equity related securities.

The average portfolio duration of the fund normally varies within two years (plus or minus) of the duration of the benchmark index, as calculated by the manager.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may make short sales of a security, including short sales "against the box."

The fund may:
- purchase and sell options on domestic and foreign securities, securities indexes and currencies,
- purchase and sell futures and options on futures,
- purchase and sell currency or securities on a forward basis, and
- enter into interest rate, index, equity, total return, currency, and credit default swap agreements.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Currency risk.** Fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund’s investments. Foreign currencies may decline in value, which could negatively impact performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

**Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets.

**Hedging, derivatives, and other strategic transactions risk.** Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of...
investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: credit default swaps, foreign currency forward contracts, foreign currency swaps, futures contracts, inverse floating-rate securities, interest rate swaps, total return swaps, reverse repurchase agreements, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk. An event of default or insolvency of the counterparty to a reverse repurchase agreement could result in delays or restrictions with respect to the fund’s ability to dispose of the underlying securities. In addition, a reverse repurchase agreement may be considered a form of leverage and may, therefore, increase fluctuations in the fund’s net asset value per share.

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Hybrid instrument risk.** Hybrid instruments entail greater market risk and may be more volatile than traditional debt instruments, may bear interest or pay preferred dividends at below-market rates, and may be illiquid. The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, and currencies.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Loan participations risk.** Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Mortgage-backed and asset-backed securities risk.** Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

**Municipal bond risk.** The prices of municipal bonds, including general obligation bonds, can decline if the issuer’s credit quality declines. Revenue bond prices can decline if related projects become unprofitable. An insured municipal bond is subject to the risk that the insurer may be unable to pay claims and is not insured with respect to the market value of the obligation. Municipal bond income could become taxable in the future. Investments in AMT bonds may result in tax liability for shareholders.

**Preferred and convertible securities risk.** Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

**Short sales risk.** In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

**PAST PERFORMANCE**

The following information illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.
Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8.54</td>
<td>2.91</td>
<td>15.28</td>
<td>8.33</td>
<td>3.26</td>
<td>9.07</td>
<td>−1.72</td>
<td>4.64</td>
<td>0.49</td>
<td>3.04</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 4.47%.

Best quarter: Q2 ’09, 7.60%

Worst quarter: Q2 ’13, −3.57%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>3.04</td>
<td>3.04</td>
<td>5.28</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>1.85</td>
<td>1.56</td>
<td>3.30</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>1.72</td>
<td>1.73</td>
<td>3.37</td>
</tr>
<tr>
<td>Bloomberg Barclays U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>2.65</td>
<td>2.23</td>
<td>4.34</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Pacific Investment Management Company LLC

PORTFOLIO MANAGEMENT

Mark R. Kiesel
Managing Director and Portfolio Manager
Managed the fund since 2014

Scott A. Mather
Managing Director and Portfolio Manager
Managed the fund since 2014

Mihir P. Worah
Managing Director and Portfolio Manager
Managed the fund since 2014

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to "Additional information about the funds" at page 173 of the prospectus.
John Hancock U.S. Growth Fund

INVESTMENT OBJECTIVE
To seek high total return primarily through capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee¹</td>
<td>0.70</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.23</td>
</tr>
<tr>
<td>Acquired fund fees and expenses²</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses³</strong></td>
<td>0.94</td>
</tr>
<tr>
<td>Contractual expense reimbursement⁴</td>
<td>–0.19</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses after expense reimbursements</strong></td>
<td>0.75</td>
</tr>
</tbody>
</table>

¹ “Management fee” has been restated to reflect the contractual management fee schedule effective September 29, 2016.
² “Acquired fund fees and expenses” are based on indirect net expenses associated with the fund’s investments in underlying investment companies.
³ The “Total annual fund operating expenses” shown may not correlate to the fund’s ratios of expenses to average net assets shown in the “Financial highlights” section of the fund’s prospectus, which does not include “Acquired fund fees and expenses.”
⁴ The advisor contractually agrees to reduce its management fee or, if necessary, make payment to the fund in an amount equal to the amount by which expenses of the fund exceed 0.74% of average net assets of the fund. For purposes of this agreement, “expenses of the fund” means all fund expenses, excluding (a) taxes, (b) brokerage commissions, (c) interest expense, (d) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the fund’s business, (e) class-specific expenses, (f) borrowing costs, (g) prime brokerage fees, (h) acquired fund fees and expenses paid indirectly, and (i) short dividend expense. This agreement expires on December 31, 2018, unless renewed by mutual agreement of the advisor and the fund based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>77</td>
</tr>
<tr>
<td>3 years</td>
<td>281</td>
</tr>
<tr>
<td>5 years</td>
<td>502</td>
</tr>
<tr>
<td>10 years</td>
<td>1,137</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 112% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity investments that are tied economically to the United States. The fund considers an equity investment to be “tied economically” to the United States if, at the time of purchase: (i) its issuer is organized under the laws of the United States or under the laws of a state within the United States or in an issuer that maintains its principal place of business in the United States; (ii) it is traded principally in the United States; or (iii) its issuer derived at least 50% of its revenues or profits from goods produced or sold, investments made, or services performed in the United States, or has at least 50% of its assets in the United States. The manager seeks to achieve the fund’s investment objective by investing in equity investments that the manager believes, as a portfolio, will provide higher returns than the Russell 1000 Growth Index.

The manager’s investment process begins with the broad universe of equity securities included in US equity indices, along with other ideas that come from a combination of company meetings, investment conferences, field trips and industry analysis. Investments in equity securities include common stocks and other stock-related securities such as preferred stocks, convertible securities, depositary receipts, exchange-traded funds, and exchange-traded equity real estate investment trusts.
(REITs). The fund may invest significantly in securities of companies in certain sectors, and may therefore experience greater volatility than funds investing in a broader range of sectors and may be more susceptible to the impact of market, economic, regulatory, and other factors affecting that sector.

The manager focuses on members of the investable universe with expected future free cash-flow margins, returns on capital employed and revenue growth higher than a certain minimum threshold. The manager then monitors and ranks securities based on their relative attractiveness across this universe, based on quality, growth, valuation, capital returns, and earnings outlook. For stocks that compare well in this screening process, further detailed analysis is conducted. Regular meetings and discussions with company management are another input into the portfolio decision making process.

Securities considered for purchase are attractive on a majority of the metrics (quality, growth, valuation, capital returns, and earnings outlook), and have a positive catalyst such as accelerating earnings or revenue growth. Due to its active investment strategy, the fund may buy and sell securities frequently. This may result in higher transaction costs and more capital gains tax liabilities than a fund with a buy and hold strategy.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

- **Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

- **Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

- **Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

- **Exchange-traded funds risk.** An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

- **Foreign securities risk.** Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

- **High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

- **Large company risk.** Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

- **Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments.

- **Preferred and convertible securities risk.** Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

- **Real estate investment trust risk.** REITs, pooled investment vehicles that typically invest in real estate directly or in loans collateralized by real estate, carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

- **Real estate securities risk.** Securities of companies in the real estate industry carry risks associated with owning real estate, including the potential for a decline in value due to economic or market conditions.

- **Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

- **Small and mid-sized company risk.** Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

**PAST PERFORMANCE**

The following performance information in the bar chart and table below illustrates the variability of the fund’s returns and provides some indication of the risks of investing in the fund by showing changes in the fund’s performance from year to year. Past performance (before and after taxes) does not indicate future results. All
figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly, and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Prior to the close of business on September 29, 2016, the fund was managed by a different subadvisor pursuant to a different investment strategy, and thus, the performance presented prior to this date should not be attributed to the current subadvisor. As a result of the difference in investment strategy and subadvisor, the fund’s performance shown below might have differed materially.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

<table>
<thead>
<tr>
<th>Calendar year total returns (%)—Class NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.26</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund’s total return for the nine months ended September 30, 2017, was 21.95%.

Best quarter: Q3 ’10, 12.76%

Worst quarter: Q4 ’08, –13.93%

<table>
<thead>
<tr>
<th>Average annual total returns (%)—as of 12/31/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
</tr>
<tr>
<td>1 year</td>
</tr>
<tr>
<td>4.38</td>
</tr>
<tr>
<td>after tax on distributions</td>
</tr>
<tr>
<td>–3.34</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
</tr>
<tr>
<td>5.11</td>
</tr>
</tbody>
</table>
| Russell 1000 Growth Index (reflects no deduction for fees, expenses, or taxes)
| 7.08   | 14.50  | 8.33    |

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Wellington Management Company LLP

PORTFOLIO MANAGEMENT

John A. Boselli, CFA
Senior Managing Director and Equity Portfolio Manager
Managed the fund since 2016

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
**INVESTMENT OBJECTIVE**

To seek total return with a high level of current income.

**FEES AND EXPENSES**

This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.74</td>
</tr>
<tr>
<td>Other expenses¹</td>
<td>0.06</td>
</tr>
<tr>
<td><strong>Total annual fund operating expenses</strong></td>
<td><strong>0.80</strong></td>
</tr>
</tbody>
</table>

¹ “Other expenses” shown exclude certain one-time extraordinary expenses incurred in the prior fiscal year equivalent to 0.03%.

**EXPENSE EXAMPLE**

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>82</td>
</tr>
<tr>
<td>3 years</td>
<td>255</td>
</tr>
<tr>
<td>5 years</td>
<td>444</td>
</tr>
<tr>
<td>10 years</td>
<td>990</td>
</tr>
</tbody>
</table>

**PORTFOLIO TURNOVER**

The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its most recent fiscal year, the fund’s portfolio turnover rate was 68% of the average value of its portfolio.

**PRINCIPAL INVESTMENT STRATEGIES**

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in U.S. corporate debt securities that are, at the time of investment, below investment grade, including preferred and other convertible securities in below-investment-grade debt securities (sometimes referred to as “junk bonds” or high yield securities). The fund also invests in corporate debt securities that are investment grade, and may buy preferred and other convertible securities and bank loans that are investment grade. Some loans may be illiquid.

The manager actively manages a diversified portfolio of below-investment-grade debt securities. The manager does not manage the portfolio to a specific maturity or duration. The manager focuses on individual security selection (primarily using a “bottom-up” approach) and seeks to identify high yield securities that appear comparatively undervalued. The manager uses its knowledge of various industries to assess the risk/return tradeoff among issuers within particular industries, in seeking to identify compelling relative value investments. The manager analyzes the issuers’ long-term prospects and focuses on characteristics such as management, asset coverage, free cash flow generation, liquidity and business risk. The manager’s research and analysis highlights industry drivers, competitive position and operating trends with an emphasis on free cash flow. The manager also talks to management, and consults industry contacts, debt and equity analysts, and rating agencies.

The manager purchases securities for the fund when attractive risk/reward ideas are identified and sells securities when either the securities become overvalued or circumstances change in a way that adversely affects this risk/return profile. Rigorous credit analysis of individual issuers is an integral part of the selection process. The manager attempts to invest in high yield securities of issuers which it believes have ample asset coverage for their debt securities in comparison to other high yield security issuers in an effort to minimize default risk and maximize risk-adjusted returns. The strategy is focused on selecting investments that can capture the significant current income and capital appreciation potential of the high yield market while also managing downside risk. The total return sought by the fund consists of income earned on the fund’s investments, together with the appreciation that may result from decreases in interest rates or improving credit fundamentals for a particular industry or issuer. The fund may invest significantly in issuers in the communications sector.
Under normal circumstances, the manager invests:
- Up to 15% of total assets in any one industry; and
- Up to 5% of total assets in any one issuer (excluding investments in cash-equivalent issuers or for cash-management purposes).

The manager will generally invest in below investment grade debt securities that are rated at least “Caa” by Moody’s Investors Service, Inc. or “CCC” by Standard and Poor’s Ratings Services, or that are unrated but deemed by the manager to be of comparable quality but may also invest in securities rated below these ratings (or unrated securities of comparable quality). The average credit quality of the fund’s securities is expected to be at least B- as rated by Standard and Poor’s Ratings Services.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

**Changing distribution levels risk.** The fund may cease or reduce the level of its distribution if income or dividends paid from its investments declines.

**Credit and counterparty risk.** The issuer or guarantor of a fixed-income security or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

**Cybersecurity and operational risk.** Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

**Economic and market events risk.** Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

**Equity securities risk.** The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions. Securities the manager believes are undervalued may never realize their full potential, and in certain markets value stocks may underperform the market as a whole.

**Fixed-income securities risk.** A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

**High portfolio turnover risk.** Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

**Liquidity risk.** The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

**Loan participations risk.** Participations and assignments involve special types of risks, including credit risk, interest-rate risk, counterparty risk, liquidity risk, risks associated with extended settlement, and the risks of being a lender.

**Lower-rated and high-yield fixed-income securities risk.** Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

**Preferred and convertible securities risk.** Preferred stock dividends are payable only if declared by the issuer’s Board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock’s value can depend heavily upon the underlying common stock’s value.

**Sector risk.** When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

**Telecommunications sector risk.** Telecommunication services companies are subject to government regulation of services and rates of return and can be significantly affected by intense competition, among other factors.
PAST PERFORMANCE

The following information illustrates the variability of the fund's returns and provides some indication of the risks of investing in the fund by showing changes in the fund's performance from year to year compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-344-1029 between 8:00 A.M. and 7:00 P.M., Eastern time, on most business days.

Please note that after-tax returns reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan.

Calendar year total returns (%)—Class NAV

<table>
<thead>
<tr>
<th>Year</th>
<th>Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>3.00</td>
</tr>
<tr>
<td>2008</td>
<td>-20.68</td>
</tr>
<tr>
<td>2009</td>
<td>45.36</td>
</tr>
<tr>
<td>2010</td>
<td>11.80</td>
</tr>
<tr>
<td>2011</td>
<td>5.08</td>
</tr>
<tr>
<td>2012</td>
<td>12.63</td>
</tr>
<tr>
<td>2013</td>
<td>5.15</td>
</tr>
<tr>
<td>2014</td>
<td>4.16</td>
</tr>
<tr>
<td>2015</td>
<td>-4.30</td>
</tr>
<tr>
<td>2016</td>
<td>14.79</td>
</tr>
</tbody>
</table>

Year-to-date total return. The fund's total return for the nine months ended September 30, 2017, was 6.97%.

Best quarter: Q2 ’09, 17.10%

Worst quarter: Q4 ’08, -15.35%

Average annual total returns (%)—as of 12/31/16

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class NAV (before tax)</td>
<td>14.79</td>
<td>6.26</td>
<td>6.58</td>
</tr>
<tr>
<td>after tax on distributions</td>
<td>11.71</td>
<td>3.07</td>
<td>3.49</td>
</tr>
<tr>
<td>after tax on distributions, with sale</td>
<td>8.28</td>
<td>3.51</td>
<td>3.83</td>
</tr>
<tr>
<td>Bank of America Merrill Lynch US High Yield Master II Index (reflects no deduction for fees, expenses, or taxes)</td>
<td>17.49</td>
<td>7.35</td>
<td>7.35</td>
</tr>
</tbody>
</table>

INVESTMENT MANAGEMENT

Investment advisor John Hancock Advisers, LLC
Subadvisor Wells Capital Management, Incorporated

PORTFOLIO MANAGEMENT

Niklas Nordenfelt, CFA
Senior Portfolio Manager
Managed the fund since 2007

Philip Susser
Senior Portfolio Manager
Managed the fund since 2005

OTHER IMPORTANT INFORMATION REGARDING THE FUND

For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
John Hancock U.S. Strategic Equity Allocation Fund

INVESTMENT OBJECTIVE
To seek capital appreciation.

FEES AND EXPENSES
This table describes the fees and expenses you may pay if you buy and hold shares of the fund.

<table>
<thead>
<tr>
<th>Shareholder fees (%) (fees paid directly from your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee</td>
<td>0.62</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.04</td>
</tr>
<tr>
<td>Total annual fund operating expenses</td>
<td>0.66</td>
</tr>
</tbody>
</table>

EXPENSE EXAMPLE
This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<table>
<thead>
<tr>
<th>Expenses ($)</th>
<th>NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>67</td>
</tr>
<tr>
<td>3 years</td>
<td>211</td>
</tr>
<tr>
<td>5 years</td>
<td>368</td>
</tr>
<tr>
<td>10 years</td>
<td>822</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund’s performance. During its fiscal period from September 26, 2016 to August 31, 2017, the fund’s portfolio turnover rate was 119% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES
The fund seeks to achieve its investment objective by investing under normal market conditions at least 80% of its net assets (plus any borrowings for investment purposes) in U.S. equity securities of any market capitalization, including futures on indexes of equity securities. The fund defines U.S. equity securities as: (i) securities of issuers that are organized under the laws of the United States or that maintain their principal place of business in the United States; (ii) securities of issuers that are traded principally in the United States; or (iii) securities of issuers that, during the most recent fiscal year, derived at least 50% of their revenues or profits from goods produced or sold, investments made, or services performed in the United States or that have at least 50% of their assets in the United States. The fund’s allocation to various markets and types of securities will be actively managed.

The fund’s investment in equity securities will vary both with respect to types of securities and markets in response to changing market and economic trends. The fund’s allocation of securities will depend on the manager’s outlook for the markets and generally reflect the manager’s strategic asset allocation analysis and their assessment of the relative attractiveness of a particular asset class. When determining whether to invest in a particular market capitalization, sector or industry, the manager takes into consideration a variety of inputs including economic, fundamental (valuations and earnings), and technical indicators, among other factors.

The fund may invest up to 20% of its net assets in equity securities of foreign issuers. Investments in exchange-traded funds (ETFs) and derivative instruments may be used to reduce risk and/or obtain efficient investment exposure, and may include options, futures contracts, and swaps (including interest-rate swaps).

The fund also may invest in fixed-income securities, including, but not limited to:

- U.S. Treasury and agency securities as well as notes backed by the Federal Deposit Insurance Corporation;
- U.S. Treasury futures contracts;
- Mortgage-backed securities, including mortgage pass-through securities, commercial mortgage-backed securities (CMBS) and collateralized mortgage obligations (CMOs);
- U.S. and foreign corporate bonds;
• Foreign government and agency securities; and
• Lower-rated fixed-income securities and high-yield securities (also known as “junk bonds”)

The foreign securities in which the fund invests may be denominated in U.S. dollars or foreign currency. The fund may actively manage its exposure to foreign currencies through the use of foreign currency forward contracts and other currency derivatives. The fund may own foreign cash equivalents and foreign bank deposits as part of its investment strategy. The fund may invest in foreign currencies for hedging and speculative purposes. The fund may focus its investments in a particular sector or sectors of the economy.

Use of Hedging and Other Strategic Transactions. The fund is authorized to use all of the various investment strategies referred to under “Principal risks — Hedging, derivatives and other strategic transactions risk,” including, but not limited to, futures and options contracts, foreign currency forward contracts and swaps. The fund may engage in derivatives transactions for hedging and non-hedging purposes including, without limitation, the following purposes:

• to attempt to protect against possible changes in the market value of securities held or to be purchased by the fund resulting from securities markets or currency exchange rate fluctuations;
• to protect the fund’s unrealized gains in the value of its securities;
• to facilitate the sale of the fund’s securities for investment purposes;
• to manage the effective maturity or duration of the fund’s securities;
• to establish a position in the derivatives markets as a method of gaining exposure to a particular security or market;
• to facilitate the repatriation of foreign currency and the settlement of purchases of foreign securities; and
• to increase or decrease exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another.

PRINCIPAL RISKS

The fund is subject to risks, and you could lose money by investing in the fund. The principal risks of investing in the fund include:

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund’s securities could affect the fund’s performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund’s securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company’s financial condition or overall market conditions.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities it is designed to track. A fund bears ETF fees and expenses indirectly.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security’s credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund’s volatility and could produce disproportionate losses, potentially more than the fund’s principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Regulatory changes in derivative markets could impact the cost of or the fund’s ability to engage in derivatives transactions. Derivatives and other strategic transactions that the fund intends to utilize include: foreign currency forward contracts, futures contracts, options, foreign currency swaps, interest-rate swaps and swaps. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

High portfolio turnover risk. Trading securities actively and frequently can increase transaction costs (thus lowering performance) and taxable distributions.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.
Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE
Performance information is not shown because the fund has been in operation for less than a full calendar year.

INVESTMENT MANAGEMENT
Investment advisor John Hancock Advisers, LLC
Subadvisor John Hancock Asset Management a division of Manulife Asset Management (US) LLC

PORTFOLIO MANAGEMENT
Robert Boyda
Senior Managing Director and and Co-Head of Portfolio Solutions Group North America
Managed the fund since 2016

Marcelle Daher, CFA
Senior Managing Director and Co-Head of Portfolio Solutions Group North America
Managed the fund since 2016

Nathan Thoof, CFA
Senior Managing Director and Co-Head of Portfolio Solutions Group North America
Managed the fund since 2016

OTHER IMPORTANT INFORMATION REGARDING THE FUND
For important information about the purchase and sale of fund shares, taxes and financial intermediary compensation, please turn to “Additional information about the funds” at page 173 of the prospectus.
ADDITIONAL INFORMATION ABOUT THE FUNDS

Purchase and sale of fund shares

There are no minimum initial or subsequent investment requirements for Class NAV shares of the funds.

Taxes

Each fund typically declares and pays dividends and capital gains, if any, at least annually. However, the following funds pay dividends quarterly: Core Bond Fund, Equity Income Fund, High Yield Fund, Investment Quality Bond Fund, Real Return Bond Fund, Short Term Government Income Fund, Total Return Fund, and U.S. High Yield Bond Fund; and the following funds declare dividends daily and pay them monthly: Emerging Markets Debt Fund, Floating Rate Income Fund, Spectrum Income Fund, and Strategic Income Opportunities Fund. A fund’s distributions are taxable, and will be taxed as ordinary income and/or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or individual retirement account, in which case such distributions may taxable at a later date. Withdrawals from such tax-deferred arrangements may be subject to tax.

Payments to broker-dealers and other financial intermediaries

If you purchase the fund through a broker-dealer or other financial intermediary (such as a bank, registered investment advisor, financial planner, or retirement plan administrator), the fund and its related companies may pay the broker-dealer or other intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

Asia Pacific Total Return Bond Fund

Investment objective: The fund seeks to maximize total return. Total return, commonly understood as the combination of income and capital appreciation, includes interest, capital gains, dividends, and distributions realized over a given period of time.

The Board of Trustees can change the fund’s investment objective and strategy without shareholder approval. The fund will provide 60 days’ written notice to shareholders prior to a change in its 80% investment strategy.

The fund seeks to generate capital appreciation and income by investing at least 80% of net assets (plus borrowings for investment purposes) in a diversified portfolio of bonds issued by governments, government agencies, international organizations issuing supranational bonds and corporate issuers in Asia. Asia means those countries that are located on the Asian continent or are in the Asian region, including Australia and New Zealand. An issuer is considered to be in Asia if its principal place of business is in Asia or it is incorporated or domiciled in Asia or, for supranational issuers, its securities are denominated in Asian currencies.

The fund may invest in fixed-income securities of other issuers outside Asia if the manager considers that such securities may help to achieve the fund’s investment objective. The fund may invest in cash and other liquid short-term fixed-income securities when the manager believes that the fund could benefit from maintaining a higher cash exposure, including for temporary defensive purposes.

The fund may invest in investment-grade fixed-income securities and below-investment-grade fixed-income securities (junk bonds). The fund may invest in securities of any maturity, and there is no limit on the maturities of the fixed-income securities in which the fund may invest. There is no limit on the types of issuers in which the fund may invest, which may include issuers of U.S. dollar-denominated securities of foreign governments and corporations, mortgage-related securities, municipal obligations, asset-backed securities, mortgage-backed securities, pay-in-kind bonds, high-yield bonds, emerging-markets debt, distressed investments, loan participations, and U.S. TIPS (Treasury Inflation-Protected Securities). The fund may invest in securities with debt/equity characteristics such as preferred shares, convertible bonds, and warrants. The fund may also use derivatives for hedging and efficient portfolio management purposes by utilizing futures, options, options on futures, foreign currency forward contracts, and non-deliverable forwards.

The fund is a non-diversified fund, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

Blue Chip Growth Fund

Investment objective: To provide long-term growth of capital. Current income is a secondary objective.

The Board of Trustees can change the fund’s investment objective and strategy without shareholder approval. The fund will provide 60 days’ written notice to shareholders prior to a change in its 80% investment strategy.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in the common stocks of large- and medium-sized blue chip growth companies. These are firms that, in the manager’s view, are well established in their industries and have the potential for above-average earnings growth.

In identifying blue chip companies, the manager generally considers the following characteristics:
Leading market positions. Blue chip companies often have leading market positions that are expected to be maintained or enhanced over time. Strong positions, particularly in growing industries, can give a company pricing flexibility as well as the potential for good unit sales. These factors, in turn, can lead to higher earnings growth and greater share price appreciation.

Seasoned management teams. Seasoned management teams with a track record of providing superior financial results are important for a company’s long-term growth prospects. The manager’s analysts will evaluate the depth and breadth of a company’s management experience.

Strong financial fundamentals. Companies should demonstrate faster earnings growth than their competitors and the market in general; high profit margins relative to competitors; strong cash flow; a healthy balance sheet with relatively low debt; and a high return on equity with a comparatively low dividend payout ratio.

This investment approach reflects the manager’s belief that the combination of solid company fundamentals (with emphasis on the potential for above-average growth in earnings or operating cash flow) along with a positive industry outlook will ultimately reward investors with strong investment performance. Some of the companies the manager targets will have good prospects for dividend growth.

While most of the assets of the fund are invested in U.S. common stocks, the fund may also purchase or invest in other types of securities, including (i) U.S. dollar and foreign currency-denominated foreign securities (up to 20% of net assets) including American Depositary Receipts (ADRs), (ii) convertible stocks, warrants and bonds, and (iii) futures and options. Combined investments in convertible securities, preferred stocks, and debt securities are limited to 25% of total assets.

The fund may invest in debt securities of any type without regard to quality or rating. Such securities would be issued by companies which meet the investment criteria for the fund but may include below-investment-grade debt securities (junk bonds) (up to 5% of total assets). The fund’s investment policies are based on credit ratings at the time of purchase.

The fund’s debt securities may include privately negotiated notes or loans, including loan participations and assignments (“bank loans”). These investments will only be made in companies, municipalities or entities that meet the fund’s investment criteria. Direct investments in loans may be illiquid and holding a loan could expose the fund to the risks of being a direct lender. Since the fund invests primarily in equity securities, the risks associated with fixed-income securities will not affect the fund as much as they would a fund that invests more of its assets in fixed-income securities.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar- and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below market rates or even relatively nominal market rates. Hybrid instruments provide an efficient means of creating exposure to a particular market, or segment of a market, with the objective of enhancing total return. Hybrid instruments may take a variety of forms, including, but not limited to: debt instruments with interest or principal payments or redemption terms determined by reference to the value of a currency or commodity or securities index at a future point in time; preferred stock with dividend rates determined by reference to the value of a currency, or convertible securities with the conversion terms related to a particular commodity.

The fund may sell securities for a variety of reasons such as to secure gains, limit losses or redeploy assets into more promising opportunities.

In pursuing the fund’s investment objective, the manager has the discretion to deviate from its normal investment criteria. These situations might arise when the manager believes a security could increase in value for a variety of reasons including a change in management, an extraordinary corporate event, a new product introduction or innovation, or a favorable competitive development. The fund may focus its investments in particular sectors of the economy. The fund may invest significantly in the information technology sector, and the fund may at times invest significantly in stocks of technology companies.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

Capital Appreciation Fund

Investment Objective: To seek long-term growth of capital.

Under normal market conditions, the fund invests at least 65% of its total assets in equity and equity-related securities of companies, at the time of investment, that exceed $1 billion in market capitalization and that the manager believes have above average growth prospects. These companies are generally medium- to large-capitalization companies.

The manager follows a highly disciplined investment selection and management process that seeks to identify companies that show superior absolute and relative earnings growth and also are attractively valued. The manager looks for companies that experience some or all of the following: (i) above-average revenue and earnings per share growth, (ii) strong market position, (iii) improving profitability and distinctive attributes such as unique marketing ability, (iv) strong research and development and productive new product flow, and (v) financial strength. Such companies generally trade at high prices relative to their current earnings. Earnings predictability and confidence in earnings forecasts are important parts of the selection process.

Securities in which the fund invests have historically been more volatile than the S&P 500 Index. Also, companies that have an earnings growth rate higher than that of the average S&P 500 company tend to reinvest their earnings rather than distribute them. Therefore, the fund is not likely to receive significant dividend income on
its securities. Seeking to invest in companies with above market-average growth, the fund may invest significantly in sectors associated with such growth, including information technology.

In addition to common stocks, nonconvertible preferred stock and convertible securities, equity-related securities in which the fund invests include: (i) American Depositary Receipts (ADRs); (ii) warrants and rights; (iii) investments in various types of business ventures, including partnerships and joint ventures; (iv) real estate investment trusts (REITs); and (v) initial public offerings (IPOs) and similar securities. (Convertible securities are securities —like bonds, corporate notes and preferred stocks—that the fund can convert into the company’s common stock, cash value of common stock, or some other equity security.)

In addition to the principal strategies discussed above, the fund may also use the following investment strategies to attempt to increase the fund’s return or protect its assets if market conditions warrant:

- The fund may make short sales of a security including short sales “against the box.”
- The fund may invest up to 20% of its total assets in foreign equity securities. (For purposes of this 20% limit, ADRs and other similar receipts or shares traded in U.S. markets are not considered to be foreign securities.)
- The fund may invest in U.S. government securities issued or guaranteed by the U.S. government or by an agency or instrumentality of the U.S. government.
- The fund may invest in mortgage-related securities issued or guaranteed by U.S. governmental entities, including collateralized mortgage obligations, multi-class pass-through securities and stripped mortgage-backed securities.
- The fund may invest in fixed-income securities rated investment grade. These include corporate debt and other debt obligations of U.S. and foreign issuers. The fund may invest in obligations that are not rated, but that the manager believes are of comparable quality to these obligations.
- The fund may invest in repurchase agreements.

The manager considers selling or reducing a stock position when, in the opinion of the manager, the stock has experienced a fundamental disappointment in earnings, it has reached an intermediate price objective and its outlook no longer seems sufficiently promising, a relatively more attractive stock emerges or the stock has experienced adverse price movement. The fund may focus its investments in a particular sector or sectors of the economy.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Capital Appreciation Value Fund**

**Investment Objective:** To seek long-term capital appreciation.

Under normal market conditions, the fund invests primarily in common stocks of established U.S. companies that have above average potential for capital growth. Common stocks typically constitute at least 50% of the fund’s total assets. The remaining assets are generally invested in other securities, including convertible securities, corporate and government debt, foreign securities, futures and options. The fund may invest up to 20% of its total assets in foreign securities.

The fund’s common stocks generally fall into one of two categories: the larger category comprises long-term core holdings whose prices when purchased by the fund are considered low in terms of company assets, earnings, or other factors; the smaller category comprises opportunistic investments whose prices the manager expects to rise in the short term but not necessarily over the long term. There is no limit on the market capitalization range of the issuers of the stocks in which the fund will invest. Since the manager attempts to prevent losses as well as achieve gains, the manager typically uses a value approach in selecting investments. The manager’s in-house research team seeks to identify companies that seem undervalued by various measures, such as price/book value, and may be temporarily out of favor but are believed to have good prospects for capital appreciation. The manager may establish relatively large positions in companies it finds particularly attractive.

In addition, the manager searches for attractive risk/reward values among all types of securities. The portion of the fund invested in a particular type of security, such as common stocks, results largely from case-by-case investment decisions, and the size of the fund’s cash reserve may reflect the manager’s ability to find companies that meet valuation criteria rather than its market outlook.

Bonds, bank loans, and convertible securities may be purchased to gain additional exposure to a company or for their income or other features; maturity and quality are not necessarily major considerations in determining whether to purchase a particular security, and there are no limits on the maturities or ratings on the debt securities in which the fund may invest. Direct investments in loans may be illiquid and holding a loan could expose the fund to the risks of being a direct lender. The fund’s investments in below investment grade debt securities and loans are limited to 25% of total assets. If a security is split rated (i.e., rated investment grade by at least one rating agency and noninvestment grade by another rating agency), the higher rating will be used for purposes of this requirement. The fund may also purchase other securities, including bank debt, loan participations and assignments and futures and options.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund or any other internal T. Rowe Price money market fund) as well as U.S. dollar and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less.

The fund may invest up to 10% of its total assets in hybrid instruments to protect against downside risk or as a substitute for investing directly in certain securities. Hybrid instruments are a type of high-risk derivative such as covered calls, over-the-counter options and credit default swaps, which can combine the characteristics...
of securities, futures and options. Such securities may bear interest or pay dividends at below (or even relatively nominal) rates. In addition, the fund may invest up to 10% of its total assets in mortgage- and asset-backed securities.

The fund may sell securities for a variety of reasons such as to secure gains, limit losses or redeploy assets into more promising opportunities.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Core Bond Fund**

**Investment Objective:** To seek total return consisting of income and capital appreciation.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in debt securities, including U.S. government obligations, corporate bonds, mortgage-backed and other asset-backed securities and money market instruments.

The fund invests in debt securities that the manager believes offer attractive yields and are undervalued relative to issues of similar credit quality and interest rate sensitivity. The fund may also invest in unrated bonds that the manager believes are comparable to investment-grade debt securities. The fund may invest to a significant extent in mortgage-backed securities, including collateralized mortgage obligations.

Under normal market conditions, the manager expects to maintain an effective duration within 10% (in either direction) of the duration of the Bloomberg Barclays Capital U.S. Aggregate Bond Index (the duration of this index as of October 31, 2017 was 5.97 years).

The fund may invest:

- Up to 25% of total assets in asset-backed securities, other than mortgage-backed securities;
- Up to 20% of total assets in U.S. dollar-denominated obligations of foreign issuers; and
- Up to 10% of total assets in stripped mortgage-backed securities.

As part of a mortgage-backed securities investment strategy, the fund may enter into dollar rolls. The fund may also enter into reverse repurchase agreements to enhance return.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Emerging Markets Fund**

**Investment objective:** To seek long-term capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval. The fund will provide 60 days’ written notice to shareholders prior to a change in its 80% investment strategy.

Under normal circumstances, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in companies associated with emerging markets designated from time to time by the Investment Committee of the manager. A company is associated with an emerging market if its securities meet the definition of “Approved Market Securities,” as defined below.

The fund seeks long-term capital appreciation through investment primarily in emerging-market equity securities. The fund seeks to achieve its investment objective by investing in companies associated with emerging markets, which may include frontier markets (emerging-market countries at an earlier stage of development), authorized for investment by the Investment Committee of the manager (Approved Markets) from time to time. The fund will also seek to purchase emerging-market equity securities across all market capitalizations with an increased exposure to securities of small-cap issuers and securities that it considers to be value securities, as described below.

The fund invests its assets primarily in Approved Markets equity securities listed on bona fide securities exchanges or actively traded on over-the-counter markets. (Approved Markets-securities are defined below.) These exchanges may be either within or outside the issuer’s domicile country. The securities may be listed or traded in the form of American Depositary Receipts (ADRs), European Depositary Receipts (EDRs), Global Depositary Receipts (GDRs), Non-Voting Depositary Receipts (NVDRs), or other similar securities, including dual-listed securities. The fund may invest in financial services companies.

The manager believes securities are considered value stocks primarily because they have a high book value in relation to their market value. In assessing value, the manager may consider additional factors, such as price-to-cash flow or price-to-earnings ratios, as well as economic conditions and developments in the issuer’s industry. The criteria the manager uses for assessing value are subject to change from time to time. In addition, the manager may adjust the representation in the fund of an eligible company, or exclude a company, after considering profitability relative to other eligible companies. In assessing profitability, the manager may consider different ratios, such as that of earnings or profits from operations relative to book value or assets.

The fund may not invest in certain eligible companies or Approved Markets described above because of constraints imposed within Approved Markets, restrictions on purchases by foreigners, and the fund’s policy to invest no more than 25% of its total assets in any one industry at the time of purchase.

The fund also may invest up to 10% of its total assets in shares of other investment companies that invest in one or more Approved Markets, although it intends to do so only where access to those markets is otherwise significantly limited.
In determining what countries are eligible markets for the fund, the manager may consider various factors, including, without limitation, the data, analysis, and classification of countries published or disseminated by the World Bank, the International Finance Corporation, FTSE International, MSCI, and Citigroup. Approved emerging markets may not include all emerging markets classified by such entities. In determining whether to approve markets for investment, the manager takes into account, among other things, market liquidity, relative availability of investor information, government regulation, including fiscal and foreign exchange repatriation rules, and the availability of other access to these markets for the fund and other affiliated funds.

The fund may also use derivatives such as futures contracts and options on futures contracts to adjust market exposure based on expected cash inflows to or outflows from the fund. The fund may enter into futures contracts and options on futures contracts for an Approved Market or other equity market securities and indices, including those of the United States. The fund may also enter into forward currency contracts to facilitate the settlement of equity purchases of foreign securities, repatriation of foreign currency balances, or exchange of one foreign currency to another currency.

The fund’s policy of seeking broad market diversification means the manager will not utilize fundamental securities research techniques in identifying securities selections. Even though a company’s stock may meet the applicable market-capitalization criterion for investment, it may not be included for one or more reasons. For example, in the manager’s judgment, the issuer may be considered in extreme financial difficulty or a material portion of its securities may be closely held and not likely available to support market liquidity. To this extent, there will be the exercise of discretion and consideration by the manager in purchasing securities in an Approved Market and in determining the allocation of investments among Approved Markets.

The fund does not seek current income as an investment objective, and investments will not be based upon an issuer’s dividend payment policy or record. However, many of the companies whose securities will be held by the fund do pay dividends. It is anticipated, therefore, that the fund will receive dividend income. The fund may focus its investments in a particular sector or sectors of the economy.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Approved Markets**

As of the date of this prospectus, the fund considers the following emerging-market countries to be Approved Markets for purposes of its 80% policy described above. In determining when and whether to invest in an Approved Market, the manager may consider factors such as asset growth in the fund and market characteristics. The Investment Committee of the manager may authorize countries for future investment in addition to the countries listed below. The fund may continue to hold investments in countries previously authorized for investment that are not currently authorized.

- Brazil
- Chile
- China
- Colombia
- Czech Republic
- Greece
- Hungary
- India
- Indonesia
- Malaysia
- Mexico
- Peru
- Philippines
- Poland
- Russia
- South Africa
- South Korea
- Taiwan
- Thailand
- Turkey

**Approved Market Securities**

“Approved Market Securities” are defined as securities that are associated with an Approved Market, and include, among others: (a) securities of companies that are organized under the laws of, or maintain their principal place of business in, an Approved Market; (b) securities for which the principal trading market is in an Approved Market; (c) securities issued or guaranteed by the government of an Approved Market country, its agencies or instrumentalities, or the central bank of such country; (d) securities denominated in an Approved Market currency issued by companies to finance operations in Approved Markets; (e) securities of companies that derive at least 50% of their revenues or profits from goods produced or sold, investments made, or services performed in Approved Markets, or have at least 50% of their assets in Approved Markets; (f) Approved Market equity securities in the form of depositary shares; (g) securities of pooled investment vehicles that invest primarily in Approved Markets securities or derivative instruments that derive their value from Approved Market securities; or (h) securities included in the fund’s benchmark index. Securities of Approved Markets may include securities of companies that have characteristics and business relationships common to companies in other countries. As a result, the value of the securities of such companies may reflect economic and market forces in such other countries as well as in the Approved Markets. The manager, however, will select only those companies that, in its view, have sufficiently strong exposure to economic and market forces in Approved Markets. For example, the manager may invest in companies organized and located in the United States or other countries outside of Approved Markets, including companies having their entire production facilities outside of Approved Markets, when such companies’ securities meet the definition of Approved Market securities.

**Emerging Markets Debt Fund**

**Investment objective:** To seek total return with an emphasis on current income as well as capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval. The fund will provide written notice to shareholders at least 60 days prior to a change in its 80% investment policy.

Under normal market conditions, the fund invests at least 80% of its net assets in fixed-income securities and debt instruments of emerging-market issuers. The manager may consider, but is not limited to, the classifications by the World Bank, the International Finance Corporation, or the United Nations and its agencies in determining whether a country is an emerging or a developed country. Examples of emerging-market countries include most African, Central Asian, Eastern European, and South and Central American nations.

The portfolio managers use proprietary research to identify specific countries, corporate sectors, and issuers that are attractively priced, and shall not be constrained by market capitalization, company fundamentals, security valuation or seasoning, or similar characteristics. The portfolio managers use economic and industry analysis
to try to anticipate shifts in the business cycle and determine which countries and sectors might benefit over the next 12 months. Due to potentially volatile conditions in emerging markets, the fund’s investment process may result in a higher-than-average portfolio turnover ratio, which could increase transaction costs. In the event of extreme market conditions, the managers may temporarily depart from the investment strategy for defensive purposes.

A number of countries that the fund will invest in may not have sovereign ratings, may be below-investment-grade, or may be unrated. Below-investment-grade debt securities are also referred to as junk bonds. The fund may invest in corporate or other privately issued debt instruments of issuers having market capitalizations of below $1 billion at the time of investment. The debt securities in which the fund may invest include, but are not limited to, debt issued by governments or government agencies, including the U.S. Treasury; U.S. and foreign corporate-debt instruments; mortgage- and asset-backed securities and collateralized mortgage obligations; and variable and floating-rate senior and subordinated corporate-debt obligations. There is no limit on the maturities of the debt instruments in which the fund will invest. The fund may invest in securities denominated in any currency, including U.S. dollar-denominated emerging-market debt, and may be subject to unexpected, adverse currency fluctuations. The fund may attempt to mitigate the risk of unintended currency fluctuations through the use of exchange-listed or over-the-counter financial derivatives instruments, including currency forwards, nondeliverable forwards, currency options, interest-rate swaps, interest-rate futures, interest-rate options, index options, and credit default swaps.

Total return, commonly understood as the combination of income and capital appreciation, includes interest, capital gains, dividends, and distributions realized over a given period of time.

The fund is a non-diversified fund, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

Securities lending
The fund may lend its securities so long as such loans do not represent more than 33½% of the fund’s total assets. The borrower will provide collateral to the lending portfolio so that the value of the loaned security will be fully collateralized. The collateral may consist of cash, cash equivalents, or securities issued or guaranteed by the U.S. government or its agencies or instrumentalities. The borrower must also agree to increase the collateral if the value of the loaned securities increases. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower of the securities fail financially.

Equity Income Fund
Investment Objective: To provide substantial dividend income and also long-term growth of capital.

The Board of Trustees can change the fund’s investment objective and strategy without shareholder approval. The fund will provide 60 days’ written notice to shareholders prior to a change in its 80% investment strategy.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities, with at least 65% in common stocks of well-established companies paying above-average dividends. The fund employs a “value” approach and invests in stocks and other securities that appear to be undervalued by various measures and may be temporarily out of favor but have good prospects for capital appreciation and dividend growth.

Under normal market conditions, substantial dividend income means that the yield on the fund’s portfolio securities generally exceeds the yield on the fund’s benchmark. The manager believes that income can contribute significantly to total return over time and expects the fund’s yield to exceed that of the S&P 500 Index. While the price of a company’s stock can go up or down in response to earnings or fluctuations in the market, stocks paying a high level of dividend income tend to be less volatile than those with below-average dividends and may help offset losses in falling markets.

The fund will generally consider companies with one or more of the following characteristics:

- established operating histories;
- above-average dividend yield relative to the S&P 500 Index;
- low price/earnings ratios relative to the S&P 500 Index;
- sound balance sheets and other positive financial characteristics; and
- low stock price relative to a company’s underlying value, as measured by assets, cash flow or business franchises.

The fund may also purchase other types of securities in keeping with its objective, including:

- U.S. dollar-and foreign currency-denominated foreign securities including American Depositary Receipts (ADRs) (up to 25% of total assets);
- preferred stocks;
- convertible stocks, bonds, and warrants;
- futures and options; and
- bank debt, loan participations and assignments.

The fund may invest in fixed-income securities without regard to quality or rating, including up to 10% in below-investment grade fixed-income securities (junk bonds). The fund’s fixed-income investments may include privately negotiated notes or loans, including loan participations and assignments (bank loans). Direct
investments in loans may be illiquid and holding a loan could expose the fund to the risks of being a direct lender. These investments will only be made in companies, municipalities or entities that meet the fund’s investment criteria. Since the fund invests primarily in equity securities, the risks associated with fixed income securities will not affect the fund as much as they would a fund that invests more of its assets in fixed-income securities. The fund’s investment policies are based on credit ratings at the time of purchase.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar- and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.

The fund may sell securities for a variety of reasons such as to secure gains, limit losses or redeploy assets into more promising opportunities.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below market rates or even relatively nominal market rates. Hybrid instruments provide an efficient means of creating exposure to a particular market, or segment of a market, with the objective of enhancing total return. Hybrid instruments may take a variety of forms, including, but not limited to: debt instruments with interest or principal payments or redemption terms determined by reference to the value of a currency or commodity or securities index at a future point in time; preferred stock with dividend rates determined by reference to the value of a currency; or convertible securities with the conversion terms related to a particular commodity.

In pursuing the fund’s investment objective, the manager has the discretion to deviate from its normal investment criteria, as described above, and purchase securities the manager believes will provide an opportunity for substantial appreciation. These situations might arise when the manager believes a security could increase in value for a variety of reasons including a change in management, an extraordinary corporate event, a new product introduction or a favorable competitive development.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Floating Rate Income Fund**

**Investment objective:** To seek a high level of current income.

The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval. The fund will provide written notice to shareholders at least 60 days prior to a change in its 80% investment policy.

Under normal market conditions, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in floating-rate loans, which often include debt securities of domestic and foreign issuers that are rated below investment grade (rated below Baa by a nationally recognized statistical rating organization such as Moody’s Investors Service, Inc. or BBB by Standard and Poor’s Ratings Services), or are of comparable quality, as determined by the manager, and other floating-rate securities. Bonds that are rated at or below BB by Standard & Poor’s Ratings Services or Ba by Moody’s Investors Service, Inc. are considered junk bonds. The fund’s investment policies are based on credit ratings at the time of purchase.

The fund may invest in domestic and foreign issuer loans and loan participations that pay interest at rates that float or reset periodically at a margin above a generally recognized base lending rate such as the Prime Rate, the London InterBank Offered Rate (LIBOR), or another generally recognized base lending rate. Loans and debt instruments rated below investment grade are considered to have speculative characteristics. The fund may invest in loans of companies whose financial conditions are troubled or uncertain and that may be involved in bankruptcy proceedings, reorganizations, or financial restructurings. Direct investments in loans may be illiquid and holding a loan could expose the fund to the risks of being a direct lender. The fund may also acquire, and subsequently hold, warrants and other equity interests.

In purchasing loans, loan participations, and other securities for the fund, the manager may take full advantage of the entire range of maturities and durations and may from time to time adjust the average maturity or duration of the investments held by the fund, depending on its assessment of the relative yields of different maturities and durations and its expectations of future changes in interest rates.

The fund may invest in any number of issuers and may, at times, invest its assets in a small number of issuers. The fund may also invest in loans of any aggregate principal amount, and the average aggregate principal amount of the loans held by the fund will vary from time to time.

For purposes of reducing risk and/or improving liquidity, the fund may invest in derivative instruments such as options (including options on securities indices) and swaps (including credit default swaps).

The fund’s investment process may, at times, result in a higher-than-average portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Securities lending**

The fund may lend its securities so long as such loans do not represent more than 33⅓% of the fund’s total assets. The borrower will provide collateral to the lending portfolio so that the value of the loaned security will be fully collateralized. The collateral may consist of cash, cash equivalents, or securities issued or guaranteed by the U.S. government or its agencies or instrumentalities. The borrower must also agree to increase the collateral if the value of the loaned securities increases. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower of the securities fail financially.
Fundamental Global Franchise Fund

Investment objective: The fund seeks to provide capital appreciation.

The Board of Trustees can change the fund's investment objective and strategies without shareholder approval. The fund will provide written notice to shareholders at least 60 days prior to a change in its 80% investment policy.

Under normal market conditions, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in securities of franchise companies. A franchise company is one whose return on invested capital over a three-year period is above its cost of capital. Return on invested capital quantifies how well a company generates cash flow relative to the capital it has invested in its business, while its cost of capital refers to the cost of raising money to fund its business. These companies will have a leading share of industry sales, the ability to generate consistent sales growth over time as their products and services attract a larger customer base, and a strong record of return on capital invested in the company with a sustainable competitive advantage, meaning bargaining power with buyers and/or sellers, and a unique product or process that is difficult to replicate or substitute and hard for others to compete with.

Under normal market conditions, at least 40% of the value of the fund's net assets will be invested in issuers domiciled outside of the United States, which includes securities for which the relevant reference entity is domiciled outside the United States, such as American Depositary Receipts (ADRs) that trade on U.S. exchanges. The manager seeks to validate a company's competitive advantage through an in-depth fundamental research process that focuses on key growth drivers and qualitative factors such as competitive positioning, financial strength, and evidence of management's ability to create shareholder value. The fund seeks to add value primarily through stock selection.

The manager conducts securities analysis using a variety of sources, including third-party research and public sources such as company filings. The manager's primary method of analysis is fundamental analysis, which is the ability to assess the health of a company, its competitive positioning, strength of management, and its competitive advantages. The manager's research includes detailed fundamental company models using key assumptions that drive sales, margins, and capital deployment.

Investment decisions are a function of finding stocks that possess the qualitative factors as outlined above and that the manager believes are trading at a significant discount to the manager's estimation of value.

The fund is non-diversified, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer.

The fund may invest significantly in securities of companies in certain sectors, such as the consumer staples and consumer discretionary sectors (as defined by the Global Industry Classification Standards (GICS)), and may therefore experience greater volatility than funds investing in a broader range of sectors and may be more susceptible to the impact of market, economic, regulatory, and other factors affecting that sector.

The manager focuses on the equity securities of small-, mid-, and large-capitalization companies in both developed and emerging countries. The manager primarily invests in common stocks of developed and emerging companies, as well as ADRs, which trade on U.S. exchanges.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

Global Bond Fund

Investment Objective: To seek maximum total return, consistent with preservation of capital and prudent investment management.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in fixed-income instruments that are economically tied to at least three countries (one of which may be the United States), which may be represented by futures contracts (including related options) with respect to such securities, and options on such securities. These fixed-income instruments may be denominated in foreign currencies or in U.S. dollars, which may be represented by forwards or derivatives, such as options, futures contracts, or swap agreements.

In selecting securities for the fund, the manager utilizes economic forecasting, interest rate anticipation, credit and call risk analysis, foreign currency exchange rate forecasting, and other security selection techniques. The proportion of the fund's assets committed to investment in securities with particular characteristics (such as maturity, type and coupon rate) will vary based on the manager's outlook for the U.S. and foreign economies, the financial markets, and other factors.

The types of fixed-income securities in which the fund may invest include the following securities which, unless otherwise noted, may be issued by domestic or foreign issuers and may be denominated in U.S. dollars or foreign currencies:

- securities issued or guaranteed by the U.S. government, its agencies or government-sponsored enterprises;
- corporate debt securities of U.S. and foreign issuers, including convertible securities and corporate commercial paper;
- mortgage-backed and other asset-backed securities;
- inflation-indexed bonds issued by both governments and corporations;
- structured notes, including hybrid or "indexed" securities, event-linked bonds, bank capital and trust preferred securities;
- loan participations and assignments;
- delayed funding loans and revolving credit facilities;
- bank certificates of deposit, fixed time deposits and bankers’ acceptances;
- debt securities issued by states or local governments and their agencies, authorities and other government-sponsored enterprises;
- repurchase agreements and reverse repurchase agreements;
- obligations of foreign governments or their subdivisions, agencies and government-sponsored enterprises; and
- obligations of international agencies or supranational entities.

Fixed-income securities may have fixed, variable, or floating rates of interest, including rates of interest that vary inversely at a multiple of a designated or floating rate, or that vary according to change in relative values of currencies.

Depending on the manager’s current opinion as to the proper allocation of assets among domestic and foreign issuers, investments that are economically tied to foreign countries will normally be at least 25% of the fund’s net assets. The fund may invest, without limitation, in securities and instruments that are economically tied to emerging countries. The fund may invest up to 10% of its total assets in fixed-income securities that are rated below investment grade but rated B or higher by Moody’s Investors Service, Inc. or equivalently rated by Standard and Poor’s Ratings Services or Fitch Ratings Inc., or, if unrated, determined by the manager to be of comparable quality (except that within such limitations, the fund may invest in mortgage-related securities and variable rate master demand notes rated below B).

The fund’s investment policies are based on credit ratings at the time of purchase. The fund may invest in baskets of foreign currencies (such as the euro) and directly in currencies. The average portfolio duration of the fund normally varies within three years (plus or minus) of the duration of the benchmark index, as calculated by the manager.

The fund may invest up to 10% of its total assets in preferred stocks. The fund may have significant investments in fixed-income instruments issued by companies in the financial services sector.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may make short sales of a security including short sales “against the box.”

The fund is a non-diversified fund, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer.

The fund may:
- purchase and sell options on domestic and foreign securities, securities indexes and currencies,
- purchase and sell futures and options on futures,
- purchase and sell currency or securities on a forward basis, and
- enter into interest rate, index, equity, total return, currency, and credit default swap agreements.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Global Equity Fund**

**Investment Objective:** To seek long-term capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval.

The fund seeks to generate capital appreciation by investing at least 80% of net assets (plus borrowings for investment purposes) in a diversified portfolio of equity securities. This policy is subject to change only upon 60 days notice to shareholders. Under normal market conditions, at least 40% of the value of the fund’s net assets will be invested in issuers domiciled outside of the United States, including in emerging markets, which includes securities for which the relevant reference entity is domiciled outside the United States, such as American Depositary Receipts (ADRs), that trade on U.S. exchanges. There are no limits on the market-capitalization ranges of the companies in which the fund may invest. The fund may invest in the securities of large, medium, or small companies.

In managing the fund, the manager seeks to identify undervalued companies that exhibit attractive valuations, solid business franchises, sustainable margins/cash flow, disciplined capital allocation, strong management teams, and strong balance sheets.

The manager employs an unconstrained, bottom-up stock selection process based on disciplined fundamental research with the aim to create a diversified portfolio of quality global stocks of any size that not only demonstrate compelling value but also generate sustainable cash flows. Equity securities include common and preferred stocks and their equivalents, including depositary receipts, warrants, rights, and securities convertible into common or preferred stocks.

The decision-making process involves candidate companies being screened for valuation, quality, and dividends, together with a detailed examination of the challenges and opportunities that exist for that business. The manager will assess the valuation opportunity for that company by establishing base-case, upside, and downside price targets. The manager will take into consideration the diversification benefits and the liquidity of the security before making the final investment decision.
The fund may invest in cash, money market instruments, repurchase agreements, or other short-term instruments for the purposes of meeting redemption requests or making other anticipated cash payments.

Global Real Estate Fund

Investment Objective: To seek a combination of long-term capital appreciation and current income.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of U.S. real estate investment trusts ("REITs"), foreign entities with tax-transparent structures similar to REITs and U.S. and foreign real estate operating companies. Equity securities include common stock, preferred stock and securities convertible into common stock. The fund will be invested in issuers located in at least three different countries, including the U.S. The fund may also invest its assets in short-term debt securities, notes, bonds, securities of companies not principally engaged in real estate, stock index futures contracts and similar instruments and American Depositary Receipts (ADRs), European Depositary Receipts (EDRs) and Global Depositary Receipts (GDRs). A company is considered to be a real estate operating company if, in the opinion of the manager, at least 50% of its revenues or 50% of the market value of its assets at the time its securities are purchased by the fund are attributed to the ownership, construction, management or sale of real estate. The manager looks for real estate securities it believes will provide superior returns to the fund, and attempts to focus on companies with the potential for stock price appreciation and a record of paying dividends.

To find these issuers, the manager tracks economic conditions and real estate market performance in major metropolitan areas and analyzes performance of various property types within those regions. To perform this analysis, it uses information from a global network of real estate professionals to evaluate the holdings of real estate companies and REITs in which the fund may invest. Its analysis also includes the companies’ management structure, financial structure and business strategy. The manager also considers the effect of the real estate securities markets in general when making investment decisions. The manager does not attempt to time the market.

The fund may realize some short-term gains or losses if the manager chooses to sell a security because it believes that one or more of the following is true:
- A security is not fulfilling its investment purpose;
- A security has reached its optimum valuation; or
- A particular company or general economic conditions have changed.

The manager’s U.S. fund management team will select all North and South American investments. Foreign investments will be selected by fund management teams within affiliates of the manager under common control with Deutsche Bank AG, the indirect parent company of the manager. All fund management teams will contribute to the global regional allocation process.

Description of REITs

A REIT invests primarily in income-producing real estate or makes loans to persons involved in the real estate industry.

Some REITs, called equity REITs, buy real estate and pay investors income from the rents received from the real estate owned by the REIT and from any profits on the sale of its properties. Other REITs, called mortgage REITs, lend money to building developers and other real estate companies and pay investors income from the interest paid on those loans. There are also hybrid REITs which engage in both owning real estate and making loans.

If a REIT meets certain requirements, it is not taxed on the income it distributes to its investors.

Based on its recent practices, the manager expects that the fund’s assets will be invested primarily in equity REITs. In changing market conditions, the fund may invest in other types of REITs. While a REIT is an entity defined by U.S. tax laws, various countries have created entities similar in terms of tax treatment to REITs.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

The fund concentrates its investments in securities of issuers in the real estate industry.

Health Sciences Fund

Investment Objective: To seek long-term capital appreciation.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in common stocks of companies engaged, at the time of investment, in the research, development, production, or distribution of products or services related to health care, medicine, or the life sciences (collectively termed “health sciences”).

While the fund may invest in companies of any size, the majority of its assets are expected to be invested in large- and mid-capitalization companies.

The manager’s portfolio managers divide the health sciences sector into four main areas: pharmaceuticals, health care services companies, medical products and devices providers, and biotechnology firms. Their allocation among these four areas will vary depending on the relative potential within each area and the outlook for the overall health sciences sector. While most assets will be invested in U.S. common stocks, the fund may purchase other securities, including foreign securities,
futures, and options in keeping with its investment objective. In addition, the fund writes call and put options primarily as a means of generating additional income. The fund reserves the right to use options to seek protection against a decline in the value of its securities or an increase in prices of securities that may be purchased. Normally, the fund will own the securities on which it writes these options. The premium income received by writing covered calls can help reduce but not eliminate portfolio volatility.

The fund concentrates its investments (invests more than 25% of its total assets) in securities of companies in the health sciences sector, a comparatively narrow segment of the economy, and therefore may experience greater volatility than funds investing in a broader range of industries.

In managing the fund, the manager uses a fundamental, bottom-up analysis that seeks to identify high quality companies and the most compelling investment opportunities. In general, the fund will follow a growth investment strategy, seeking companies whose earnings are expected to grow faster than inflation and the economy in general. When stock valuations seem unusually high, however, a "value" approach, which gives preference to seemingly undervalued companies, may also be emphasized.

The fund may invest up to 35% of its total assets in foreign securities (including emerging market securities) and may have exposure to foreign currencies through its investment in these securities, its direct holdings of foreign currencies or through its use of foreign currency exchange contracts for the purchase or sale of a fixed quantity of a foreign currency at a future date.

In pursuing its investment objective, the fund’s management has the discretion to purchase some securities that do not meet its normal investment criteria, as described above, when it perceives an unusual opportunity for gain. These special situations might arise when the fund’s management believes a security could increase in value for a variety of reasons including a change in management, an extraordinary corporate event, or a new product introduction or a favorable competitive development.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less.

The fund may sell securities for a variety of reasons such as to secure gains, limit losses or redeploy assets into more promising opportunities.

Use of Hedging and Other Strategic Transactions. The fund is authorized to use all of the various investment strategies referred to under “Additional Information About the Funds’ Principal Risks—Hedging, derivatives and other strategic transactions risk” including entering into option transactions.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**High Yield Fund**

**Investment Objective:** To realize an above-average total return over a market cycle of three to five years, consistent with reasonable risk.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) at the time of investment in high yield securities. The fund’s investments may include corporate bonds, preferred stocks, U.S. government and foreign securities, mortgage-backed securities, loan assignments or participations and convertible securities which have the following ratings (or, if unrated, are considered by the manager to be of equivalent quality):

**Corporate Bonds, Preferred Stocks and Convertible Securities**

Moody’s Investors Service, Inc. ..................... Ba through C
Standard and Poor’s Ratings Services. .............. BB through D

Below-investment-grade securities are commonly referred to as "junk bonds." The fund may also invest in investment-grade securities.

As part of the below-investment-grade securities investment strategy, the fund will generally invest without restrictions within these ratings category ranges, or in unrated securities, considered to be of equivalent quality by the manager.

The fund may invest in foreign bonds and other fixed-income securities denominated in foreign currencies, where, in the opinion of the manager, the combination of current yield and currency value offer attractive expected returns. Foreign securities in which the fund may invest include emerging market securities. The fund may invest up to 100% of its assets in foreign securities.

The fund may also enter into various derivative transactions for both hedging and non-hedging purposes, including for purposes of enhancing returns. These derivative transactions include, but are not limited to, futures, options, swaps and forwards. In particular, the fund may use interest rate swaps, credit default swaps (on individual securities and/or baskets of securities), futures contracts and/or mortgage-backed securities to a significant extent, although the amounts invested in these instruments may change from time to time.

The fund may invest in fixed- and floating-rate loans, generally in the form of loan participations and assignments of such loans.

The fund normally maintains an average portfolio duration of between three and seven years. However, the fund may invest in individual securities of any duration. Duration is an approximate measure of the sensitivity of the market value of a security to changes in interest rates.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.
International Growth Stock Fund

Investment Objective: To seek to achieve long-term growth of capital.

The fund invests primarily in a diversified portfolio of international securities whose issuers are considered by the fund’s manager to have strong earnings growth. The fund will, under normal circumstances, invest at least 80% of its net assets (plus any borrowings for investment purposes) in stocks of any market capitalization.

The fund invests significantly in foreign issuers. The fund focuses its investments in equity securities of foreign issuers that are listed on a recognized foreign or U.S. securities exchange or traded in a foreign or U.S. over-the-counter market. The fund invests, under normal circumstances, in issuers located in at least three countries outside of the U.S. The fund may invest in issuers located in developing countries (emerging markets). Under normal circumstances, the maximum percentage of the fund’s net assets that may be invested in these issuers is 1.25 times of the emerging market weight of the MSCI All Country World ex U.S. Growth Index.

The fund can invest in derivative instruments including forward foreign currency contracts and futures. The fund can utilize forward foreign currency contracts to mitigate the risk of foreign currency exposure. A forward foreign currency contract is an agreement between parties to exchange a specified amount of currency at a specified future time at a specified rate. Forward foreign currency contracts are used to protect against uncertainty in the level of future foreign currency exchange rates. The fund can use these contracts to hedge against adverse movements in the foreign currencies in which portfolio securities are denominated.

The fund can invest in futures contracts, including index futures, to seek exposure to certain asset classes. A futures contract is a standardized agreement between two parties to buy or sell a specific quantity of an underlying instrument at a specific price at a specific future time. The value of the futures contract tends to increase and decrease in tandem with the value of the underlying instrument. Futures contracts are bilateral agreements, with both the purchaser and the seller equally obligated to complete the transaction. Depending on the terms of the particular contract, futures contracts are settled through either physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date.

The manager employs a disciplined investment strategy that emphasizes fundamental research, supported by quantitative analysis, portfolio construction and risk management techniques. The strategy primarily focuses on identifying issuers that they believe have sustainable earnings growth, efficient capital allocation, and attractive prices. Investments for the portfolio are selected bottom-up on a security-by-security basis. The focus is on the strengths of individual issuers, rather than sector or country trends. The fund may focus its investments in a particular sector or sectors of the economy.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

International Small Cap Fund

Investment Objective: To seek long-term capital appreciation.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in investments of smaller companies outside the U.S., including emerging markets, which have total stock market capitalizations or annual revenues of $4 billion or less.

In some emerging markets, the fund may invest in companies that qualify as smaller companies but that still are among the largest in the market. The fund may also invest a portion of its assets in the equity securities of larger foreign companies.

An equity security, or stock, represents a proportionate share of the ownership of a company; its value is based on the success of the company’s business, any income paid to stockholders, the value of its assets, and general market conditions. Common stocks, preferred stocks and convertible securities are examples of equity securities. Convertible securities generally are debt securities or preferred stock that may be converted into common stock after a certain time period or under certain circumstances.

The fund may invest more than 25% of its total assets in the securities of issuers located in any one country. The fund may focus its investments in a particular sector or sectors of the economy.

When choosing equity investments for this fund, the manager applies a “bottom up,” value-oriented, long-term approach, focusing on the market price of a company’s securities relative to the manager’s evaluation of the company’s long-term earnings, asset value and cash flow potential. The manager also considers a company’s price/earnings ratio, profit margins and liquidation value and other factors.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

International Small Company Fund

Investment Objective: To seek long-term capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategy without shareholder approval. The fund will provide 60 days’ written notice to shareholders prior to a change in its 80% investment strategy.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in securities of small-cap companies in the particular markets in which the fund invests. Based on market capitalization data as of October 31, 2017, the maximum market capitalization range of companies eligible for purchase by the fund was approximately $1.8 billion to $6.9 billion, depending on the country. The fund will primarily invest in a broad and diverse group of equity securities of foreign small companies of developed markets, but may also hold equity securities of companies located in emerging markets.
The fund invests its assets in securities listed on bona fide securities exchanges or traded on the over-the-counter (OTC) markets, including securities listed or traded in the form of International Depository Receipts (IDRs), American Depositary Receipts (ADRs), European Depositary Receipts (EDRs), Global Depositary Receipts (GDRs), Non-Voting Depositary Receipts (NVDRs), and other similar securities, including dual-listed securities. Each of these securities may be traded within or outside the issuer’s domicile country.

The manager measures company size on a country- or region-specific basis and based primarily on market capitalization. In the countries or regions authorized for investment, the manager first ranks eligible companies listed on selected exchanges based on the companies’ market capitalizations. The manager then determines the universe of eligible stocks by defining the maximum market capitalization of a small company that may be purchased by the fund with respect to each country or region. This threshold will vary by country or region, and dollar amounts will change due to market conditions.

The fund intends to purchase securities in each applicable country using a market-capitalization-weighted approach. The manager, using this approach and its judgment, will seek to set country weights based on the relative market capitalizations of eligible small companies within each country. See “Market-capitalization-weighted-approach” below. As a result, the weightings of certain countries in the fund may vary from their weightings in international indices, such as those published by FTSE International, MSCI, or Citigroup.

The fund may also use derivatives, such as futures contracts, and options on futures contracts to adjust market exposure based on expected cash inflows to or outflows from the fund. The fund may enter into futures contracts and options on futures contracts for foreign or U.S. equity securities and indices. The fund may also enter into forward currency contracts to facilitate the settlement of equity purchases of foreign securities, repatriation of foreign currency balances, or exchange of one foreign currency for another currency. In addition to cash, money market instruments, and other short-term investments, the fund may invest in affiliated and unaffiliated unregistered money market funds to manage the fund’s cash pending investment in other securities or to maintain liquidity for the payment of redemptions, making other anticipated cash payments, or other purposes. Investments in money market funds may involve a duplication of certain fees and expenses.

The fund does not seek current income as an investment objective and investments will not be based on an issuer’s dividend payment policy or record. However, many of the companies whose securities will be included in the fund do pay dividends. It is anticipated, therefore, that the fund will receive dividend income. The fund may focus its investments in a particular sector or sectors of the economy.

The manager will determine, in its discretion, when and whether to invest in countries that have been authorized for investment by its Investment Committee, depending on a number of factors such as asset growth in the fund and characteristics of each country’s market. The manager’s Investment Committee may authorize other countries for investment in the future and the fund may continue to hold investments in countries not currently authorized for investment but that had previously been authorized for investment.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Market-capitalization-weighted approach**

The fund structure involves market capitalization weighting in determining individual security weights and, where applicable, country or region weights. Market-capitalization weighting means each security is generally purchased based on the issuer’s relative market capitalization. Market-capitalization weighting will be adjusted by the manager for a variety of factors. The manager may consider such factors as free float, momentum, trading strategies, liquidity management, profitability, and other factors determined to be appropriate by the manager given market conditions. In assessing profitability, the manager may consider different ratios, such as those of earnings or profits from operations relative to book value or assets. The manager may deviate from market-capitalization weighting to limit or fix the exposure of the fund to a particular country or issuer to a maximum proportion of the assets of the fund. The manager may exclude the stock of a company that meets applicable market-capitalization criteria if the manager determines, in its judgment, that the purchase of such security is inappropriate in light of other conditions. These adjustments will result in a deviation from traditional market-capitalization weighting.

Country weights may be based on the total market capitalization of companies within each country. The calculation of country market capitalization may take into consideration the free float of companies within a country or whether these companies are eligible to be purchased for the particular strategy. In addition, to maintain a satisfactory level of diversification, the Investment Committee may limit or adjust the exposure to a particular country or region to a maximum proportion of the assets of that vehicle. Country weights may also deviate from target weights due to general day-to-day trading patterns and price movements. As a result, the weighting of certain countries will likely vary from their weighting in published international indices. Also, deviation from target weights may result from holding securities from countries that are no longer authorized for future investments.

**Securities lending**

The fund may lend its securities so long as such loans do not represent more than 33 1/3% of the fund’s total assets. The borrower will provide collateral to the lending portfolio so that the value of the loaned security will be fully collateralized. The collateral may consist of cash, cash equivalents, or securities issued or guaranteed by the U.S. government or its agencies or instrumentality. The borrower must also agree to increase the collateral if the value of the loaned securities increases. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower of the securities fail financially.
The Board of Trustees can change the fund’s investment objective and strategy without shareholder approval. The fund will provide written notice to shareholders at least 60 days prior to a change in its 80% investment policy.

The fund seeks to achieve its investment objective by investing under normal market conditions at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of any market capitalization, including futures on indexes of equity securities. The fund primarily invests in foreign securities. The fund’s allocation to various markets and types of securities will be actively managed.

The fund may invest in both developed and emerging markets. The fund’s investment in equity securities will vary both with respect to types of securities and markets in response to changing market and economic trends. The fund’s allocation of securities will depend on the manager’s outlook for the markets and generally reflect the manager’s strategic asset allocation analysis and their assessment of the relative attractiveness of a particular asset class, country or region. When determining whether to invest in a particular market, the manager considers various factors, including economic and political conditions, potential for economic growth and possible changes in currency exchange rates.

The fund may also invest in equity securities of U.S. issuers. Investments in exchange-traded funds (ETFs) and derivative instruments may be used to reduce risk and/or obtain efficient investment exposure, and may include options, futures contracts, and swaps (including interest-rate swaps).

The fund also may invest in fixed-income securities, including, but not limited to:

- U.S. Treasury and agency securities as well as notes backed by the Federal Deposit Insurance Corporation;
- U.S. Treasury futures contracts;
- Mortgage-backed securities, including mortgage pass-through securities, commercial mortgage-backed securities (CMBS) and collateralized mortgage obligations (CMOs);
- U.S. and foreign corporate bonds;
- Foreign government and agency securities; and
- Lower-rated fixed-income securities and high-yield securities (also known as “junk bonds”).

The foreign securities in which the fund invests may be denominated in U.S. dollars or foreign currency. The fund may actively manage its exposure to foreign currencies through the use of foreign currency forward contracts and other currency derivatives. The fund may own foreign cash equivalents and foreign bank deposits as part of its investment strategy. The fund may invest in foreign currencies for hedging and speculative purposes. The fund may focus its investments in a particular sector or sectors of the economy.

Use of Hedging and Other Strategic Transactions. The fund is authorized to use all of the various investment strategies referred to under “Principal risks — Hedging, derivatives and other strategic transactions risk,” including, but not limited to, futures and options contracts, foreign currency forward contracts and swaps. The fund may engage in derivatives transactions for hedging and non-hedging purposes including, without limitation, the following purposes:

- to attempt to protect against possible changes in the market value of securities held or to be purchased by the fund resulting from securities markets or currency exchange rate fluctuations;
- to protect the fund’s unrealized gains in the value of its securities;
- to facilitate the sale of the fund’s securities for investment purposes;
- to manage the effective maturity or duration of the fund’s securities;
- to establish a position in the derivatives markets as a method of gaining exposure to a particular security or market;
- to facilitate the repatriation of foreign currency and the settlement of purchases of foreign securities; and
- to increase or decrease exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another.

**International Value Fund**

**Investment Objective:** To seek long-term growth of capital.

Under normal market conditions, the fund invests primarily in equity securities of companies located outside the U.S., including in emerging markets. Although the manager will search for investments across a large number of countries and sectors, from time to time, based on economic conditions, the fund may have significant positions in particular countries or sectors.

Equity securities generally entitle the holder to participate in a company’s general operating results. These include common stocks and preferred stocks. The fund also invests in American Depositary Receipts (ADRs), European Depositary Receipts (EDRs) and Global Depositary Receipts (GDRs), which are certificates typically issued by a bank or trust company that give their holders the right to receive securities issued by a foreign or domestic company.

The fund may invest in convertible securities without regard to the ratings assigned by the rating services. The fund also invests in American, European and Global Depositary Receipts. The fund, from time to time, may have significant investments in one or more countries or in particular sectors such as technology (including computer hardware and software, electronics, and telecommunications) and financial institutions.

Depending upon current market conditions, the fund may invest in debt securities of countries and governments located anywhere in the world.
The fund may also invest in equity-linked notes (ELNs), which are hybrid derivative-type instruments that are specially designed to combine the characteristics of one or more reference securities (usually a single stock, a stock index or a basket of stocks (underlying securities)) and a related equity derivative, such as a put or call option, in a single note form. The fund may engage in all types of ELNs, including those that: (1) provide for protection of the fund’s principal in exchange for limited participation in the appreciation of the underlying securities, and (2) do not provide for such protection and subject the fund to the risk of loss of the Fund’s principal investment. ELNs can provide the fund with an efficient investment tool that may be less expensive than investing directly in the underlying securities and the related equity derivative.

The manager’s investment philosophy is “bottom-up,” value-oriented, and long-term. In choosing equity investments, the manager will focus on the market price of a company’s securities relative to its evaluation of the company’s long-term earnings, asset value and cash flow potential. A company’s historical value measure, including price/earnings ratio, profit margins and liquidation value, will also be considered.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Mid Cap Stock Fund**

**Investment Objective:** To seek long-term growth and capital appreciation.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of medium-sized companies with significant capital appreciation potential. For the fund, “medium-sized companies” are those with market capitalizations within the collective market capitalization range of companies represented in either the Russell Mid Cap Index ($1.4 billion to $36 billion as of October 31, 2017) or the S&P Mid Cap 400 Index ($886.4 million to $12.3 billion as of October 31, 2017).

The manager’s investment approach is based primarily on proprietary fundamental analysis. Fundamental analysis involves the assessment of a company through various measures and offer good prospects for capital appreciation.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Mid Value Fund**

**Investment Objective:** To seek long-term capital appreciation.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in companies with market capitalizations that are within the S&P Mid Cap 400 Index ($886.4 million to $12.3 billion as of October 31, 2017) or the Russell Mid Cap Value Index ($1.4 billion to $36 billion as of October 31, 2017). The fund invests in a diversified mix of common stocks of mid-size U.S. companies that are believed to be undervalued by various measures and offer good prospects for capital appreciation.

The manager employs a value approach in selecting investments. The manager’s in-house research team seeks to identify companies whose stock prices do not appear to reflect their underlying values. The manager generally looks for companies with one or more of the following characteristics:

- Low stock prices relative to net assets, earnings, cash flow, sales, book value, or private market value;
- Demonstrated or potentially attractive operating margins, profits and/or cash flow;
- Sound balance sheets and other positive financial characteristics;
- Stock ownership by management/employees; and
- Experienced and capable management.

The fund’s sector exposure is broadly diversified as a result of stock selection and therefore may vary significantly from its benchmark, the Russell Midcap Value Index. The market capitalization of companies held by the fund and included in the indices changes over time. The fund will not automatically sell or cease to purchase stock of a company it already owns just because the company’s market capitalization grows or falls outside these ranges.

The fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

In pursuing the fund’s investment objective, the manager has the discretion to deviate from its normal investment criteria, as described above, and purchase securities that the manager believes will provide an opportunity for substantial appreciation. These situations might arise when the manager believes a security could increase in value for a variety of reasons, including a change in management, an extraordinary corporate event, a new product introduction or a favorable competitive development.

The fund may invest in initial public offerings (IPOs). While most assets will be invested in U.S. common stocks, the fund may purchase other types of securities, for example: convertible securities and warrants, foreign securities (up to 20% of total assets), certain exchange-traded funds (ETFs), and certain derivatives (investments
whose value is based on indices or other securities). For purposes of the fund, ETFs are considered securities with a market capitalization equal to the weighted average market capitalization of the basket of securities comprising the ETF.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below (or even relatively nominal) rates.

Except when engaged in temporary defensive investing, the fund normally has less than 10% of its assets in cash and cash equivalents. The fund may focus its investments in a particular sector or sectors of the economy.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Natural Resources Fund**

**Investment objective:** To seek long-term capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval. The fund will provide written notice to shareholders at least 60 days prior to a change in its 80% investment policy.

Under normal market conditions, the fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in equity and equity-related securities of natural resource-related companies worldwide, including in emerging markets. Natural resource-related companies include companies that own, explore, mine, process or otherwise develop, or provide goods and services with respect to, natural resources. The fund will consider a company a natural resource-related company if the company is categorized, based on the Global Industry Classification Standards (“GICS”) industry classifications, as they may be amended from time to time, within the following industries: Chemicals, Construction Materials, Containers & Packaging, Energy Equipment & Services, Metals & Mining, Oil, Gas & Consumable Fuels, and Paper & Forest Products. The fund may amend from time to time the GICS industries that are included in the fund’s definition of a natural resource-related company. Equity and equity-related securities in which the fund typically invests include common stock, preferred stock, rights that can be exercised to obtain stock, warrants and debt securities or preferred stock convertible into or exchangeable for common or preferred stock and interests in master limited partnerships.

The fund may invest without limitation in foreign securities, including in emerging markets. The fund may utilize currency forwards and other currency hedging transactions in an effort to protect the value of the fund’s assets when the manager deems it advisable to do so.

Jennison’s Global Natural Resources team uses a combination of top-down analysis and bottom-up stock selection. The management team believes its proprietary fundamental research process is critical to successful stock selection. The Natural Resources team attempts to identify market dynamics that are underpinning natural resources commodities, and in turn seeks companies that the management team believes are not hindered by those constraints and can capitalize in an environment of changing commodity prices. The team initially examines the relative strengths of natural resources commodity groups, attempting to determine if a commodity has favorable supply/demand characteristics. They then seek to identify stocks from energy/mining sub-sectors with attractive attributes such as: valuation versus peers, organic reserve and production growth, and competitive unit cost structure. A key characteristic the team seeks is a company’s ability to show increasing proven and probable reserves and strong organic production growth from natural resource reserve bases whose potential may currently be underappreciated by the marketplace.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Securities lending**

The fund may lend its securities so long as such loans do not represent more than 33⅓% of the fund’s total assets. The borrower will provide collateral to the lending portfolio so that the value of the loaned security will be fully collateralized. The collateral may consist of cash, cash equivalents, or securities issued or guaranteed by the U.S. government or its agencies or instrumentalities. The borrower must also agree to increase the collateral if the value of the loaned securities increases. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower of the securities fail financially.

**New Opportunities Fund**

**Investment objective:** To seek long-term capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval.

The fund invests primarily in equity securities of companies considered small-capitalization companies by the fund’s managers. Although the fund invests primarily in small-cap equities, the fund also invests in mid-cap and micro-cap companies and reserves the right to invest in companies of any market-capitalization including large-cap companies. Market-capitalization classification is determined at the time of purchase by each manager using its own investment criteria. Although the fund will primarily invest in small-cap equities, the market-capitalization of individual portfolio securities and the fund’s portfolio as a whole will vary over time as market conditions change.
Equity securities in which the fund invests include common stock, preferred stock and equity-equivalent securities or instruments whose values are based on common stocks, such as convertible securities, rights, warrants or options (stock or stock index), futures contracts (stock or stock index), and index swaps.

The fund employs a multi-style and multi-manager approach in which portions of the fund’s assets are allocated to different managers that employ distinct investment styles. The fund currently has three managers.

The fund’s advisor provides or oversees the provision of all investment advisory and portfolio management services for the fund, including overseeing the investment allocation for the fund and managing the fund’s overall portfolio characteristics, including investment style exposures.

The advisor selects managers for the fund, allocates fund assets among and oversees those managers, and evaluates their performance results. The managers select the individual portfolio securities for the assets assigned to them. When allocating fund assets to a manager, the advisor considers various characteristics of the manager’s portfolio: market capitalization, growth and profitability, valuation, sector weightings, and earnings and price volatility. The advisor also considers the correlation between the managers’ historical and expected investment returns. Since the advisor will rebalance the fund only periodically, the actual portion of the fund managed by each manager at any given time will vary.

The fund may invest in any economic sector, and at times may emphasize one or more particular sectors. The fund may also invest in equity securities identified by a manager as having growth or value characteristics. Growth securities are securities a manager believes will experience relatively rapid earnings growth. Value securities, on the other hand, are securities a manager believes are selling at prices below their fundamental value.

The fund also may invest in: (a) securities of foreign issuers, including foreign issuers located in emerging markets, either directly through investments in foreign currency-denominated securities traded outside of the U.S. or indirectly through depositary receipts; (b) real estate investment trusts (REITs); (c) initial public offerings (IPOs); and (d) master limited partnerships (MLPs). The fund may invest in derivatives such as swaps, options, futures contracts, or options on futures contracts, to gain market exposure, to adjust market exposure, or to maintain liquidity to pay redemptions. The fund may invest in foreign currency forward contracts to manage the fund’s exposure to foreign currency. The fund also may invest in investment companies, including exchange-traded funds (ETFs) for the purpose of gaining exposure to equity markets while maintaining liquidity.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

The fund currently has three managers:

- Brandywine Global Investment Management, LLC (Brandywine);
- Dimensional Fund Advisors LP (Dimensional); and
- GW&K Investment Management, LLC (GW&K)

Each manager’s investment strategy is described below.

**Brandywine**

Brandywine’s process combines the use of quantitative measures with thorough fundamental analysis. To the universe of all domestic equities, Brandywine applies capitalization and current-valuation screens to identify stocks with market capitalizations consistent with the capitalization range of the Russell 2000 Index. Brandywine then takes a multi-faceted approach to determine whether a company appears to be under-valued:

- Analysis of the long-term financial viability of the company's business;
- Assessment of the quality of management and whether their interests are aligned with those of the company; and
- Evaluation of the company's current stock price relative to the intrinsic value of the company’s business, as determined by the manager.

Brandywine then builds a portfolio by weighing investment ideas based on their risk/reward and liquidity profiles. The manager conducts its own research for each investment idea, focusing on the company’s long-term fundamentals, through which it seeks to understand why a stock is undervalued or out of favor. The manager’s portion of the fund typically will hold approximately 60-90 securities. The manager monitors its portion of the fund’s holdings to achieve favorable risk/reward characteristics.

Brandywine will typically sell a holding when:

- The security reaches its intrinsic value, as determined by the manager;
- Fundamental deterioration changes the manager’s analysis of the holding;
- The manager decides to allocate capital to superior ideas; or
- The holding experiences “market-cap drift,” i.e., when the holding’s market capitalization increases above the range of companies in which the manager typically invests.

**Dimensional**

Dimensional’s process, using a market capitalization weighted approach (see Market Capitalization Weighted Approach below), purchases a broad and diverse group of the readily marketable securities of U.S. small- and mid-cap companies that Dimensional determines to be value stocks. A company’s market capitalization is the number of its shares outstanding times its price per share. In general, the higher the relative market capitalization of the eligible company, the greater its
representation in the Portfolio. Dimensional may modify market capitalization weights and even exclude companies after considering such factors as free float, momentum, trading strategies, liquidity management, and profitability, as well as other factors that Dimensional determines to be appropriate, given market conditions. Securities are considered value stocks primarily because a company’s shares have a high book value in relation to their market value. In assessing profitability, Dimensional may consider different ratios, such as that of earnings or profits from operations relative to book value or assets. In general, Dimensional does not intend to purchase or sell securities based on the prospects of the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

Dimensional may sell portfolio securities when the issuer’s market capitalization increases to a level that exceeds that of the issuer with the largest market capitalization that is then eligible for Dimensional’s consideration. In addition, Dimensional may sell portfolio securities when their book-to-market ratios fall below those of the security with the lowest such ratio that is then eligible for Dimensional’s consideration. However, Dimensional may retain securities of issuers with relatively smaller market capitalizations for longer periods, despite a decrease in the issuers’ book-to-market ratios.

Dimensional is not required to sell a security even if the decline in the market capitalization reflects a serious financial difficulty or potential or actual insolvency of the company. Securities that do meet the market capitalization and/or value criteria nevertheless may be sold at any time when, in Dimensional’s judgment, circumstances warrant their sale.

**Market Capitalization Weighted Approach**

Dimensional’s strategy involves market capitalization weighting in determining individual security weights. Market capitalization weighting means each security is generally purchased based on the issuer’s relative market capitalization. Market capitalization weighting will be adjusted by Dimensional for a variety of factors. Dimensional may consider such factors as free float, momentum, liquidity management, profitability and other factors determined to be appropriate by Dimensional given market conditions. In assessing profitability, Dimensional may consider different ratios, such as that of earnings or profits from operations relative to book value or assets. Dimensional may deviate from market capitalization weighting to limit or fix exposure to a particular issuer to a maximum proportion of assets. Dimensional may exclude the stock of a company that meets applicable market capitalization criteria if Dimensional determines that the purchase of such security is inappropriate in light of other conditions. These adjustments will result in a deviation from traditional market capitalization weighting.

**GW&K**

GW&K utilizes fundamental research and bottom-up stock selection to identify undervalued small cap companies with sustainable earnings growth, and whose management is focused on enhancing value for shareholders. GW&K seeks to hold securities for the long term.

GW&K focuses on quality small-cap companies with sound management and long-term sustainable growth, regardless of style. In selecting companies, GW&K looks for firms with the following key attributes:

- Experienced, tenured, high-quality management;
- Business models that deliver consistent long-term growth;
- Leading companies in attractive and defensible niche markets;
- Strong financial characteristics; and
- Appropriate valuation.

Various factors may lead GW&K to consider selling a particular security, such as a significant change in the relevant company’s senior management or its products, deterioration in its fundamental characteristics, if the company has corporate governance issues, or if GW&K believes that the security has become overvalued.

**Real Estate Equity Fund**

**Investment Objective:** To seek long-term growth through a combination of capital appreciation and current income.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in the equity securities of real estate companies. The definition of real estate companies is broad and includes those that derive at least 50% of revenues or profits from, or commit at least 50% of assets to, real estate activities.

The fund is likely to maintain a substantial portion of assets in real estate investment trusts ("REITs"). REITs are pooled investment vehicles that typically invest directly in real estate, in mortgages and loans collateralized by real estate, or in a combination of the two. "Equity" REITs invest primarily in real estate that produces income from properties. "Mortgage" REITs invest primarily in mortgages and derive their income from interest payments. The fund generally invests in equity REITs. Other investments in the real estate industry may include real estate operating companies, brokers, developers, and builders of residential, commercial, and industrial properties; property management firms, finance, mortgage, and mortgage servicing firms; construction supply and equipment manufacturing companies; and firms dependent on real estate holdings for revenues and profits, including lodging, leisure, timber, mining and agriculture companies.

The types of properties owned, and sometimes managed, by REITs include: office buildings, apartments and condominiums, retail properties, industrial and commercial sites, hotels and resorts, health care facilities, manufactured housing, self-storage facilities, leisure properties and special use facilities.

REITs usually specialize in a particular type of property and may concentrate their investments in particular geographical areas. For this reason and others, investing in REITs may provide investors with an efficient, low-cost means of diversifying among various types of property in different regions.
The fund will not own real estate directly and will have no restrictions on the size of companies selected for investment. Up to 20% of the fund’s net assets may be invested in companies deriving a substantial portion of revenues or profits from servicing real estate firms or in companies unrelated to the real estate business.

Stock selection is based on fundamental, bottom-up analysis that generally seeks to identify high-quality companies with both good appreciation prospect and income-producing potential. Factors considered by the manager in selecting real estate companies include one or more of the following: relative valuation; free cash flow; undervalued assets; quality and experience of management; type of real estate owned; and the nature of a company’s real estate activities.

In pursuing the fund’s investment objective, the manager has the discretion to deviate from its normal investment criteria, as described above, and purchase securities that the manager believes will provide an opportunity for substantial appreciation. These special situations might arise when the manager believes a security could increase in value for a variety of reasons, including a change in management, an extraordinary corporate event, or a temporary imbalance in the supply of or demand for the securities.

While most assets will be invested in U.S. common stocks, other securities may also be purchased, including foreign stocks (up to 25% of total assets), convertible securities, futures, and options, in keeping with the objectives of the fund. The fund may invest in debt securities of any type, including municipal securities, without regard to quality or rating. The fund may purchase up to 10% of its total assets in any type of below-investment-grade debt securities (or “junk bonds”) including those in default. Fund investments in convertible securities are not subject to this limit. Below-investment-grade bonds or junk bonds can be more volatile and have greater risk of default than investment-grade bonds. The fund’s fixed-income investments may include privately negotiated notes or loans, including loan participations and assignments (“bank loans”). These investments in bank loans will only be made in companies, municipalities or entities that meet the fund’s investment criteria. Direct investments in loans may be illiquid and holding a loan could expose the fund to the risks of being a direct lender. Since the fund invests primarily in equity securities, the risks associated with fixed-income securities will not affect the fund as much as they would a fund that invests more of its assets in fixed-income securities.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below (or even relatively nominal) rates.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar- and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less. The fund may invest its cash reserves in U.S. dollars and foreign currencies.

The fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

The fund concentrates its investments in securities of issuers in the real estate industry.

**Real Estate Securities Fund**

**Investment Objective:** To seek to achieve a combination of long-term capital appreciation and current income.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of real estate investment trusts (“REITs”) and real estate companies. Equity securities include common stock, preferred stock and securities convertible into common stock.

A company is considered to be a real estate company if, in the opinion of the manager, at least 50% of its revenues or 50% of the market value of its assets at the time its securities are purchased by the fund are attributed to the ownership, construction, management or sale of real estate.

The manager looks for real estate securities it believes will provide superior returns to the fund, and attempts to focus on companies with the potential for stock price appreciation and a record of paying dividends.

To find these issuers, the manager tracks economic conditions and real estate market performance in major metropolitan areas and analyzes performance of various property types within those regions. To perform this analysis, it uses information from a nationwide network of real estate professionals to evaluate the holdings of real estate companies and REITs in which the fund may invest. Its analysis also includes the companies’ management structure, financial structure and business strategy. The goal of these analyses is to determine which of the issuers the manager believes will be the most profitable to the fund. The manager also considers the effect of the real estate securities markets in general when making investment decisions. The manager does not attempt to time the market.

A REIT invests primarily in income-producing real estate or makes loans to persons involved in the real estate industry. Some REITs, called equity REITs, buy real estate and pay investors income from the rents received from the real estate owned by the REIT and from any profits on the sale of its properties. Other REITs, called mortgage REITs, lend money to building developers and other real estate companies and pay investors income from the interest paid on those loans. There are also hybrid REITs which engage in both owning real estate and making loans.

If a REIT meets certain requirements, it is not taxed on the income it distributes to its investors.

The fund may realize some short-term gains or losses if the manager chooses to sell a security because it believes that one or more of the following is true:

- A security is not fulfilling its investment purpose;
- A security has reached its optimum valuation; or
- A particular company or general economic conditions have changed.

Based on its recent practices, the manager expects that the fund’s assets will be invested primarily in equity REITs. In changing market conditions, the fund may invest in other types of REITs.

When the manager believes that it is prudent, the fund may invest a portion of its assets in other types of securities. These securities may include convertible securities, short-term securities, bonds, notes, securities of companies not principally engaged in the real estate industry, non-leveraged stock index futures contracts and other similar securities. (Stock index futures contracts, can help the fund’s cash assets remain liquid while performing more like stocks.)

The fund may invest up to 10% of its total assets in securities of foreign real estate companies.

The fund is a non-diversified fund, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer. The fund concentrates its investments in securities of issuers in the real estate industry.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Real Return Bond Fund**

**Investment Objective:** To seek maximum real return, consistent with preservation of real capital and prudent investment management.

Under normal market conditions, the fund invests at least 80% of its net assets (plus borrowings for investment purposes) in inflation-indexed bonds of varying maturities issued by the U.S. and foreign governments, their agencies or instrumentalities and corporations, which may be represented by forwards or derivatives such as options, futures contracts, or swap agreements. Inflation-indexed bonds are fixed-income securities that are structured to provide protection against inflation. The value of the bond's principal or the interest income paid on the bond is adjusted to track changes in an official inflation measure. The U.S. Treasury uses the Consumer Price Index for Urban Consumers as the inflation measure. Inflation-indexed bonds issued by a foreign government are generally adjusted to reflect a comparable inflation index, calculated by that government. “Real return” equals total return less the estimated cost of inflation, which is typically measured by the change in an official inflation measure.

The types of fixed-income securities in which the fund may invest include the following securities which, unless otherwise noted, may be issued by domestic or foreign issuers and may be denominated in U.S. dollars or foreign currencies:

- securities issued or guaranteed by the U.S. government, its agencies or government-sponsored enterprises;
- corporate debt securities of U.S. and foreign issuers, including convertible securities and corporate commercial paper;
- mortgage-backed and other asset-backed securities;
- inflation-indexed bonds issued by both governments and corporations;
- structured notes, including hybrid or “indexed” securities, event-linked bonds, bank capital and trust preferred securities;
- loan participations and assignments;
- delayed funding loans and revolving credit facilities;
- bank certificates of deposit, fixed time deposits and bankers’ acceptances;
- debt securities issued by states or local governments and their agencies, authorities and other government-sponsored enterprises;
- repurchase agreements and reverse repurchase agreements;
- obligations of foreign governments or their subdivisions, agencies and government-sponsored enterprises; and
- obligations of international agencies or supranational entities.

Fixed-income securities may have fixed, variable, or floating rates of interest, including rates of interest that vary inversely at a multiple of a designated or floating rate, or that vary according to change in relative values of currencies.

The fund invests primarily in investment-grade securities, but may invest up to 10% of its total assets in high yield securities (“junk bonds”) rated B or higher by Moody’s Investors Service, Inc. or equivalently rated by Standard and Poor’s Ratings Services or Fitch Ratings Inc., or, if unrated, determined by the manager to be of comparable quality. The fund may also invest up to 30% of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers. The fund may invest in baskets of foreign currencies (such as the euro) and direct currency. The fund will normally limit its foreign currency exposure (from foreign currency-denominated securities or foreign currencies) to 20% of its total assets. The fund may invest up to 10% of its total assets in securities and instruments that are economically tied to emerging market countries. This limitation does not apply to investment grade sovereign debt denominated in the local currency with less than 1 year remaining to maturity. The effective duration of this fund normally varies within three years (plus or minus) of the duration of the benchmark, as calculated by the manager.

The fund may invest up to 10% of its total assets in preferred stocks.

The fund may also lend its portfolio securities to brokers, dealers and other financial institutions to earn income. The fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls).
The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may make short sales of a security including short sales “against the box.”

The fund may:
- purchase and sell options on domestic and foreign securities, securities indexes and currencies,
- purchase and sell futures and options on futures,
- purchase and sell currency or securities on a forward basis, and
- enter into interest rate, index, equity, total return, currency, and credit default swap agreements.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Redwood Fund**

**Investment objective:** to seek long-term capital appreciation with a high degree of downside protection and reduced volatility relative to the broad U.S. equity market.

The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval.

The fund seeks to achieve its investment objective, under normal circumstances, by primarily investing in U.S. equities and simultaneously selling a call option against those stocks. The call options will typically have a strike price that is lower than the current stock price, which is termed “in the money.” This combination of long stock position and short in the money call option creates a yield instrument. Additionally, the fund can engage in writing out-of-the-money put options on U.S. equities. Writing out-of-the-money put options on U.S. equities is analogous to buying the stock and selling the call option with the same strike price and is another way of achieving the same result. These two investments, out of the money puts, or a long stock position combined with a short in the money call option set at the same strike as the put, are equivalent in terms of risk reward due to put call parity. In analyzing specific positions for possible investment, the manager ordinarily looks for protection down to a fundamentally derived estimate of “intrinsic value,” as described below; attractive potential return relative to risk; and an appropriate correlation between the time to expiration and the estimate of intrinsic value.

Based on fundamental research, the manager estimates the potential downside volatility (the “intrinsic value” level) of each equity security under consideration for the fund’s portfolio. The strike price of the call options is usually set at or below the estimated intrinsic value level of the securities against which they are sold and the time to expiration of the options that the fund sells varies. The fund may also write (sell) in-the-money call options on equity indexes and/or exchange-traded funds and may write call options on individual securities that it does not hold in its portfolio (i.e., naked call options). With respect to any long equity position held by the fund, the fund may write call options on a greater or lesser number of shares than it holds. To the extent that call options are written on greater than 100% of the position, this would represent naked call option exposure. However, with respect to any naked call option exposure, the fund will segregate liquid assets in an amount equal to its daily exposure under the contract or enter into offsetting positions.

When writing out-of-the-money put options, the fund typically sets the strike price at or below the estimated intrinsic value level of the securities on which the options are written. The fund may also sell naked out-of-the-money puts to achieve the same underlying security during the term of the option.

The issuers of equity securities purchased by the fund will primarily have market capitalizations in excess of $2 billion. The fund may invest in companies located both within and outside the United States (including companies organized or headquartered in emerging market countries). The fund is not limited in the percentage of assets it may invest in any one country, region or geographic area. The fund may invest in initial public offerings (IPOs) and in exchange-traded funds (ETFs). In addition to common stocks and other equity securities (such as preferred stocks, convertible securities, and warrants), the fund may utilize foreign currency exchange contracts, options, stock index futures contracts, and other derivative instruments, primarily for the purpose of reducing the risks of individual equity positions and to maximize risk adjusted returns. The fund may also use derivatives to hedge broad market exposure. In addition to the use of written option contracts, the fund may utilize foreign currency exchange contracts, other options, stock index futures contracts, other futures and forward contracts, swap agreements, variance swaps, convertibles and reverse convertibles, and other derivative instruments for hedging purposes or to enhance return. Variance swap agreements involve an agreement by the two parties to exchange cash flows based on the measured variance (or square of volatility) of a specified underlying asset.

The fund’s investment process may result in an extremely high portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Science & Technology Fund**

**Investment Objective:** To seek long-term growth of capital. Current income is incidental to the fund’s objective.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in the common stocks of companies expected to benefit from the development, advancement, and/or use of science and technology. For purposes of satisfying this requirement, common stock may include equity-linked notes and derivatives relating to common stocks, such as options on equity-linked notes.

The fund employs a multi-manager approach with two managers, each of which employs its own investment approach and independently manages its portion of the fund. The fund will be rebalanced periodically so that the managers manage the following portions of the fund:
50%* Allianz Global Investors U.S. LLC ("AllianzGI US")
50%* T. Rowe Price Associates, Inc. ("T. Rowe Price")

*Percentages are approximate. Since the fund is only rebalanced periodically, the actual portion of the fund managed by each manager will vary.
This allocation methodology may change in the future.

Some industries likely to be represented in the fund include:
- information technology including hardware, software, semiconductors and technology equipment
- telecommunications equipment and services
- media including advertising, broadcasting, cable and satellite, movies, entertainment, publishing and information services
- environmental services
- internet commerce and advertising
- life sciences and health care, including pharmaceuticals, health care equipment and services, and biotechnology
- chemicals and synthetic materials
- defense and aerospace
- alternative energy

While most of the fund’s assets are invested in U.S. common stocks, the fund may also purchase other types of securities, including U.S. dollar- and foreign currency-denominated foreign securities, convertible stocks and bonds, and warrants, and use futures and options, in keeping with the fund’s investment objective.

Stock selection for the fund generally reflects a growth approach based on an assessment of a company’s fundamental prospects for above-average earnings, rather than on a company's size. As a result, fund holdings can range from securities of small companies developing new technologies to securities of blue chip firms with established track records. The fund may also invest in companies that are expected to benefit from technological advances even if they are not directly involved in research and development. The fund may invest in suitable technology companies through IPOs.

The fund holds a certain portion of its assets in money market reserves, which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar- and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.

The fund may sell securities for a variety of reasons such as to secure gains, limit losses or redeploy assets into more promising opportunities.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below market (or even relatively nominal) rates.

In managing its portion of the fund, AllianzGI US may enter into short sales including short sales against the box.

In pursuing the fund’s investment objective, each manager has the discretion to purchase some securities that do not meet its normal investment criteria, as described above, when they perceive an unusual opportunity for gain. These special situations might arise when a manager believes a security could increase in value for a variety of reasons including a change in management, an extraordinary corporate event, a new product introduction or a favorable competitive development.

The fund’s investment process may, at times, result in a higher-than-average portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Short Term Government Income Fund**

**Investment Objective:** To seek a high level of current income consistent with preservation of capital. Maintaining a stable share price is a secondary goal.

The fund seeks to achieve its investment objective by investing under normal circumstances at least 80% of its net assets (plus borrowings for investment purposes) in obligations issued or guaranteed by the U.S. government and its agencies, authorities or instrumentalities (U.S. government securities). Under normal circumstances, the fund’s effective duration is no more than three years.

U.S. government securities may be supported by:
- The full faith and credit of the United States government, such as Treasury bills, notes and bonds, and Government National Mortgage Association Certificates.
- The right of the issuer to borrow from the U.S. Treasury, such as obligations of the Federal Home Loan Mortgage Corporation.
- The credit of the instrumentality, such as for obligations of the Federal National Mortgage Association.

The fund may invest in higher-risk securities, including U.S. dollar-denominated foreign government securities and asset-backed securities. It may also invest up to 10% of its net assets in foreign governmental high yield securities (junk bonds) rated as low as B and their unrated equivalents. The fund’s investment policies are based on credit ratings at the time of purchase.
In managing the portfolio of the fund, the manager considers interest rate trends to determine which types of bonds to emphasize at a given time. The fund typically favors mortgage-related securities when it anticipates that interest rates will be relatively stable, and favors U.S. Treasuries at other times. Because high yield bonds often respond to market movements differently from U.S. government bonds, the fund may use them to manage volatility.

The fund may invest in mortgage-related securities and Treasury futures to protect against adverse changes and manage risks.

The fund may invest in other investment companies, including exchange traded funds ("ETFs"), and engage in short sales.

Under normal circumstances, the fund's effective duration is no more than three years, which means that the fund may purchase securities with a duration of greater than three years as long as the fund's average duration does not exceed three years.

The fund may trade securities actively, which could increase transaction costs (thus lowering performance).

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Small Cap Growth Fund**

**Investment Objective:** To seek long-term capital appreciation.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in small-cap companies. For the purposes of the fund, "small cap companies" are those with market capitalizations, at the time of investment, not exceeding the maximum market capitalization of any company represented in either the Russell 2000 Index (approximately $9.1 billion as of October 31, 2017) or the S&P Small Cap 600 Index (approximately $5.9 billion as of October 31, 2017).

The fund invests in small-cap companies that are believed to offer above-average potential for growth in revenues and earnings. Market capitalizations of companies in the indices change over time; however, the fund will not sell a security just because a company has grown to a market capitalization outside the maximum range of the indices.

The manager selects stocks using a combination of quantitative screens and bottom-up, fundamental security research. Quantitative screening seeks to narrow the list of small capitalization companies and to identify a group of companies with strong revenue growth and accelerating earnings. Fundamental equity research seeks to identify individual companies from that group with a higher potential for earnings growth and capital appreciation.

The manager looks for companies based on a combination of criteria including one or more of the following:

- Improving market shares and positive financial trends;
- Superior management with significant equity ownership; and
- Attractive valuations relative to earnings growth outlook.

The fund is likely to experience periods of higher turnover in portfolio securities because the manager frequently adjusts the selection of companies and/or their position size based on these criteria. The fund’s sector exposures are broadly diversified, but are primarily a result of stock selection and therefore may vary significantly from its benchmark. The fund may invest up to 25% of its total assets in foreign securities, including emerging market securities. The fund may invest significantly in the information technology sector.

Except as otherwise stated under “Additional information about the funds,” the fund normally has 10% or less (usually lower) of its total assets in cash and cash equivalents.

The fund may invest in initial public offerings (IPOs). The fund may also purchase each of the following types of securities: U.S. dollar-denominated foreign securities and certain exchange-traded funds (ETFs).

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Small Cap Value Fund**

**Investment objective:** To seek long-term capital appreciation.

The Board of Trustees can change the fund's investment objective and strategies without shareholder approval. The fund will provide written notice to shareholders at least 60 days prior to a change in its 80% investment policy.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in small-cap companies that are believed to be undervalued by various measures and offer good prospects for capital appreciation. For the purposes of the fund, small-cap companies are those with market capitalizations, at the time of investment, not exceeding the maximum market capitalization of any company represented in either the Russell 2000 Value Index ($9.1 billion as of October 31, 2017) or the S&P SmallCap 600 Index ($5.9 billion as of October 31, 2017).

The fund invests primarily in a diversified mix of common stocks of U.S. small-cap companies. The manager employs a value-oriented investment approach in selecting stocks, using proprietary fundamental research to identify stocks the manager believes have distinct value characteristics based on industry-specific valuation criteria. The manager focuses on high-quality companies with a proven record of above-average rates of profitability that sell at a discount relative to the overall small-cap market.
Fundamental research is then used to identify those companies demonstrating one or more of the following characteristics:

- sustainable competitive advantages within a market niche;
- strong profitability and free cash flows;
- strong market share positions and trends;
- quality of and share ownership by management; and
- financial structures that are more conservative than the relevant industry average.

The fund’s sector exposures are broadly diversified, but are primarily a result of stock selection and may, therefore, vary significantly from the fund’s benchmark. The fund may invest up to 15% of its total assets in foreign securities (with no more than 5% in emerging-market securities). The fund may have significant investments in the financial services sector.

Except as otherwise stated under "Temporary defensive investing," the fund normally has 10% or less (usually less) of its total assets invested in cash and cash equivalents.

The fund may invest in initial public offerings (IPOs). The fund may also purchase each of the following types of securities: real estate investment trusts (REITs) or other real estate related equity securities, U.S. dollar-denominated foreign securities, and certain exchange-traded funds (ETFs). ETFs are considered securities with a market capitalization equal to the weighted average market capitalization of the basket of securities that compose the ETF. The fund may focus its investments in a particular sector or sectors of the economy.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Small Company Growth Fund**

**Investment Objective:** To seek long-term capital appreciation.

The fund’s investment objective is to seek long-term capital appreciation. The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval. The fund will provide 60 days’ written notice to shareholders prior to a change in its 80% investment strategy.

Under normal circumstances, the fund seeks to achieve its investment objective by investing at least 80% of its net assets (plus any borrowings for investment purposes) in small-cap companies. The fund defines small-cap companies as those that, at the time of initial purchase, have a market capitalization equal to or less than the largest company in the Russell 2000 Growth Index (approximately $6.1 billion as of July 31, 2017).

The fund invests mainly in common stocks, but it may also invest in exchange-traded funds (ETFs) to a limited extent, generally for purposes of gaining temporary market exposure.

The manager employs a growth-oriented investment philosophy to analyze and select investments. The manager seeks to invest in stocks of high quality companies (based on such characteristics as return-on-equity or profitability) trading at what the manager believes are attractive valuations and that are experiencing positive earnings revisions. The manager seeks to invest in companies that it believes could experience future growth rates at levels higher than the benchmark. The manager utilizes an investment process that incorporates proprietary quantitative and qualitative research.

The manager continuously monitors and evaluates both current and prospective investments and attempts to mitigate risk through ownership of a well-diversified portfolio with broad representation across different market industries and sectors. The fund may focus its investments in a particular sector or sectors of the economy. The fund’s sector and industry exposures may vary significantly from the fund’s benchmark. The fund may invest up to 10% of its total assets in foreign securities, including those in emerging markets. The fund may invest in initial public offerings (IPOs).

The manager will generally sell a stock if it determines that its original investment rationale is no longer intact, if there has been an adverse change in the company’s fundamentals or competitive position, or if there has been a change to its relative valuation.

Due to its investment strategy, the fund may buy and sell securities frequently. This may result in high transaction costs and additional capital gains tax liabilities relative to a fund with a buy-and-hold investment strategy.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Small Company Value Fund**

**Investment Objective:** To seek long-term growth of capital.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in companies with market capitalizations, at the time of investment, that do not exceed the maximum market capitalization of any security in the Russell 2000 Index ($21.8 million to $9.1 billion as of October 31, 2017). The fund invests in small companies whose common stocks are believed to be undervalued. The market capitalization of the companies in the fund’s portfolio and the Russell 2000 Index changes over time, and the fund will not sell a stock just because the company has grown to a market capitalization outside the range. The fund may, on occasion, purchase companies with a market capitalization above the range.
Reflecting a value approach to investing, the fund will seek the stocks of companies whose current stock prices do not appear to adequately reflect their underlying value as measured by assets, earnings, cash flow, or business franchises. The manager’s in-house research team seeks to identify companies that appear to be undervalued by various measures, and may be temporarily out of favor, but have good prospects for capital appreciation. In selecting investments, they generally look for some of the following factors:

- Low price/earnings, price/book value or price/cash flow ratios relative to the Russell 2000 Index, the company’s peers or its own historic norm;
- Low stock price relative to a company’s underlying asset values;
- Above-average dividend yield relative to a company’s peers or its own historic norm;
- A plan to improve the business through restructuring; and/or
- A sound balance sheet and other positive financial characteristics.

While most assets will be invested in U.S. common stocks, the fund may purchase other securities, including foreign securities (up to 20% of its total net assets), futures, and options. The fund may invest in fixed-income and convertible securities without regard to quality or rating, including up to 10% of total assets in below-investment-grade fixed-income securities (“junk bonds”). The fund’s fixed-income investments may include privately negotiated notes or loans, including loan participations and assignments (“bank loans”). These investments in bank loans will be made only in companies, municipalities or entities that meet the fund’s investment criteria. Direct investments in loans may be illiquid and holding a loan could expose the fund to the risks of being a direct lender. Since the fund invests primarily in equity securities, the risks associated with fixed-income securities will not affect the fund as much as they would a fund that invests more of its assets in fixed-income securities.

The fund holds a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. and foreign currency denominated money market securities, including repurchase agreements, in the two highest rating categories, maturing in one year or less. The fund may invest reserves in U.S. dollars and foreign currencies.

The fund may sell securities for a variety of reasons, such as to secure gains, limit losses or redeploy assets into more promising opportunities. The fund may focus its investments in a particular sector or sectors of the economy.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivatives which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below (or even relatively nominal) rates. The fund may also invest in options and enter into futures contracts.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Spectrum Income Fund**

**Investment Objective:** To seek a high level of current income with moderate share price fluctuation.

The Board of Trustees can change the fund’s investment objective and strategy without shareholder approval. The fund will provide 60 days’ written notice to shareholders prior to a change in its 80% investment strategy.

Under normal market conditions, the fund diversifies its assets widely among various fixed-income and equity market segments. The fund seeks to maintain broad exposure primarily to domestic and international fixed-income markets in an attempt to reduce the impact of markets that are declining and to benefit from good performance in particular market segments over time.

The fund normally invests in investment-grade corporate, high-yield, and foreign and emerging-market fixed-income securities, income-oriented stocks, short-term securities, asset-backed and mortgage-related securities, and U.S. government and agency securities. The fund will also seek equity income through investments in dividend-paying stocks. Cash reserves will be invested in money market securities and shares of T. Rowe Price money market funds.

Fixed-income securities may be of short-, intermediate-, and long-term maturities, and will comprise a range of credit qualities with either fixed or floating interest rates. The fund’s fixed-income investments will typically include investment grade corporate securities and asset-backed and mortgage-related securities, bank loan participations and assignments, and there is no limit on the fund’s investments in these securities. The fund’s fixed-income investments may include privately negotiated notes or loans, including loan participations and assignments (“bank loans”). These investments will only be made in companies, municipalities or entities that meet the fund’s investment criteria. Direct investments in loans may be illiquid and holding a loan could expose the fund to the risks of being a direct lender.

The fund may invest in asset-backed securities rated lower than A (but not rated lower than B by Standard and Poor’s Ratings Services, Moody’s Investors Service, Inc. or Fitch Ratings Inc.). Under normal circumstances, no more than 15% of the asset-backed securities purchased for the fund will be rated less than A- by the three rating agencies. The lowest rating would apply in the case of split-rated asset-backed securities rated by the three rating agencies. Mortgage-related investments could include mortgage dollar rolls and investments in more volatile stripped mortgage securities and collateralized mortgage obligations. The fund may invest a substantial portion (up to 40% of its total assets) in below-investment-grade fixed income securities (or if unrated, of equivalent quality as determined by the manager), commonly known as “junk bonds.” Junk bonds involve a higher degree of credit risk and price volatility than other, higher-rated fixed income securities. The fund may invest in U.S. government securities and municipal securities (including Treasury Inflation-Protected Securities or “TIPS”), GNMAs, and other agency-related fixed income securities, and there is no limit on the fund’s investment in these securities. The fund may also invest up to 45% of its total assets in foreign government and emerging market fixed income securities (excluding Yankee bonds). Foreign currency forwards, options and futures may be used to protect the fund’s
foreign securities from adverse currency movements relative to the U.S. dollar, as well as to gain exposure to currencies and markets expected to increase or decrease in value relative to other securities. The fund’s investment policies are based on credit ratings at the time of purchase.

Individual fixed-income securities are selected by the manager using the firm’s fundamental research and credit analysis. In evaluating fixed-income securities, the portfolio managers will consider a variety of factors, including the issuer’s financial condition and operating history, the depth and quality of its management, and its sensitivities to economic conditions. The manager will also consider the issuer’s debt levels and ability to service its outstanding debt, its access to capital markets and external factors such as the economic and political conditions in the issuer’s country. Other than the specific investment limits described above, there is no minimum or maximum percentage of assets that the manager will invest in any particular type of fixed income security. Maturities of the fund’s fixed income investments reflect the manager’s outlook for interest rates.

The fund’s equity investments, which will be limited to 40% of total assets, will be selected using a value-oriented investment strategy with a focus on large-cap, dividend-paying common stocks. Preferred stocks and securities convertible into equity securities may also be purchased. The manager invests in stocks and other securities that appear to be temporarily undervalued by various measures and may be temporarily out of favor, but have good prospects for capital appreciation and dividend growth. In managing the fund, the manager may vary the allocation of the fund’s assets to a particular market segment based on its outlook for, and on the relative valuations of these market segments. When adjusting the allocations to the various markets, the manager may also weigh such factors as the outlook for the economy and market conditions, both on a global and local (country) basis, corporate earnings, and the yield advantages of one fixed income sector over another.

The fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities. Fixed income securities may be sold to adjust the fund’s average maturity, duration, or credit quality or to shift assets into higher-yielding securities of different sectors.

In pursuing its investment strategy, the manager has the discretion to purchase some securities that do not meet the fund’s normal investment criteria, as described above, when it perceives an unusual opportunity for gain. These special situations might arise when the manager believes a security could increase in value for a variety of reasons, including a change in management, a debt restructuring or other extraordinary corporate event, or a temporary imbalance in the supply of or demand for the securities.

The fund may also hold a certain portion of its assets in money market reserves which can consist of shares of the T. Rowe Price Government Reserve Fund (or any other internal T. Rowe Price money market fund) as well as U.S. dollar- and foreign currency-denominated money market securities, including repurchase agreements, in the two highest rating categories or equivalent ratings as determined by the manager, maturing in one year or less. The fund may invest cash reserves in U.S. dollars and foreign currencies.

The fund may invest up to 10% of its total assets in hybrid instruments. Hybrid instruments are a type of high-risk derivative which can combine the characteristics of securities, futures and options. Such securities may bear interest or pay dividends at below market rates or even relatively nominal market rates. Hybrid instruments provide an efficient means of creating exposure to a particular market, or segment of a market, with the objective of enhancing total return. Hybrid instruments may take a variety of forms, including, but not limited to: debt instruments with interest or principal payments or redemption terms determined by reference to the value of a currency or commodity or securities index at a future point in time; preferred stock with dividend rates determined by reference to the value of a currency; or convertible securities with the conversion terms related to a particular commodity.

The fund’s investment process may, at times, result in higher than average portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Strategic Equity Allocation Fund**

**Investment Objective:** To seek capital appreciation.

The fund seeks to achieve its investment objective by investing under normal market conditions at least 80% of its net assets (plus any borrowings for investment purposes) in U.S. and foreign equity securities of any market capitalization, including futures on indexes of equity securities. The fund’s allocation to various markets and types of securities will be actively managed.

The fund may invest in both developed and emerging markets. The fund’s investment in equity securities will vary both with respect to types of securities and markets in response to changing market and economic trends. The fund’s allocation of securities will depend on the manager’s outlook for the markets and generally reflect the manager’s strategic asset allocation analysis and their assessment of the relative attractiveness of a particular asset class. When determining whether to invest in a particular market, the manager considers various factors, including economic and political conditions, potential for economic growth and possible changes in currency exchange rates.

The fund also may invest in exchange-traded funds and in fixed-income securities, including, but not limited to:

- U.S. Treasury and agency securities as well as notes backed by the Federal Deposit Insurance Corporation;
- U.S. Treasury futures contracts;
- Mortgage-backed securities, including mortgage pass-through securities, commercial mortgage-backed securities (CMBS) and collateralized mortgage obligations (CMOs);
- U.S. and foreign corporate bonds;
- Foreign government and agency securities; and
- Lower-rated fixed-income securities and high-yield securities.

The foreign securities in which the fund invests may be denominated in U.S. dollars or foreign currency. The fund may actively manage its exposure to foreign currencies through the use of foreign currency forward contracts and other currency derivatives. The fund may own foreign cash equivalents and foreign bank deposits as part of its investment strategy. The fund may invest in foreign currencies for hedging and speculative purposes. The fund may focus its investments in a particular sector or sectors of the economy.

Use of Hedging and Other Strategic Transactions. The fund is authorized to use all of the various investment strategies referred to under “Risks of investing — Hedging, derivatives and other strategic transactions risk,” including, but not limited to, futures and options contracts, foreign currency forward contracts and swaps, including credit default swaps and total return swaps. The fund may engage in derivatives transactions for hedging and non-hedging purposes including, without limitation, the following purposes:

- to attempt to protect against possible changes in the market value of securities held or to be purchased by the fund resulting from securities markets or currency exchange rate fluctuations;
- to protect the fund’s unrealized gains in the value of its securities;
- to facilitate the sale of the fund’s securities for investment purposes;
- to manage the effective maturity or duration of the fund’s securities;
- to establish a position in the derivatives markets as a method of gaining exposure to a particular security or market;
- to facilitate the repatriation of foreign currency and the settlement of purchases of foreign securities; and
- to increase or decrease exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Strategic Income Opportunities Fund**

**Investment objective:** To seek to maximize total return consisting of current income and capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategies without shareholder approval. The fund will provide written notice to shareholders at least 60 days prior to a change in its 80% investment policy.

Under normal market conditions, the fund invests at least 80% of its assets in the following types of securities, which may be denominated in U.S. dollars or foreign currencies: foreign government and corporate debt securities from developed and emerging markets, U.S. government and agency securities, domestic high-yield bonds, and investment-grade corporate bonds and currency instruments.

The fund may also invest in preferred stock and other types of debt securities.

Although the fund may invest up to 10% of its total assets in securities rated as low as D (in default) by Standard and Poor’s Ratings Services or Moody’s Investors Service, Inc. (and their unrated equivalents in the opinion of the manager), it generally intends to keep its average credit quality in the investment-grade range (i.e., AAA to BBB). Bonds that are rated at or below BB by Standard and Poor’s Ratings Services or Ba by Moody’s Investors Service, Inc. are considered junk bonds. There is no limit on the average maturity of the fund’s portfolio. The fund’s investment policies are based on credit ratings at the time of purchase.

The fund may invest in asset-backed securities rated lower than A (but not rated lower than B by Standard and Poor’s Ratings Services or Moody’s Investors Service, Inc. or their unrated equivalents in the opinion of the manager). Under normal circumstances, no more than 15% of the fund’s total assets will be invested in asset-backed securities rated lower than A by both ratings agencies (or their unrated equivalents in the opinion of the manager).

In managing the fund, the manager allocates assets among the four major types of instruments noted above based on analysis of global economic factors, such as fiscal and monetary policies, projected international interest-rate movements, political environments, and currency trends. However, in abnormal circumstances, the manager may invest up to 100% of the fund’s assets in any one sector.

Within each type of security, the manager looks for investments that are appropriate for the overall fund in terms of yield, credit quality, structure, and industry distribution. In selecting securities, relative yields and risk/reward ratios are the primary considerations.

The fund may use certain higher-risk investments, including derivatives such as futures, options, and swaps (including credit default swaps), as well as restricted or illiquid securities.

The fund may invest significantly in currency spots and forwards, currency futures and options, and interest-rate options for both hedging and nonhedging purposes, including for purposes of enhancing returns. In addition, the fund may invest up to 10% of its net assets in domestic or foreign common stocks.

The fund may trade securities actively, which could increase its transaction costs (thus lowering performance). The fund’s investment process may, at times, result in a higher-than-average portfolio turnover ratio and increased trading expenses.

No more than 80% of the fund’s assets will consist of instruments denominated in foreign currencies.
The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Securities lending**

The fund may lend its securities so long as such loans do not represent more than 33 1/3% of the fund’s total assets. The borrower will provide collateral to the lending portfolio so that the value of the loaned security will be fully collateralized. The collateral may consist of cash, cash equivalents, or securities issued or guaranteed by the U.S. government or its agencies or instrumentalities. The borrower must also agree to increase the collateral if the value of the loaned securities increases. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower of the securities fail financially.

**Total Return Fund**

**Investment Objective:** To seek maximum total return, consistent with preservation of capital and prudent investment management.

Under normal market conditions, the fund invests at least 65% of its net assets in a diversified portfolio of fixed-income instruments of varying maturities, which may be represented by forwards or derivatives, such as options, futures contracts, or swap agreements.

In selecting securities for the fund, the manager utilizes economic forecasting, interest rate anticipation, credit and call risk analysis, foreign currency exchange rate forecasting, and other security selection techniques. The proportion of the fund’s assets committed to investment in securities with particular characteristics (such as maturity, type and coupon rate) will vary based on the manager’s outlook for the U.S. and foreign economies, the financial markets, and other factors.

The types of fixed-income securities in which the fund may invest include the following securities which, unless otherwise noted, may be issued by domestic or foreign issuers and may be denominated in U.S. dollars or foreign currencies:

- securities issued or guaranteed by the U.S. government, its agencies or government-sponsored enterprises;
- corporate debt securities of U.S. and foreign issuers, including convertible securities and corporate commercial paper;
- mortgage-backed and other asset-backed securities;
- inflation-indexed bonds issued by both governments and corporations;
- structured notes, including hybrid or "indexed" securities, event-linked bonds, bank capital and trust preferred securities;
- loan participations and assignments;
- delayed funding loans and revolving credit facilities;
- bank certificates of deposit, fixed time deposits and bankers’ acceptances;
- debt securities issued by states or local governments and their agencies, authorities and other government-sponsored enterprises;
- repurchase agreements and reverse repurchase agreements;
- obligations of foreign governments or their subdivisions, agencies and government-sponsored enterprises; and
- obligations of international agencies or supranational entities.

Fixed-income securities may have fixed, variable, or floating rates of interest, including rates of interest that vary inversely at a multiple of a designated or floating rate, or that vary according to change in relative values of currencies.

The fund invests primarily in investment-grade securities, but may invest up to 10% of its total assets in high yield securities ("junk bonds") rated B or higher by Moody’s Investors Service, Inc. or equivalently rated by Standard and Poor’s Ratings Services or Fitch Ratings Inc., or, if unrated, determined by the manager to be of comparable quality (except that within such limitations, the fund may invest in mortgage-related securities and variable rate master demand notes rated below B). The fund may also invest up to 30% of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers. The fund may invest in baskets of foreign currencies (such as the euro) and direct currency. The fund will normally limit its foreign currency exposure (from foreign-currency denominated securities or currencies) to 20% of its total assets. The fund may invest up to 15% of its total assets in securities and instruments that are economically tied to emerging market countries. This limitation does not apply to investment grade sovereign debt denominated in the local currency with less than one year remaining to maturity. The fund’s investment policies are based on credit ratings at the time of purchase.

The fund may invest up to 10% of its total assets in preferred stocks, convertible securities, and other equity related securities.

The average portfolio duration of the fund normally varies within two years (plus or minus) of the duration of the benchmark index, as calculated by the manager.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses. The fund may make short sales of a security, including short sales “against the box.”

The fund may:

- purchase and sell options on domestic and foreign securities, securities indexes and currencies,
- purchase and sell futures and options on futures,
- purchase and sell currency or securities on a forward basis, and
- enter into interest rate, index, equity, total return, currency, and credit default swap agreements.
The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**U.S. Growth Fund**

**Investment objective:** To seek high total return primarily through capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategy without shareholder approval. The fund will provide 60 days’ written notice to shareholders prior to a change in its 80% investment strategy.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity investments that are tied economically to the United States. The fund considers an equity investment to be “tied economically” to the United States if, at the time of purchase: (i) its issuer is organized under the laws of the United States or under the laws of a state within the United States or in an issuer that maintains its principal place of business in the United States; (ii) it is traded principally in the United States; or (iii) its issuer derived at least 50% of its revenues or profits from goods produced or sold, investments made, or services performed in the United States, or has at least 50% of its assets in the United States. The manager seeks to achieve the fund’s investment objective by investing in equity investments that the manager believes, as a portfolio, will provide higher returns than the Russell 1000 Growth Index.

The manager’s investment process begins with the broad universe of securities included in US equity indices, along with other ideas that come from a combination of company meetings, investment analysis, onsite company visits and industry analysis. The fund may invest significantly in securities of companies in certain sectors, and may therefore experience greater volatility than funds investing in a broader range of sectors and may be more susceptible to the impact of market, economic, regulatory, and other factors affecting that sector. The manager focuses on members of the investable universe with expected future free-cash-flow margins, returns on capital employed and revenue growth higher than a certain minimum threshold. Free cash flow is defined as the cash that is available to a company after paying out the money needed to maintain or expand its operations. For all companies remaining in the subuniverse, the manager ranks securities on a relative basis across the following metrics:

1. **Quality:** Companies with high and improving free-cash-flow margins and the ability to generate attractive returns on capital employed;
2. **Growth:** Companies that generate high organic revenue growth (revenue growth not obtained through acquisitions) above global GDP growth;
3. **Valuation:** Companies trading below fair value, based on a discounted free cash flow model utilizing proprietary research and analysis;
4. **Capital Returns:** Companies with high dividend payouts and share repurchase programs, based on deployment of free cash flow; and
5. **Earnings Outlook:** Companies with improving earnings expectations over the next 12-18 months that are not yet fully acknowledged and reflected in broker estimates.

The manager monitors and ranks securities based on their relative attractiveness across this universe. For stocks that compare well in this screening process, further detailed analysis is conducted. Regular meetings and discussions with company management are another input into the portfolio decision making process. Securities considered for purchase are attractive on a majority of the metrics (Quality, Growth, Valuation, Capital Returns, and Earnings Outlook), and have a positive catalyst such as accelerating earnings or revenue growth.

The manager sells securities when growth or quality metrics deteriorate, valuation upside declines, allocation to dividends or share repurchases changes, or earnings outlooks worsen. Securities may also be sold if overall attractiveness relative to other stocks in the universe deteriorates. Due to its active investment strategy, the fund may buy and sell securities frequently. This may result in higher transaction costs and more capital gains tax liabilities than a fund with a buy and hold strategy.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**Securities lending**

The fund may lend its securities so long as such loans do not represent more than 33 1/3% of the fund’s total assets. The borrower will provide collateral to the lending portfolio so that the value of the loaned security will be fully collateralized. The collateral may consist of cash, cash equivalents, or securities issued or guaranteed by the U.S. government or its agencies or instrumentalities. The borrower must also agree to increase the collateral if the value of the loaned securities increases. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower of the securities fail financially.

**U.S. High Yield Bond Fund**

**Investment Objective:** To seek total return with a high level of current income.

Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in U.S. corporate debt securities that are, at the time of investment, below investment grade, including preferred and other convertible securities in below-investment-grade debt securities (sometimes referred to as “junk bonds” or high yield securities). The fund also invests in corporate debt securities that are investment grade, and may buy preferred and other convertible securities and bank loans that are investment grade. Direct investments in loans may be illiquid and holding a loan could expose the fund to the risks of being a direct lender.

The manager actively manages a diversified portfolio of below-investment-grade debt securities. The manager does not manage the portfolio to a specific maturity or duration. The manager focuses on individual security selection (primarily using a “bottom-up” approach) and seeks to identify high yield securities that appear comparatively undervalued. The manager uses its knowledge of various industries to assess the risk/return tradeoff among issuers within particular industries, in seeking to identify compelling relative value investments. The manager analyzes the issuers’ long-term prospects and focuses on characteristics such as management,
asset coverage, free cash flow generation, liquidity and business risk. The manager’s research and analysis highlights industry drivers, competitive position and operating trends with an emphasis on free cash flow. The manager also talks to management, and consults industry contacts, debt and equity analysts, and rating agencies.

The manager purchases securities for the fund when attractive risk/reward ideas are identified and sells securities when either the securities become overvalued or circumstances change in a way that adversely affects this risk/return profile. Rigorous credit analysis of individual issuers is an integral part of the selection process. The manager attempts to invest in high yield securities of issuers which it believes have ample asset coverage for their debt securities in comparison to other high yield security issuers in an effort to minimize default risk and maximize risk-adjusted returns. The strategy is focused on selecting investments that can capture the significant current income and capital appreciation potential of the high yield market while also managing downside risk. The total return sought by the fund consists of income earned on the fund’s investments, together with the appreciation that may result from decreases in interest rates or improving credit fundamentals for a particular industry or issuer. The fund may invest significantly in issuers in the communications sector.

Under normal circumstances, the manager invests:

- Up to 15% of total assets in any one industry; and
- Up to 5% of total assets in any one issuer (excluding investments in cash-equivalent issuers or for cash-management purposes).

The manager will generally invest in below investment grade debt securities that are rated at least “Caa” by Moody’s Investors Service, Inc. or “CCC” by Standard and Poor’s Ratings Services, or that are unrated but deemed by the manager to be of comparable quality but may also invest in securities rated below these ratings (or unrated securities of comparable quality). The average credit quality of the fund’s securities is expected to be at least B- as rated by Standard and Poor’s Ratings Services.

The fund’s investment process may, at times, result in a higher than average portfolio turnover ratio and increased trading expenses.

The fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

**U.S. Strategic Equity Allocation Fund**

**Investment objective:** To seek capital appreciation.

The Board of Trustees can change the fund’s investment objective and strategy without shareholder approval. The fund will provide written notice to shareholders at least 60 days prior to a change in its 80% investment policy.

The fund seeks to achieve its investment objective by investing under normal market conditions at least 80% of its net assets (plus any borrowings for investment purposes) in U.S. equity securities of any market capitalization, including futures on indexes of equity securities. The fund defines U.S. equity securities as: (i) securities of issuers that are organized under the laws of the United States or that maintain their principal place of business in the United States; (ii) securities of issuers that are traded principally in the United States; or (iii) securities of issuers that, during the most recent fiscal year, derived at least 50% of their revenues or profits from goods produced or sold, investments made, or services performed in the United States or that have at least 50% of their assets in the United States. The fund’s allocation to various markets and types of securities will be actively managed.

The fund’s investment in equity securities will vary both with respect to types of securities and markets in response to changing market and economic trends. The fund’s allocation of securities will depend on the manager’s outlook for the markets and generally reflect the manager’s strategic asset allocation analysis and their assessment of the relative attractiveness of a particular asset class. When determining whether to invest in a particular market capitalization, sector or industry, the manager takes into consideration a variety of inputs including economic, fundamental (valuations and earnings), and technical indicators, among other factors.

The fund may invest up to 20% of its net assets in equity securities of foreign issuers. Investments in exchange-traded funds (ETFs) and derivative instruments may be used to reduce risk and/or obtain efficient investment exposure, and may include options, futures contracts, and swaps (including interest-rate swaps).

The fund also may invest in fixed-income securities, including, but not limited to:

- U.S. Treasury and agency securities as well as notes backed by the Federal Deposit Insurance Corporation;
- U.S. Treasury futures contracts;
- Mortgage-backed securities, including mortgage pass-through securities, commercial mortgage-backed securities (CMBS) and collateralized mortgage obligations (CMOs);
- U.S. and foreign corporate bonds;
- Foreign government and agency securities; and
- Lower-rated fixed-income securities and high-yield securities (also known as “junk bonds”)

The foreign securities in which the fund invests may be denominated in U.S. dollars or foreign currency. The fund may actively manage its exposure to foreign currencies through the use of foreign currency forward contracts and other currency derivatives. The fund may own foreign cash equivalents and foreign bank deposits as part of its investment strategy. The fund may invest in foreign currencies for hedging and speculative purposes. The fund may focus its investments in a particular sector or sectors of the economy.
Use of Hedging and Other Strategic Transactions. The fund is authorized to use all of the various investment strategies referred to under “Principal risks — Hedging, derivatives and other strategic transactions risk,” including, but not limited to, futures and options contracts, foreign currency forward contracts and swaps. The fund may engage in derivatives transactions for hedging and non-hedging purposes including, without limitation, the following purposes:

- to attempt to protect against possible changes in the market value of securities held or to be purchased by the fund resulting from securities markets or currency exchange rate fluctuations;
- to protect the fund’s unrealized gains in the value of its securities;
- to facilitate the sale of the fund’s securities for investment purposes;
- to manage the effective maturity or duration of the fund’s securities;
- to establish a position in the derivatives markets as a method of gaining exposure to a particular security or market;
- to facilitate the repatriation of foreign currency and the settlement of purchases of foreign securities; and
- to increase or decrease exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another.

**Temporary defensive investing**

A fund may invest up to 100% of its assets in cash, money market instruments, or other investment-grade short-term securities for the purpose of protecting the fund in the event the subadvisor determines that market, economic, political, or other conditions warrant a defensive posture.

To the extent that a fund is in a defensive position, its ability to achieve its investment objective will be limited.
An investment in a fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Each fund’s shares will go up and down in price, meaning that you could lose money by investing in the fund. Many factors influence a mutual fund’s performance. A fund’s investment strategy may not produce the intended results.

Instability in the financial markets has led many governments, including the U.S. government, to take a number of unprecedented actions designed to support certain financial institutions and segments of the financial markets that have experienced extreme volatility and, in some cases, a lack of liquidity. Federal, state, and other governments, and their regulatory agencies or self-regulatory organizations, may take actions that affect the regulation of the instruments in which a fund invests, or the issuers of such instruments, in ways that are unforeseeable. Legislation or regulation may also change the way in which each fund itself is regulated. Such legislation or regulation could limit or preclude each fund’s ability to achieve its investment objective. In addition, political events within the United States and abroad could negatively impact financial markets and each fund’s performance. Further, certain municipalities of the United States and its territories are financially strained and may face the possibility of default on their debt obligations, which could directly or indirectly detract from each fund’s performance.

Governments or their agencies may also acquire distressed assets from financial institutions and acquire ownership interests in those institutions. The implications of government ownership and disposition of these assets are unclear, and such a program may have positive or negative effects on the liquidity, valuation, and performance of each fund’s portfolio holdings. Furthermore, volatile financial markets can expose the fund to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by a fund.

The principal risks of investing in each fund are summarized in its Fund summary above. Below are descriptions of the main factors that may play a role in shaping a fund’s overall risk profile. The descriptions appear in alphabetical order, not in order of importance. For further details about fund risks, including additional risk factors that are not discussed in this prospectus because they are not considered primary factors, see the funds’ Statement of Additional Information (SAI).

**Changing distribution levels risk**
The distribution amounts paid by the fund generally depend on the amount of income and/or dividends paid by the fund’s investments. As a result of market, interest rate and other circumstances, the amount of cash available for distribution by the fund and the fund’s distribution rate may vary or decline. The risk of such variability is accentuated in currently prevailing market and interest rate circumstances.

**Commodity risk**
The market price of commodity investments may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

**Concentration risk**
When a fund’s investments are concentrated in a particular industry or sector of the economy, they are not as diversified as the investments of most mutual funds and are far less diversified than the broad securities markets. This means that concentrated funds tend to be more volatile than other mutual funds, and the values of their investments tend to go up and down more rapidly. In addition, a fund that invests in a particular industry or sector is particularly susceptible to the impact of market, economic, regulatory, and other factors affecting that industry or sector. From time to time, a small number of companies may represent a large portion of a single industry or a group of related industries as a whole. A downturn in the real estate industry may significantly detract from performance.

**Convertible securities risk**
Convertible securities generally offer lower interest or dividend yields than nonconvertible fixed-income securities of similar credit quality because of the potential for capital appreciation. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. However, a convertible security’s market value also tends to reflect the market price of common stock of the issuing company, particularly when that stock price is greater than the convertible security’s conversion price. The conversion price is defined as the predetermined price or exchange ratio at which the convertible security can be converted or exchanged for the underlying common stock. As the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security. Thus, it may not decline in price to the same extent as the underlying common stock. In the event of a liquidation of the issuing company, convertible securities generally entail less risk than the company’s common stock.

**Credit and counterparty risk**
This is the risk that the issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter (OTC) derivatives contract (see “Hedging, derivatives, and other strategic transactions risk”), or a borrower of a fund’s securities will be unable or unwilling to make timely principal, interest, or settlement payments, or otherwise honor its obligations. Credit risk associated with investments in fixed-income securities relates to the ability of the issuer to make scheduled payments of principal and interest on an obligation. A fund that invests in fixed-income securities is subject to varying degrees of risk that the issuers of the securities will have their credit ratings downgraded or will default, potentially reducing the fund’s share price and income level. Nearly all fixed-income securities are subject to some credit risk, which may vary depending upon whether the issuers of the securities are corporations, domestic or foreign governments, or their subdivisions or instrumentalities. U.S. government securities are subject to varying degrees of credit risk depending upon whether the securities are supported by the full faith and credit of the United States; supported by the ability to borrow from the U.S. Treasury; supported only by the credit of the issuing U.S. government agency, instrumentality, or corporation; or otherwise supported by the United States. For example, issuers of many types of U.S. government securities (e.g., the Federal Home
Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), and Federal Home Loan Banks, although chartered or sponsored by Congress, are not funded by congressional appropriations, and their fixed-income securities, including asset-backed and mortgage-backed securities, are neither guaranteed nor insured by the U.S. government. An agency of the U.S. government has placed Fannie Mae and Freddie Mac into conservatorship, a statutory process with the objective of returning the entities to normal business operations. It is unclear what effect this conservatorship will have on the securities issued or guaranteed by Fannie Mae or Freddie Mac. As a result, these securities are subject to more credit risk than U.S. government securities that are supported by the full faith and credit of the United States (e.g., U.S. Treasury bonds). When a fixed-income security is not rated, a manager may have to assess the risk of the security itself. Asset-backed securities, whose principal and interest payments are supported by pools of other assets, such as credit card receivables and automobile loans, are subject to further risks, including the risk that the obligors of the underlying assets default on payment of those assets.

Funds that invest in below-investment-grade securities, also called junk bonds (e.g., fixed-income securities rated Ba or lower by Moody's Investors Service, Inc. or BB or lower by Standard & Poor's Ratings Services, at the time of investment, or determined by a manager to be of comparable quality to securities so rated) are subject to increased credit risk. The sovereign debt of many foreign governments, including their subdivisions and instrumentalities, falls into this category. Below-investment-grade securities offer the potential for higher investment returns than higher-rated securities, but they carry greater credit risk: their issuers' continuing ability to meet principal and interest payments is considered speculative, they are more susceptible to real or perceived adverse economic and competitive industry conditions, and they may be less liquid than higher-rated securities.

In addition, a fund is exposed to credit risk to the extent that it makes use of OTC derivatives (such as forward foreign currency contracts and/or swap contracts) and engages to a significant extent in the lending of fund securities or the use of repurchase agreements. OTC derivatives transactions can be closed out with the other party to the transaction. If the counterparty defaults, a fund will have contractual remedies, but there is no assurance that the counterparty will be able to meet its contractual obligations or that, in the event of default, a fund will succeed in enforcing them. A fund, therefore, assumes the risk that it may be unable to obtain payments owed to it under OTC derivatives contracts or that those payments may be delayed or made only after the fund has incurred the costs of litigation. While the manager intends to monitor the creditworthiness of contract counterparties, there can be no assurance that the counterparty will be in a position to meet its obligations, especially during unusually adverse market conditions.

Cybersecurity and operational risk

Intentional cybersecurity breaches include unauthorized access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws).

A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems (“denial of services”), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause a fund, the advisor, a manager, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. In addition, such incidents could affect issuers in which a fund invests, and thereby cause the fund’s investments to lose value.

The fund is exposed to operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the fund's service providers, counterparties, or other third parties, failed or inadequate processes and technology or system failures.

Defaulted debt risk

Investing in defaulted debt securities is speculative and involves substantial risks in addition to the risks of investing in high-yield securities that have not defaulted. The fund generally will not receive interest payments on defaulted debt securities, and there is a substantial risk that principal will not be repaid. A fund investing in defaulted debt securities may incur additional expenses to the extent that it is required to seek recovery upon a default in the payment of principal or interest on the securities. In any reorganization or liquidation proceeding relating to defaulted debt, a fund may lose its entire investment in such securities or may be required to accept cash or securities with a value lower than the fund's original investment. Defaulted debt securities and any securities received in exchange for defaulted debt securities may be subject to restrictions on resale.

Distressed investments risk

Distressed investments include loans, loan participations, bonds, notes, and nonperforming and subperforming mortgage loans, many of which are not publicly traded and may involve a substantial degree of risk. In certain periods, there may be little or no liquidity in the markets for these securities or instruments. In addition, the prices of such securities or instruments may be subject to periods of abrupt and erratic market movements and above-average price volatility. It may be more difficult to value such securities, and the spread between the bid and asked prices of such securities may be greater than normally expected. If the manager’s evaluation of the risks and anticipated outcome of an investment in a distressed security should prove incorrect, the fund may lose a substantial portion or all of its investment or it may be required to accept cash or securities with a value less than the fund’s original investment.

Economic and market events risk

Events in certain sectors historically have resulted, and may in the future result, in an unusually high degree of volatility in the financial markets, both domestic and foreign. These events have included, but are not limited to: bankruptcies, corporate restructurings, and other events related to the sub-prime mortgage crisis in 2008; governmental efforts to limit short selling and high frequency trading; measures to address U.S. federal and state budget deficits; social, political, and economic instability in Europe; economic stimulus by the Japanese central bank; steep declines in oil prices; dramatic changes in currency exchange rates; and China’s economic...
slowdown. Interconnected global economies and financial markets increase the possibility that conditions in one country or region might adversely impact issuers in a different country or region. Both domestic and foreign equity markets have experienced increased volatility and turmoil, with issuers that have exposure to the real estate, mortgage, and credit markets particularly affected. Banks and financial services companies could suffer losses if interest rates continue to rise or economic conditions deteriorate.

In addition, relatively high market volatility and reduced liquidity in credit and fixed-income markets may adversely affect many issuers worldwide. Actions taken by the U.S. Federal Reserve (Fed) or foreign central banks to stimulate or stabilize economic growth, such as interventions in currency markets, could cause high volatility in the equity and fixed-income markets. Reduced liquidity may result in less money being available to purchase raw materials, goods, and services from emerging markets, which may, in turn, bring down the prices of these economic staples. It may also result in emerging-market issuers having more difficulty obtaining financing, which may, in turn, cause a decline in their securities prices.

In addition, while interest rates have been unusually low in recent years in the United States and abroad, the Fed’s decision to raise the target fed funds rate in 2017, following a similar move the previous year, and the possibility that the Fed may continue with such rate increases, among other factors, could cause markets to experience continuing high volatility. A significant increase in interest rates may cause a decline in the market for equity securities. Also, regulators have expressed concern that rate increases may contribute to price volatility. These events and the possible resulting market volatility may have an adverse effect on the fund.

Political turmoil within the United States and abroad may also impact the fund. Although the U.S. government has honored its credit obligations, it remains possible that the United States could default on its obligations. While it is impossible to predict the consequences of such an unprecedented event, it is likely that a default by the United States would be highly disruptive to the U.S. and global securities markets and could significantly impair the value of the fund’s investments. Similarly, political events within the United States at times have resulted, and may in the future result, in a shutdown of government services, which could negatively affect the U.S. economy, decrease the value of many fund investments, and increase uncertainty in or impair the operation of the U.S. or other securities markets. The U.S. is also considering significant new investments in infrastructure and national defense which, coupled with the prospect of lower federal taxes, could lead to increased government borrowing and higher interest rates. While these proposed policies are going through the political process, the equity and debt markets may react strongly to expectations, which could increase volatility, especially if the market’s expectations for changes in government policies are not borne out.

Uncertainties surrounding the sovereign debt of a number of European Union (EU) countries and the viability of the EU have disrupted and may in the future disrupt markets in the United States and around the world. If one or more countries leave the EU or the EU dissolves, the world’s securities markets likely will be significantly disrupted. In June 2016, the United Kingdom approved a referendum to leave the EU, commonly referred to as “Brexit.” There is significant market uncertainty regarding Brexit’s ramifications, and the range and potential implications of possible political, regulatory, economic, and market outcomes are difficult to predict. Political and military events, including in North Korea, Syria and other areas of the Middle East, Venezuela, and nationalist unrest in Europe, also may cause market disruptions.

In addition, there is a risk that the prices of goods and services in the United States and many foreign economies may decline over time, known as deflation. Deflation may have an adverse effect on stock prices and creditworthiness and may make defaults on debt more likely. If a country’s economy slips into a deflationary pattern, it could last for a prolonged period and may be difficult to reverse.

**Equity securities risk**

Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities will fluctuate, and can decline and reduce the value of a fund investing in equities. The price of equity securities fluctuates based on changes in a company’s financial condition and overall market and economic conditions. The value of equity securities purchased by a fund could decline if the financial condition of the companies in which the fund is invested declines, or if overall market and economic conditions deteriorate. An issuer’s financial condition could decline as a result of poor management decisions, competitive pressures, technological obsolescence, undue reliance on suppliers, labor issues, shortages, corporate restructurings, fraudulent disclosures, or other factors. Changes in the financial condition of a single issuer can impact the market as a whole.

Even a fund that invests in high-quality, or blue chip, equity securities, or securities of established companies with large market capitalizations (which generally have strong financial characteristics), can be negatively impacted by poor overall market and economic conditions. Companies with large market capitalizations may also have less growth potential than smaller companies and may be less able to react quickly to changes in the marketplace.

The fund may maintain substantial exposure to equities and generally does not attempt to time the market. Because of this exposure, the possibility that stock market prices in general will decline over short or extended periods subjects the fund to unpredictable declines in the value of its investments, as well as periods of poor performance.

Unlike interest on debt securities, preferred stock dividends are payable only if declared by the issuer’s board. Also, preferred stock may be subject to optional or mandatory redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. The value of convertible preferred stock can depend heavily upon the value of the security into which such convertible preferred stock is converted, depending on whether the market price of the underlying security exceeds the conversion price.

**Value investing risk.** Certain equity securities (generally referred to as value securities) are purchased primarily because they are selling at prices below what the manager believes to be their fundamental value and not necessarily because the issuing companies are expected to experience significant earnings growth. The fund bears the risk that the companies that issued these securities may not overcome the adverse business developments or other factors causing their securities
to be perceived by the manager to be underpriced or that the market may never come to recognize their fundamental value. A value stock may not increase in price, as anticipated by the manager investing in such securities, if other investors fail to recognize the company’s value and bid up the price or invest in markets favoring faster growing companies. The fund’s strategy of investing in value stocks also carries the risk that in certain markets, value stocks will underperform growth stocks. In addition, securities issued by U.S. entities with substantial foreign operations may involve risks relating to economic, political or regulatory conditions in foreign countries.

**Growth investing risk.** Certain equity securities (generally referred to as growth securities) are purchased primarily because a manager believes that these securities will experience relatively rapid earnings growth. Growth securities typically trade at higher multiples of current earnings than other securities. Growth securities are often more sensitive to market fluctuations than other securities because their market prices are highly sensitive to future earnings expectations. At times when it appears that these expectations may not be met, growth stock prices typically fall.

**Exchange-traded funds (ETFs) risk**
These are a type of investment company bought and sold on a securities exchange. An ETF represents a fixed portfolio of securities designed to track a particular market index. A fund could purchase an ETF to temporarily gain exposure to a portion of the U.S. or a foreign market while awaiting purchase of underlying securities. The risks of owning an ETF generally reflect the risks of owning the underlying securities it is designed to track, although lack of liquidity in an ETF could result in it being more volatile. An ETF has its own fees and expenses, which are borne indirectly by a fund.

**Financial services sector risk**
A fund investing principally in securities of companies in the financial services sector is particularly vulnerable to events affecting that sector. Companies in the financial services sector may include, but are not limited to, commercial and industrial banks, savings and loan associations and their holding companies, consumer and industrial finance companies, diversified financial services companies, investment banking, securities brokerage and investment advisory companies, leasing companies, and insurance companies. The types of companies that compose the financial services sector may change over time. These companies are all subject to extensive regulation, rapid business changes, volatile performance dependent upon the availability and cost of capital and prevailing interest rates, and significant competition. General economic conditions significantly affect these companies. Credit and other losses resulting from the financial difficulty of borrowers or other third parties have a potentially adverse effect on companies in this sector. Investment banking, securities brokerage, and investment advisory companies are particularly subject to government regulation and the risks inherent in securities trading and underwriting activities. In addition, all financial services companies face shrinking profit margins due to new competitors, the cost of new technology, and the pressure to compete globally.

**Fixed-income securities risk**
Fixed-income securities are generally subject to two principal types of risk, as well as other risks described below: (1) interest-rate risk and (2) credit quality risk.

**Interest-rate risk.** Fixed-income securities are affected by changes in interest rates. When interest rates decline, the market value of fixed-income securities generally can be expected to rise. Conversely, when interest rates rise, the market value of fixed-income securities generally can be expected to decline. The longer the duration or maturity of a fixed-income security, the more susceptible it is to interest-rate risk. Recent and potential future changes in government monetary policy may affect the level of interest rates.

**Credit quality risk.** Fixed-income securities are subject to the risk that the issuer of the security will not repay all or a portion of the principal borrowed and will not make all interest payments. If the credit quality of a fixed-income security deteriorates after a fund has purchased the security, the market value of the security may decrease and lead to a decrease in the value of the fund’s investments. An issuer’s credit quality could deteriorate as a result of poor management decisions, competitive pressures, technological obsolescence, undue reliance on suppliers, labor issues, shortages, corporate restructurings, fraudulent disclosures, or other factors. Funds that may invest in lower-rated fixed-income securities, commonly referred to as junk securities, are riskier than funds that may invest in higher-rated fixed-income securities. Additional information on the risks of investing in investment-grade fixed-income securities in the lowest rating category and lower-rated fixed-income securities is set forth below.

**Investment-grade fixed-income securities in the lowest rating category risk.** Investment-grade fixed-income securities in the lowest rating category (such as Baa by Moody's Investors Service, Inc. or BBB by Standard & Poor's Ratings Services and comparable unrated securities) involve a higher degree of risk than fixed-income securities in the higher rating categories. While such securities are considered investment-grade quality and are deemed to have adequate capacity for payment of principal and interest, such securities lack outstanding investment characteristics and have speculative characteristics as well. For example, changes in economic conditions or other circumstances are more likely to lead to a weakened capacity to make principal and interest payments than is the case with higher-grade securities.

**Prepayment of principal risk.** Many types of debt securities, including floating-rate loans, are subject to prepayment risk. Prepayment risk occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment risk can offer less potential for gains when the credit quality of the issuer improves.

**Foreign securities risk**
Funds that invest in securities traded principally in securities markets outside the United States are subject to additional and more varied risks, as the value of foreign securities may change more rapidly and extremely than the value of U.S. securities. The securities markets of many foreign countries are relatively small, with a limited number of companies representing a small number of industries. Additionally, issuers of foreign securities may not be subject to the same degree of regulation as U.S. issuers. Reporting, accounting, and auditing standards of foreign countries differ, in some cases significantly, from U.S. standards. There are generally higher
commission rates on foreign portfolio transactions, transfer taxes, higher custodial costs, and the possibility that foreign taxes will be charged on dividends and interest payable on foreign securities, some or all of which may not be reclaimable. Also, for lesser-developed countries, nationalization, expropriation, or confiscatory taxation; adverse changes in investment or exchange control regulations (which may include suspension of the ability to transfer currency or assets from a country); political changes; or diplomatic developments could adversely affect a fund’s investments. In the event of nationalization, expropriation, or other confiscation, the fund could lose its entire investment in a foreign security. All funds that invest in foreign securities are subject to these risks. Some of the foreign risks are also applicable to funds that invest a material portion of their assets in securities of foreign issuers traded in the United States.

Depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Asia. The fund is susceptible to political and economic factors affecting issuers in Pacific Basin countries. Many of the countries of the Pacific Basin are developing both economically and politically. Some Asian countries restrict the extent to which foreigners may invest in their securities markets. Securities of issuers located in some Asian countries tend to have volatile prices and may offer significant potential for loss as well as gain. Further, certain companies in Asia may not have firmly established product markets, may lack depth of management, or may be more vulnerable to political or economic developments such as nationalization of their own industries.

Asia (including Australia and New Zealand). The developed Asian economies are heavily dependent on international trade and can be adversely affected by trade barriers, exchange controls, and other measures imposed or negotiated by the countries with which they trade, principally, the United States, Japan, China, and the European Union. The countries in this region are also heavily dependent on exports and are thus particularly vulnerable to any weakening in global demand for these products. The Australian and New Zealand economies are dependent on the economies of Asian countries and on the price and demand for agricultural products and natural resources. Additionally, Australia and New Zealand are located in a region that has historically been prone to natural disasters. Any natural disaster in the region could negatively impact the economies of Australia and New Zealand and affect the value of securities held by the fund.

Continenta[Continental Europe]. European securities may be affected significantly by economic, regulatory, or political developments affecting European issuers. All countries in Europe may be significantly affected by fiscal and monetary controls implemented by the European Economic and Monetary Union. Eastern European markets are relatively undeveloped and may be particularly sensitive to economic and political events affecting those countries.

Currency risk. Currency risk is the risk that fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund’s investments. Currency risk includes both the risk that currencies in which a fund’s investments are traded, or currencies in which a fund has taken an active investment position, will decline in value relative to the U.S. dollar and, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly for a number of reasons, including the forces of supply and demand in the foreign exchange markets, actual or perceived changes in interest rates, and intervention (or the failure to intervene) by U.S. or foreign governments or central banks, or by currency controls or political developments in the United States or abroad. Certain funds may engage in proxy hedging of currencies by entering into derivative transactions with respect to a currency whose value is expected to correlate to the value of a currency the fund owns or wants to own. This presents the risk that the two currencies may not move in relation to one another as expected. In that case, the fund could lose money on its investment and also lose money on the position designed to act as a proxy hedge. Certain funds may also take active currency positions and may cross-hedge currency exposure represented by their securities into another foreign currency. This may result in a fund’s currency exposure being substantially different from that suggested by its securities investments. All funds with foreign currency holdings and/or that invest or trade in securities denominated in foreign currencies or related derivative instruments may be adversely affected by changes in foreign currency exchange rates. Derivative foreign currency transactions (such as futures, forwards, and swaps) may also involve leveraging risk, in addition to currency risk. Leverage may disproportionately increase a fund’s portfolio losses and reduce opportunities for gain when interest rates, stock prices, or currency rates are changing.

Eastern Europe. Specific risks vary greatly between markets but include corporate governance, fiscal stability, banking regulations, European Union accession, global commodity prices, political stability, and market liquidity.

Emerging-market risk. Investments in the securities of issuers based in countries with emerging-market economies are subject to greater levels of foreign investment risk than investments in more-developed foreign markets, since emerging-market securities may present market, credit, currency, liquidity, legal, political, and other risks greater than, or in addition to, the risks of investing in developed foreign countries. These risks include high currency exchange-rate fluctuations; increased risk of default (including both government and private issuers); greater social, economic, and political uncertainty and instability (including the risk of war); more substantial governmental involvement in the economy; less governmental supervision and regulation of the securities markets and participants in those markets; controls on foreign investment and limitations on repatriation of invested capital and on a fund’s ability to exchange local currencies for U.S. dollars; unavailability of currency hedging techniques in certain emerging-market countries; the fact that companies in emerging-market countries may be newly organized, smaller, and less seasoned; the difference in, or lack of, auditing and financial reporting standards, which may result in the unavailability of material information about issuers; different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions; difficulties in obtaining and/or enforcing legal judgments in foreign jurisdictions; and significantly smaller market capitalizations of emerging-market issuers.

Frontier-market risk. Frontier-market countries generally have smaller economies and less-developed capital markets or legal, regulatory, and political systems than traditional emerging-market countries. As a result, the risks of investing in emerging-market countries are magnified in frontier-market countries. Potential circumstances that may result in magnified risks in frontier-market countries include (i) extreme price volatility and illiquidity, (ii) government ownership or control
of parts of the private sector or other protectionist measures, (iii) large currency fluctuations, (iv) limited investment opportunities, and (v) inadequate investor protections and regulatory enforcement. In certain frontier-market countries, fraud and corruption may be more prevalent than in developed-market countries.

**Japan.** A fund that holds Japanese securities may be affected significantly by economic, regulatory, or political developments affecting Japanese issuers. The Japanese securities markets may have less liquidity and may be more volatile than U.S. or other securities markets and market developments may affect Japanese markets differently from U.S. or other securities markets. Direct or indirect government intervention to stabilize the Japanese securities markets, as well as cross-shareholdings in Japanese companies, may affect trading prices and volumes in these markets. Also, there is generally less publicly available information about Japanese companies than about those U.S. companies that are subject to the reporting requirements of the U.S. Securities and Exchange Commission, and Japanese companies are subject to accounting, auditing, and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies.

Securities prices in Japan are subject to political, economic, financial, and social factors that apply in Japan. The Japanese economy, after achieving high growth in the 1980s, faltered dramatically in the 1990s. While Japan’s recent economic performance has shown improvements with positive gross domestic product (GDP) growth, the Japanese government continues to deal with high tax and unemployment rates, unstable banking and financial service sectors, and low consumer spending. Should any or all of these problems persist or worsen, a fund invested in such securities could be adversely affected. A small number of industries, including the electronic machinery industry, comprise a large portion of the Japanese market, and therefore weakness in any of these industries could have a profound negative impact on the entire market.

**Latin America.** Although there have been significant improvements in recent years, the Latin American economies continue to experience significant problems, including high inflation rates and high interest rates. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets of certain Latin American countries. The emergence of the Latin American economies and securities markets will require continued economic and fiscal discipline which has been lacking at times in the past, as well as stable political and social conditions. There is no assurance that economic initiatives will be successful. Recovery may also be influenced by international economic conditions, particularly those in the United States, and by world prices for oil and other commodities.

**Shanghai-Hong Kong Stock Connect Program (Stock Connect) Risk.** China A-Shares listed and traded on the SSE through Stock Connect, a mutual market access program designed to, among other things, enable foreign investment in the People’s Republic of China (PRC) via brokers in Hong Kong, are subject to a number of restrictions imposed by Chinese securities regulations and SSE listing rules. Because Stock Connect was established in November 2014, developments are likely, which may restrict or otherwise affect the fund’s investments or returns. Furthermore, any changes in laws, regulations and policies of the China A-Shares market or rules in relation to Stock Connect may affect China A-Share prices. These risks are heightened by the underdeveloped state of the PRC’s investment and banking systems in general.

**South Africa.** Specific risks include the transfer of assets to black economic empowerment groups, tax increases, corporate governance, banking regulations, commodity prices, political changes, and asset appropriation.

**United Kingdom.** A fund that holds U.K. securities may be affected significantly by economic, regulatory, or political developments affecting U.K. issuers. Responses to the high level of public and private debt by the U.K. government, central bank and others may not work, and may limit future growth and economic recovery or have other unintended consequences. Furthermore, the U.K. is closely tied to Continental Europe and may be impacted to a greater extent than other countries by euro common currency economic and political events. A small number of industries, including the financial services and oil and gas industries, comprise a large portion of the U.K. market, and therefore weakness in any of these industries could have a profound negative impact on the entire market.

**Greater China risk**

Although they are larger and/or more established than many emerging markets, the markets of the Greater China region function in many ways as emerging markets, and carry the high levels of risks associated with emerging markets. In addition, there are risks particular to the region. For example, investments in Taiwan could be adversely affected by its political relationship with China. The attitude of the Chinese government toward growth and capitalism is uncertain, and the markets of Hong Kong and China could be hurt significantly by any government interference or any material change in government policy. For example, a government may restrict investment in companies or industries considered important to national interests, or intervene in the financial markets, such as by imposing trading restrictions, or banning or curtailing short selling. A small number of companies and industries represent a relatively large portion of the Greater China market as a whole. All of these factors mean that the fund is more likely to experience higher volatility and lower liquidity than a portfolio that invests mainly in U.S. stocks.

**Healthcare sector risk**

Health sciences industries may be affected by product obsolescence, thin capitalization, limited product lines, markets, and financial resources, or personnel challenges and legislative or regulatory activities affecting the healthcare sector, such as approval policies for drugs, medical devices, or procedures, and changes in governmental and private payment systems and product liabilities.

**Hedging, derivatives, and other strategic transactions risk**

The ability of a fund to utilize hedging, derivatives, and other strategic transactions to benefit the fund will depend in part on its manager’s ability to predict pertinent market movements and market risk, counterparty risk, credit risk, interest-rate risk, and other risk factors, none of which can be assured. The skills required to utilize hedging and other strategic transactions are different from those needed to select a fund’s securities. Even if the manager only uses hedging and other strategic transactions in a fund primarily for hedging purposes or to gain exposure to a particular securities market, if the transaction does not have the desired outcome, it
could result in a significant loss to a fund. The amount of loss could be more than the principal amount invested. These transactions may also increase the volatility of a fund and may involve a small investment of cash relative to the magnitude of the risks assumed, thereby magnifying the impact of any resulting gain or loss. For example, the potential loss from the use of futures can exceed a fund’s initial investment in such contracts. In addition, these transactions could result in a loss to a fund if the counterparty to the transaction does not perform as promised.

A fund may invest in derivatives, which are financial contracts with a value that depends on, or is derived from, the value of underlying assets, reference rates, or indexes. Derivatives may relate to stocks, bonds, interest rates, currencies or currency exchange rates, and related indexes. A fund may use derivatives for many purposes, including for hedging and as a substitute for direct investment in securities or other assets. Derivatives may be used in a way to efficiently adjust the exposure of a fund to various securities, markets, and currencies without a fund actually having to sell existing investments and make new investments. This generally will be done when the adjustment is expected to be relatively temporary or in anticipation of effecting the sale of fund assets and making new investments over time. Further, since many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, reference rate, or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment. When a fund uses derivatives for leverage, investments in that fund will tend to be more volatile, resulting in larger gains or losses in response to market changes. To limit leverage risk, a fund may segregate assets determined to be liquid or, as permitted by applicable regulation, enter into certain offsetting positions to cover its obligations under derivative instruments. For a description of the various derivative instruments the fund may utilize, refer to the SAI.

The regulation of the U.S. and non-U.S. derivatives markets has undergone substantial change in recent years and such change may continue. In particular, the Dodd-Frank Wall Street Reform and Consumer Protection Act, and regulation proposed to be promulgated thereunder require many derivatives to be cleared and traded on an exchange, expand entity registration requirements, impose business conduct requirements on dealers that enter into swaps with a pension plan, endowment, retirement plan or government entity, and required banks to move some derivatives trading units to a non-guaranteed affiliate separate from the deposit-taking bank or divest them altogether. Although the CFTC has released final rules relating to clearing, reporting, recordkeeping and registration requirements under the legislation, many of the provisions are subject to further final rule making, and thus its ultimate impact remains unclear. New regulations could, among other things, restrict a fund’s ability to engage in derivatives transactions (for example, by making certain types of derivatives transactions no longer available to a fund) and/or increase the costs of such derivatives transactions (for example, by increasing margin or capital requirements), and a fund might be unable to fully execute its investment strategies as a result. Limits or restrictions applicable to the counterparties with which a fund engages in derivative transactions also could prevent the fund from using these instruments or affect the pricing or other factors relating to these instruments, or may change the availability of certain investments.

At any time after the date of this prospectus, legislation may be enacted that could negatively affect the assets of a fund. Legislation or regulation may change the way in which a fund itself is regulated. The Adviser cannot predict the effects of any new governmental regulation that may be implemented, and there can be no assurance that any new governmental regulation will not adversely affect a fund’s ability to achieve its investment objectives.

The use of derivative instruments may involve risks different from, or potentially greater than, the risks associated with investing directly in securities and other, more traditional assets. In particular, the use of derivative instruments exposes a fund to the risk that the counterparty to an OTC derivatives contract will be unable or unwilling to make timely settlement payments or otherwise honor its obligations. OTC derivatives transactions typically can only be closed out with the other party to the transaction, although either party may engage in an offsetting transaction that puts that party in the same economic position as if it had closed out the transaction with the counterparty or may obtain the other party’s consent to assign the transaction to a third party. If the counterparty defaults, the fund will have contractual remedies, but there is no assurance that the counterparty will meet its contractual obligations or that, in the event of default, the fund will succeed in enforcing them. For example, because the contract for each OTC derivatives transaction is individually negotiated with a specific counterparty, a fund is subject to the risk that a counterparty may interpret contractual terms (e.g., the definition of default) differently than the fund when the fund seeks to enforce its contractual rights. If that occurs, the cost and unpredictability of the legal proceedings required for the fund to enforce its contractual rights may lead it to decide not to pursue its claims against the counterparty. The fund, therefore, assumes the risk that it may be unable to obtain payments owed to it under OTC derivatives contracts or that those payments may be delayed or made only after the fund has incurred the costs of litigation. While a manager intends to monitor the creditworthiness of counterparties, there can be no assurance that a counterparty will meet its obligations, especially during unusually adverse market conditions. To the extent a fund contracts with a limited number of counterparties, the fund’s risk will be concentrated and events that affect the creditworthiness of any of those counterparties may have a pronounced effect on the fund. Derivatives are also subject to a number of other risks, including market risk and liquidity risk. Since the value of derivatives is calculated and derived from the value of other assets, instruments, or references, there is a risk that they will be improperly valued. Derivatives also involve the risk that changes in their value may not correlate perfectly with the assets, rates, or indexes they are designed to hedge or closely track. Suitable derivatives transactions may not be available in all circumstances. The fund is also subject to the risk that the counterparty closes out the derivatives transactions upon the occurrence of certain triggering events. In addition, a manager may determine not to use derivatives to hedge or otherwise reduce risk exposure. Government legislation or regulation could affect the use of derivatives transactions and could limit a fund’s ability to pursue its investment strategies.

A detailed discussion of various hedging and other strategic transactions appears in the SAI. To the extent a fund utilizes hedging and other strategic transactions, it will be subject to the same risks.

**High portfolio turnover risk**

A high fund portfolio turnover rate (over 100%) generally involves correspondingly greater brokerage commission and tax expenses, which must be borne directly by a fund and its shareholders, respectively. The portfolio turnover rate of a fund may vary from year to year, as well as within a year.
Hybrid instrument risk

The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures and currencies. Therefore, an investment in a hybrid instrument may include significant risks not associated with a similar investment in a traditional debt instrument. The risks of a particular hybrid instrument will depend upon the terms of the instrument, but may include, without limitation, the possibility of significant changes in the benchmark for the hybrid instrument or the prices of underlying assets to which the instrument is linked. These risks generally depend upon factors unrelated to the operations or credit quality of the issuer of the hybrid instrument and that may not be readily foreseen by the purchaser. Such factors include economic and political events, the supply and demand for the underlying assets, and interest rate movements. In recent years, various benchmarks and prices for underlying assets have been highly volatile, and such volatility may be expected in the future. Hybrid instruments may bear interest or pay preferred dividends at below-market (or even relatively nominal) rates. Hybrid instruments may also carry liquidity risk since the instruments are often "customized" to meet the needs of a particular investor. Therefore, the number of investors that would be willing and able to buy such instruments in the secondary market may be smaller than for more traditional debt securities.

Inflation-linked security risk

Inflation-linked debt securities are subject to the effects of changes in market interest rates caused by factors other than inflation (real interest rates). In general, the price of an inflation-linked security tends to decrease when real interest rates increase and can increase when real interest rates decrease. Interest payments on inflation-linked securities are unpredictable and will fluctuate as the principal and interest are adjusted for inflation. Any increase in the principal amount of an inflation-linked debt security will be considered taxable ordinary income, even though the fund will not receive the principal until maturity. There can be no assurance that the inflation index used will accurately measure the real rate of inflation in the prices of goods and services. The fund’s investments in inflation-linked securities may lose value in the event that the actual rate of inflation is different than the rate of the inflation index. In addition, inflation-linked securities are subject to the risk that the CPI-U or other relevant index may be discontinued, fundamentally altered in a manner materially adverse to the interests of an investor in the securities, altered by legislation or Executive Order in a materially adverse manner to the interests of an investor in the securities or substituted with an alternative index.

Information technology risk

The information technology sector can be significantly affected by rapid obsolescence of existing technology, short product cycles, falling prices and profits, competition from new market entrants, government regulation and general economic conditions.

Initial public offerings (IPOs) risk

Certain funds may invest a portion of their assets in shares of IPOs. IPOs may have a magnified impact on the performance of a fund with a small asset base. The impact of IPOs on a fund’s performance will likely decrease as the fund’s asset size increases, which could reduce the fund’s returns. IPOs may not be consistently available to a fund for investing, particularly as the fund’s asset base grows. IPO shares are frequently volatile in price due to the absence of a prior public market, the small number of shares available for trading, and limited information about the issuer. Therefore, a fund may hold IPO shares for a very short period of time. This may increase the turnover of a fund and may lead to increased expenses for a fund, such as commissions and transaction costs. In addition, IPO shares can experience an immediate drop in value if the demand for the securities does not continue to support the offering price.

Investment company securities risk

A fund may invest in securities of other investment companies. The total return on such investments will be reduced by the operating expenses and fees of such other investment companies, including advisory fees. Investments in closed-end funds may involve the payment of substantial premiums above the value of such investment companies’ portfolio securities.

Large company risk

Larger, more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Many larger companies also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion. For purposes of the fund’s investment policies, the market capitalization of a company is based on its capitalization at the time the fund purchases the company’s securities. Market capitalizations of companies change over time. The fund is not obligated to sell a company’s security simply because, subsequent to its purchase, the company’s market capitalization has changed to be outside the capitalization range, if any, in effect for the fund.

Liquidity risk

The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Funds with principal investment strategies that involve investments in securities of companies with smaller market capitalizations, foreign securities, derivatives, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Exposure to liquidity risk may be heightened for funds that invest in securities of emerging markets and related derivatives that are not widely traded, and that may be subject to purchase and sale restrictions.

The capacity of traditional dealers to engage in fixed-income trading has not kept pace with the bond market’s growth. As a result, dealer inventories of corporate bonds, which indicate the ability to “make markets,” i.e., buy or sell a security at the quoted bid and ask price, respectively, are at or near historic lows relative to market size. Because market makers provide stability to fixed-income markets, the significant reduction in dealer inventories could lead to decreased liquidity and increased volatility, which may become exacerbated during periods of economic or political stress.
Loan participations risk

A fund’s ability to receive payments of principal and interest and other amounts in connection with loans (whether through participations, assignments, or otherwise) will depend primarily on the financial condition of the borrower. The failure by a fund to receive scheduled interest or principal payments on a loan or a loan participation, because of a default, bankruptcy, or any other reason, would adversely affect the income of the fund and would likely reduce the value of its assets. Transactions in loan investments may take a significant amount of time (i.e., seven days or longer) to settle. This could pose a liquidity risk to the fund and, if the fund’s exposure to such investments is substantial, could impair the fund’s ability to meet shareholder redemptions in a timely manner. Investments in loan participations and assignments present the possibility that a fund could be held liable as a co-lender under emerging legal theories of lender liability. Even with secured loans, there is no assurance that the collateral securing the loan will be sufficient to protect a fund against losses in value or a decline in income in the event of a borrower's nonpayment of principal or interest, and in the event of a bankruptcy of a borrower, the fund could experience delays or limitations in its ability to realize the benefits of any collateral securing the loan. Unless, under the terms of the loan or other indebtedness, a fund has direct recourse against the corporate borrower, the fund may have to rely on the agent bank or other financial intermediary to apply appropriate credit remedies against a corporate borrower. Furthermore, the value of any such collateral may decline and may be difficult to liquidate. The amount of public information available with respect to loans may be less extensive than that available for registered or exchange-listed securities. Because a significant percent of loans and loan participations are not generally rated by independent credit rating agencies, a decision by a fund to invest in a particular loan or loan participation could depend exclusively on the manager’s credit analysis of the borrower, and in the case of a loan participation, the intermediary. A fund may have limited rights to enforce the terms of an underlying loan.

It is unclear whether U.S. federal securities laws afford protections against fraud and misrepresentation, as well as market manipulation, to investments in loans and other forms of direct indebtedness under certain circumstances. In the absence of definitive regulatory guidance, a fund relies on the manager’s research in an attempt to avoid situations where fraud, misrepresentation, or market manipulation could adversely affect the fund.

A fund also may be in possession of material non-public information about a borrower as a result of owning a floating-rate instrument issued by such borrower. Because of prohibitions on trading in securities of issuers while in possession of such information, a fund might be unable to enter into a transaction in a publicly traded security issued by that borrower when it would otherwise be advantageous to do so.

Lower-rated and high-yield fixed-income securities risk

Lower-rated fixed-income securities and high-yield fixed-income securities (commonly known as “junk bonds”) are subject to the same risks as other fixed-income securities but have greater credit quality risk and may be considered speculative. In addition, lower-rated corporate debt securities (and comparable unrated securities) tend to be more sensitive to individual corporate developments and changes in economic conditions than higher-rated corporate fixed-income securities. Issuers of lower-rated corporate debt securities may also be highly leveraged, increasing the risk that principal and income will not be repaid. Lower-rated foreign government fixed-income securities are subject to the risks of investing in foreign countries described under “Foreign securities risk.” In addition, the ability and willingness of a foreign government to make payments on debt when due may be affected by the prevailing economic and political conditions within the country. Emerging-market countries may experience high inflation, interest rates and unemployment, as well as exchange rate fluctuations which adversely affect trade and political uncertainty or instability. These factors increase the risk that a foreign government will not make payments when due.

Lower-rated fixed-income securities are defined as securities rated below investment grade (such as Ba and below by Moody’s Investors Service, Inc. and BB and below by Standard & Poor’s Ratings Services) (also called junk bonds). The general risks of investing in these securities are as follows:

- **Risk to principal and income.** Investing in lower-rated fixed-income securities is considered speculative. While these securities generally provide greater income potential than investments in higher-rated securities, there is a greater risk that principal and interest payments will not be made. Issuers of these securities may even go into default or become bankrupt.

- **Price volatility.** The price of lower-rated fixed-income securities may be more volatile than securities in the higher-rated categories. This volatility may increase during periods of economic uncertainty or change. The price of these securities is affected more than higher-rated fixed-income securities by the market’s perception of their credit quality, especially during times of adverse publicity. In the past, economic downturns or increases in interest rates have, at times, caused more defaults by issuers of these securities and may do so in the future. Economic downturns and increases in interest rates have an even greater effect on highly leveraged issuers of these securities.

- **Liquidity.** The market for lower-rated fixed-income securities may have more limited trading than the market for investment-grade fixed-income securities. Therefore, it may be more difficult to sell these securities, and these securities may have to be sold at prices below their market value in order to meet redemption requests or to respond to changes in market conditions.

- **Dependence on manager’s own credit analysis.** While a manager may rely on ratings by established credit rating agencies, it will also supplement such ratings with its own independent review of the credit quality of the issuer. Therefore, the assessment of the credit risk of lower-rated fixed-income securities is more dependent on the manager’s evaluation than the assessment of the credit risk of higher-rated securities.

- **Additional risks regarding lower-rated corporate fixed-income securities.** Lower-rated corporate fixed-income securities (and comparable unrated securities) tend to be more sensitive to individual corporate developments and changes in economic conditions than higher-rated corporate fixed-income securities. Issuers of lower-rated corporate fixed-income securities may also be highly leveraged, increasing the risk that principal and income will not be repaid.

- **Additional risks regarding lower-rated foreign government fixed-income securities.** Lower-rated foreign government fixed-income securities are subject to the risks of investing in foreign countries described under “Foreign securities risk.” In addition, the ability and willingness of a foreign government to
make payments on debt when due may be affected by the prevailing economic and political conditions within the country. Emerging-market countries may experience high inflation, interest rates, and unemployment, as well as exchange-rate fluctuations which adversely affect trade and political uncertainty or instability. These factors increase the risk that a foreign government will not make payments when due.

Prepayment of principal risk. Many types of debt securities, including floating-rate loans, are subject to prepayment risk. Prepayment risk occurs when the issuer of a security can repay principal prior to the security’s maturity. Securities subject to prepayment risk can offer less potential for gains when the credit quality of the issuer improves.

Master limited partnership (MLP) risk
MLPs generally reflect the risks associated with their underlying assets and with pooled investment vehicles. MLPs with credit-related holdings are subject to interest-rate risk and risk of default. Many MLPs in which the fund may invest operate oil, natural gas, petroleum, or other facilities within the energy sector. As a result, the fund will be susceptible to adverse economic, environmental, or regulatory occurrences impacting the energy sector.

Investing in MLPs involves certain risks related to investing in the underlying assets of MLPs and risks associated with pooled investment vehicles. MLPs holding credit-related investments are subject to interest-rate risk and the risk of default on payment obligations by debt securities. In addition, investments in the debt and securities of MLPs involve certain other risks, including risks related to limited control and limited rights to vote on matters affecting MLPs, risks related to potential conflicts of interest between an MLP and the MLP’s general partner, cash flow risks, dilution risks and risks related to the general partner’s right to require unit-holders to sell their common units at an undesirable time or price. The fund’s investments in MLPs may be subject to legal and other restrictions on resale or may be less liquid than publicly traded securities. Certain MLP securities may trade in lower volumes due to their smaller capitalizations, and may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity to enable the fund to effect sales at an advantageous time or without a substantial drop in price. If the fund is one of the largest investors in an MLP, it may be more difficult for the fund to buy and sell significant amounts of such investments without an unfavorable impact on prevailing market prices. Larger purchases or sales of MLP investments by the fund in a short period of time may cause abnormal movements in the market price of these investments. As a result, these investments may be difficult to dispose of at an advantageous price when the fund desires to do so. During periods of interest rate volatility, these investments may not provide attractive returns, which may adversely impact the overall performance of the fund.

Many MLPs in which the fund may invest operate oil, natural gas, petroleum, or other facilities within the energy sector. As a result, the fund will be susceptible to adverse economic, environmental, or regulatory occurrences impacting the energy sector. MLPs and other companies operating in the energy sector are subject to specific risks, including, among others, fluctuations in commodity prices; reduced consumer demand for commodities such as oil, natural gas, or petroleum products; reduced availability of natural gas or other commodities for transporting, processing, storing, or delivering; slowdowns in new construction; extreme weather or other natural disasters; and threats of attack by terrorists on energy assets. Additionally, changes in the regulatory environment for energy companies may adversely impact their profitability. Over time, depletion of natural gas reserves and other energy reserves may also affect the profitability of energy companies.

Mid-sized company risk
Market risk and liquidity risk may be pronounced for securities of companies with mid-sized market capitalizations. These companies may have limited product lines, markets or financial resources or they may depend on a few key employees. The securities of companies with mid-sized market capitalizations may trade less frequently and in lesser volume than more widely held securities, and their value may fluctuate more sharply than those securities. They may also trade in the over-the-counter market or on a regional exchange, or may otherwise have limited liquidity. Investments in less-seasoned companies with mid-sized market capitalizations may present greater opportunities for growth and capital appreciation, but also involve greater risks than customarily are associated with more established companies with larger market capitalizations. These risks apply to all funds that invest in the securities of companies with smaller- or mid-sized market capitalizations. For purposes of the fund’s investment policies, the market capitalization of a company is based on its capitalization at the time the fund purchases the company’s securities. Market capitalizations of companies change over time. The fund is not obligated to sell a company’s security simply because, subsequent to its purchase, the company’s market capitalization has changed to be outside the capitalization range, if any, in effect for the fund.

Mortgage-backed and asset-backed securities risk
Mortgage-backed securities. Mortgage-backed securities represent participating interests in pools of residential mortgage loans, which are guaranteed by the U.S. government, its agencies, or its instrumentalities. However, the guarantee of these types of securities relates to the principal and interest payments, and not to the market value of such securities. In addition, the guarantee only relates to the mortgage-backed securities held by the fund and not the purchase of shares of the fund.

Mortgage-backed securities are issued by lenders, such as mortgage bankers, commercial banks, and savings and loan associations. Such securities differ from conventional debt securities, which provide for the periodic payment of interest in fixed amounts (usually semiannually) with principal payments at maturity or on specified dates. Mortgage-backed securities provide periodic payments which are, in effect, a pass through of the interest and principal payments (including any prepayments) made by the individual borrowers on the pooled mortgage loans. A mortgage-backed security will mature when all the mortgages in the pool mature or are prepaid. Therefore, mortgage-backed securities do not have a fixed maturity and their expected maturities may vary when interest rates rise or fall.

When interest rates fall, homeowners are more likely to prepay their mortgage loans. An increased rate of prepayments on the fund’s mortgage-backed securities will result in an unforeseen loss of interest income to the fund as the fund may be required to reinvest assets at a lower interest rate. Because prepayments increase when interest rates fall, the prices of mortgage-backed securities do not increase as much as other fixed-income securities when interest rates fall.
When interest rates rise, homeowners are less likely to prepay their mortgage loans. A decreased rate of prepayments lengthens the expected maturity of a mortgage-backed security. Therefore, the prices of mortgage-backed securities may decrease more than prices of other fixed-income securities when interest rates rise.

The yield of mortgage-backed securities is based on the average life of the underlying pool of mortgage loans. The actual life of any particular pool may be shortened by unscheduled or early payments of principal and interest. Principal prepayments may result from the sale of the underlying property, or the refinancing or foreclosure of underlying mortgages. The occurrence of prepayments is affected by a wide range of economic, demographic, and social factors, and, accordingly, it is not possible to accurately predict the average life of a particular pool. The actual prepayment experience of a pool of mortgage loans may cause the yield realized by the fund to differ from the yield calculated on the basis of the average life of the pool. In addition, if the fund purchases mortgage-backed securities at a premium, the premium may be lost in the event of early prepayment, which may result in a loss to the fund.

Prepayments tend to increase during periods of falling interest rates, while during periods of rising interest rates, prepayments are likely to decline. Monthly interest payments received by a fund have a compounding effect, which will increase the yield to shareholders as compared with debt obligations that pay interest semiannually. Because of the reinvestment of prepayments of principal at current rates, mortgage-backed securities may be less effective than U.S. Treasury bonds of similar maturity at maintaining yields during periods of declining interest rates. Also, although the value of debt securities may increase as interest rates decline, the value of these pass through types of securities may not increase as much, due to their prepayment feature.

Collateralized mortgage obligations (CMOs). A fund may invest in mortgage-backed securities called CMOs. CMOs are issued in separate classes with different stated maturities. As the mortgage pool experiences prepayments, the pool pays off investors in classes with shorter maturities first. By investing in CMOs, a fund may manage the prepayment risk of mortgage-backed securities. However, prepayments may cause the actual maturity of a CMO to be substantially shorter than its stated maturity.

Asset-backed securities. Asset-backed securities include interests in pools of debt securities, commercial or consumer loans, or other receivables. The value of these securities depends on many factors, including changes in interest rates, the availability of information concerning the pool and its structure, the credit quality of the underlying assets, the market’s perception of the servicer of the pool, and any credit enhancement provided. In addition, asset-backed securities have prepayment risks similar to mortgage-backed securities.

Inverse interest-only securities. Inverse interest-only securities that are mortgage-backed securities are subject to the same risks as other mortgage-backed securities. In addition, the coupon on an inverse interest-only security can be extremely sensitive to changes in prevailing interest rates.

TBA mortgage contracts. TBA mortgage contracts involve a risk of loss if the value of the underlying security to be purchased declines prior to delivery date. The yield obtained for such securities may be higher or lower than yields available in the market on delivery date.

Multi-manager risk

While the investment styles employed by the subadvisors are intended to be complementary, they may not in fact be complementary. A multi-manager approach could result in more exposure to certain types of securities and higher portfolio turnover.

Municipal bond risk

With general obligation bonds, which are backed by the municipal issuer’s ability to levy taxes, the main risk is that the issuer’s overall credit quality will decline. In extreme cases, a municipal issuer could declare bankruptcy or otherwise become unable to honor its commitments to bondholders. Although rare, this can be prompted by many possible reasons, ranging from fiscal mismanagement to erosion of the tax base. With revenue bonds, which are backed only by income associated with a specific facility (such as a power plant or stadium), the risk is generally higher, because any circumstance that reduces or threatens the economic viability of that particular facility can affect the bond’s credit quality.

In addition, since there are a limited number of municipal obligation insurers, the fund may have several investments covered by one insurer. Accordingly, this may make the value of those investments dependent on the claims-paying ability of that one insurer and could result in increased share price volatility for the fund’s shares. In addition, a ratings agency’s downgrade of the claims-paying ability of companies that provide bond insurance may affect the value of those securities.

Income from municipal bonds held by the fund could become taxable because of changes in tax laws or interpretations by taxing authorities, or noncompliant conduct of a municipal issuer. In addition, a portion of the fund’s otherwise tax-exempt dividends may be taxable to shareholders subject to the AMT. Values of municipal bonds could be adversely affected by changes in tax rates that make tax-exempt returns less attractive.

Natural resources industry risk

The natural resources industry can be significantly affected by events relating to international political and economic developments, energy conservation, the success of exploration projects, commodity prices, and taxes and other governmental regulations.

Non-diversified risk

Overall risk can be reduced by investing in securities from a diversified pool of issuers, while overall risk is increased by investing in securities of a small number of issuers. If a fund is not diversified within the meaning of the Investment Company Act of 1940, that means it is allowed to invest a large portion of assets in any one issuer or a small number of issuers, which may result in greater susceptibility to associated risks. As a result, credit, market, and other risks associated with a non-diversified fund’s investment strategies or techniques may be more pronounced than for funds that are diversified.
Preferred and convertible securities risk

Unlike interest on debt securities, preferred stock dividends are payable only if declared by the issuer’s board. Also, preferred stock may be subject to optional or mandatory redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. The value of convertible preferred stock can depend heavily upon the value of the security into which such convertible preferred stock is converted, depending on whether the market price of the underlying security exceeds the conversion price.

Privately held and newly public companies risk

Investments in the stocks of privately held companies and newly public companies involve greater risks than investments in stocks of companies that have traded publicly on an exchange for extended time periods. Investments in such companies are less liquid and may be difficult to value. There may be significantly less information available about these companies’ business models, quality of management, earnings growth potential, and other criteria used to evaluate their investment prospects. An impairment of a fund’s ability to sell securities of privately held companies or newly public companies at advantageous prices exposes the fund to liquidity risk. Funds with principal investment strategies that involve investments in securities of privately held companies tend to have a greater exposure to liquidity risk than funds that do not invest in securities of privately held companies.

Real estate investment trust (REIT) risk

REITs are subject to risks associated with the ownership of real estate. Some REITs experience market risk and liquidity risk due to investment in a limited number of properties, in a narrow geographic area, or in a single property type, which increases the risk that such REIT could be unfavorably affected by the poor performance of a single investment or investment type. These companies are also sensitive to factors such as changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and creditworthiness of the issuer. Borrowers could default on or sell investments that a REIT holds, which could reduce the cash flow needed to make distributions to investors. In addition, REITs may also be affected by tax and regulatory requirements impacting the REITs’ ability to qualify for preferential tax treatments or exemptions. REITs require specialized management and pay management expenses. REITs also are subject to physical risks to real property, including weather, natural disasters, terrorist attacks, war, or other events that destroy real property.

REITs include equity REITs and mortgage REITs. Equity REITs may be affected by changes in the value of the underlying property owned by the trusts, while mortgage REITs may be affected by the quality of any credit extended. Further, equity and mortgage REITs are dependent upon management skills and generally may not be diversified. Equity and mortgage REITs are also subject to heavy cash flow dependency, defaults by borrowers, and self-liquidations. In addition, equity and mortgage REITs could possibly fail to qualify for tax-free pass-through of income under the Internal Revenue Code of 1986, as amended (the Code), or to maintain their exemptions from registration under the Investment Company Act of 1940 (1940 Act). The above factors may also adversely affect a borrower’s or a lessee’s ability to meet its obligations to the REIT. In the event of a default by a borrower or lessee, the REIT may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated with protecting its investments. In addition, even many of the larger REITs in the industry tend to be small to medium-sized companies in relation to the equity markets as a whole. Moreover, shares of REITs may trade less frequently and, therefore, are subject to more erratic price movements than securities of larger issuers.

Real estate securities risk

Investing in securities of companies in the real estate industry subjects a fund to the risks associated with the direct ownership of real estate. These risks include:

- Declines in the value of real estate
- Risks related to general and local economic conditions
- Possible lack of availability of mortgage funds
- Overbuilding
- Extended vacancies of properties
- Increased competition
- Increases in property taxes and operating expenses
- Changes in zoning laws
- Losses due to costs resulting from the cleanup of environmental problems
- Liability to third parties for damages resulting from environmental problems
- Casualty or condemnation losses
- Limitations on rents
- Changes in neighborhood values and the appeal of properties to tenants
- Changes in interest rates and
- Liquidity risk
Therefore, for a fund investing a substantial amount of its assets in securities of companies in the real estate industry, the value of the fund’s shares may change at different rates compared with the value of shares of a fund with investments in a mix of different industries.

Securities of companies in the real estate industry include equity REITs and mortgage REITs. Equity REITs may be affected by changes in the value of the underlying property owned by the REIT, while mortgage REITs may be affected by the quality of any credit extended. Further, equity and mortgage REITs are dependent upon management skills and generally may not be diversified. Equity and mortgage REITs are also subject to heavy cash flow dependency, defaults by borrowers, and self-liquidations. In addition, equity and mortgage REITs could possibly fail to qualify for tax-free pass through of income under the Internal Revenue Code of 1986 (the Code) or to maintain their exemptions from registration under the 1940 Act. The above factors may also adversely affect a borrower’s or a lessee’s ability to meet its obligations to a REIT. In the event of a default by a borrower or lessee, a REIT may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated with protecting its investments.

In addition, even the larger REITs in the industry tend to be small to medium-sized companies in relation to the equity markets as a whole. Moreover, shares of REITs may trade less frequently and, therefore, are subject to more erratic price movements than securities of larger issuers.

**Sector risk**

When a fund’s investments are focused in one or a few sectors of the economy, they are not as diversified as the investments of most funds and are far less diversified than the broad securities markets. This means that focused funds tend to be more volatile than other funds, and the values of their investments tend to go up and down more rapidly. In addition, a fund which invests in particular sectors is particularly susceptible to the impact of market, economic, regulatory, and other factors affecting those sectors. From time to time, a small number of companies may represent a large portion of a particular sector or sectors.

Companies in the consumer discretionary sector can be significantly affected by the performance of the overall economy, interest rates, competition, consumer confidence, and spending, and changes in demographics and consumer tastes. Companies in the consumer staples sector can be significantly affected by demographic and product trends, competitive pricing, food fads, marketing campaigns, environmental factors, government regulation, the performance of the overall economy, interest rates, and consumer confidence.

**Banking.** Commercial banks (including “money center” regional and community banks), savings and loan associations and holding companies of the foregoing are especially subject to adverse effects of volatile interest rates, concentrations of loans in particular industries (such as real estate or energy) and significant competition. The profitability of these businesses is to a significant degree dependent upon the availability and cost of capital funds. Banks, thrifts and their holding companies are especially subject to the adverse effects of economic recession. Economic conditions in the real estate market may have a particularly strong effect on certain banks and savings associations. Commercial banks and savings associations are subject to extensive federal and, in many instances, state regulation. Neither such extensive regulation nor the federal insurance of deposits ensures the solvency or profitability of companies in this industry, and there is no assurance against losses in securities issued by such companies.

**Insurance Companies.** Insurance companies are engaged in underwriting, selling, distributing or placing of property and casualty, life or health insurance. Insurance company profits are affected by many factors, including interest rate movements, the imposition of premium rate caps, competition and pressure to compete globally. Property and casualty insurance profits may also be affected by weather catastrophes and other disasters. Already extensively regulated, insurance companies’ profits may also be adversely affected by increased government regulations or tax law changes. Insurance companies are particularly subject to government regulation and rate setting, potential anti-trust and tax law changes, and industry-wide pricing and competition cycles. Property and casualty insurance companies may also be affected by weather and other catastrophes. Life and health insurance companies may be affected by mortality and morbidity rates, including the effects of epidemics. Individual insurance companies may be exposed to reserve inadequacies, problems in investment portfolios (for example, due to real estate or “junk” bond holdings) and failures of reinsurance carriers.

**Other Financial Services Companies.** Many of the investment considerations discussed in connection with banks and insurance companies also apply to financial services companies. These companies are all subject to extensive regulation, rapid business changes, volatile performance dependent upon the availability and cost of capital and prevailing interest rates and significant competition. General economic conditions significantly affect these companies. Credit and other losses resulting from the financial difficulty of borrowers or other third parties have a potentially adverse effect on companies in this sector. Investment banking, securities brokerage and investment advisory companies are particularly subject to government regulation and the risks inherent in securities trading and underwriting activities.

**Health Sciences.** Companies in this sector are subject to the additional risks of increased competition within the health care industry, changes in legislation or government regulations, reductions in government funding, the uncertainty of governmental approval of a particular product, product liability or other litigation, patent expirations and the obsolescence of popular products. The prices of the securities of health sciences companies may fluctuate widely due to government regulation and approval of their products and services, which may have a significant effect on their price and availability. In addition, the types of products or services produced or provided by these companies may quickly become obsolete. Moreover, liability for products that are later alleged to be harmful or unsafe may be substantial and may have a significant impact on a company’s market value or share price.

**Materials.** Issuers in the materials sector could be adversely affected by commodity price volatility, exchange rates, import controls and increased competition. Production of industrial materials often exceeds demand as a result of over-building or economic downturns, leading to poor investment returns. Issuers in the materials sector are at risk for environmental damage and product liability claims and may be adversely affected by depletion of resources, technical progress, labor relations and government regulations.
Metals. The specific political and economic risks affecting the price of metals include changes in U.S. or foreign tax, currency or mining laws, increased environmental costs, international monetary and political policies, economic conditions within an individual country, trade imbalances, and trade or currency restrictions between countries. The prices of metals, in turn, are likely to affect the market prices of securities of companies mining or processing metals, and accordingly, the value of investments in such securities may also be affected. Metal-related investments as a group have not performed as well as the stock market in general during periods when the U.S. dollar is strong, inflation is low and general economic conditions are stable. In addition, returns on metal-related investments have traditionally been more volatile than investments in broader equity or debt markets.

Telecommunications. Companies in the telecommunications sector are subject to the additional risks of rapid obsolescence, lack of standardization or compatibility with existing technologies, an unfavorable regulatory environment and a dependency on patent and copyright protection. The prices of the securities of companies in the telecommunications sector may fluctuate widely due to both federal and state regulations governing rates of return and services that may be offered, fierce competition for market share, and competitive challenges in the U.S. from foreign competitors engaged in strategic joint ventures with U.S. companies and in foreign markets from both U.S. and foreign competitors. In addition, recent industry consolidation trends may lead to increased regulation of telecommunications companies in their primary markets.

Technology companies. A fund investing in technology companies, including companies engaged in Internet-related activities, is subject to the risk of short product cycles and rapid obsolescence of products and services and competition from new and existing companies. The realization of any one of these risks may result in significant earnings loss and price volatility. Some technology companies also have limited operating histories and are subject to the risks of a small or unseasoned company described under “Small and mid-size company risk.”

Utilities. Issuers in the utilities sector are subject to many risks, including the following: increases in fuel and other operating costs; restrictions on operations; increased costs and delays as a result of environmental and safety regulations; coping with the impact of energy conservation and other factors reducing the demand for services; technological innovations that may render existing plants, equipment or products obsolete; the potential impact of natural or man-made disasters; difficulty in obtaining adequate returns on invested capital; difficulty in obtaining approval for rate increases; the high cost of obtaining financing, particularly during periods of inflation; increased competition resulting from deregulation, overcapacity and pricing pressures; and the negative impact of regulation. Because utility companies are faced with the same obstacles, issues and regulatory burdens, their securities may react similarly and more in unison to these or other market conditions.

Short sales risk

The funds may make short sales of securities. This means a fund may sell a security that it does not own in anticipation of a decline in the market value of the security. A fund generally borrows the security to deliver to the buyer in a short sale. The fund must then buy the security at its market price when the borrowed security must be returned to the lender. Short sales involve costs and risk. The fund must pay the lender interest on the security it borrows, and the fund will lose money if the price of the security increases between the time of the short sale and the date when the fund replaces the borrowed security. A fund may also make short sales “against the box.” In a short sale against the box, at the time of sale, the fund owns or has the right to acquire the identical security, or one equivalent in kind or amount, at no additional cost.

Until a fund closes its short position or replaces a borrowed security, a fund will (i) segregate with its custodian cash or other liquid assets at such a level that the amount segregated plus the amount deposited with the lender as collateral will equal the current market value of the security sold short or (ii) otherwise cover its short position. The need to maintain cash or other liquid assets in segregated accounts could limit the fund’s ability to pursue other opportunities as they arise.

Small and mid-sized company risk

Market risk and liquidity risk may be pronounced for securities of companies with medium-sized market capitalizations and are particularly pronounced for securities of companies with smaller market capitalizations. These companies may have limited product lines, markets, or financial resources, or they may depend on a few key employees. The securities of companies with medium and smaller market capitalizations may trade less frequently and in lesser volume than more widely held securities, and their value may fluctuate more sharply than those securities. They may also trade in the OTC market or on a regional exchange, or may otherwise have limited liquidity. Investments in less-seasoned companies with medium and smaller market capitalizations may not only present greater opportunities for growth and capital appreciation, but also involve greater risks than are customarily associated with more established companies with larger market capitalizations. These risks apply to all funds that invest in the securities of companies with smaller- or medium-sized market capitalizations. For purposes of the fund’s investment policies, the market capitalization of a company is based on its capitalization at the time the fund purchases the company’s securities. Market capitalizations of companies change over time. The fund is not obligated to sell a company’s security simply because, subsequent to its purchase, the company’s market capitalization has changed to be outside the capitalization range, if any, in effect for the fund.

Small number of issuers risk

Overall risk can be reduced by investing in securities from a diversified pool of issuers, while overall risk is increased by investing in securities of a small number of issuers. If a fund invests in a small number of issuers, it may experience greater susceptibility to associated risks. As a result, credit, market, and other risks associated with a fund’s investment strategies or techniques may be more pronounced than for funds that are more diversified.
Technology companies risk
Technology companies rely heavily on technological advances and face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Shortening of product cycle and manufacturing capacity increases may subject technology companies to aggressive pricing. Technology companies may have limited product lines, markets, financial resources or personnel. The products of technology companies may face product obsolescence due to rapid technological developments and frequent new product introduction, unpredictable changes in growth rates and competition for the services of qualified personnel. Technology companies may not successfully introduce new products, develop and maintain a loyal customer base or achieve general market acceptance for their products.

Stocks of technology companies, especially those of smaller, less-seasoned companies, tend to be more volatile than the overall market. Companies in the technology sector are also heavily dependent on patent and intellectual property rights, the loss or impairment of which may adversely affect the profitability of these companies. Technology companies engaged in manufacturing, such as semiconductor companies, often operate internationally which could expose them to risks associated with instability and changes in economic and political conditions, foreign currency fluctuations, changes in foreign regulations, competition from subsidized foreign competitors with lower production costs and other risks inherent to international business.

Telecommunications sector risk
Companies in the telecommunications sector are subject to the additional risks of rapid obsolescence, lack of standardization or compatibility with existing technologies, an unfavorable regulatory environment, and a dependency on patent and copyright protection. The prices of the securities of companies in the telecommunications sector may fluctuate widely due to both federal and state regulations governing rates of return and services that may be offered, fierce competition for market share, and competitive challenges in the United States from foreign competitors engaged in strategic joint ventures with U.S. companies and in foreign markets from both U.S. and foreign competitors. In addition, recent industry consolidation trends may lead to increased regulation of telecommunications companies in their primary markets.

Value investment style risk
The fund’s value approach to investing could cause it to underperform other stock funds that employ a different investment style. The intrinsic value of a stock with value characteristics may not be fully recognized by the market for a long time or a stock judged to be undervalued may actually be appropriately priced at a low level.

Warrants risk
Warrants are rights to purchase securities at specific prices and are valid for a specific period of time. Warrant prices do not necessarily move parallel to the prices of the underlying securities, and warrant holders receive no dividends and have no voting rights or rights with respect to the assets of an issuer. The price of a warrant may be more volatile than the price of its underlying security, and a warrant may offer greater potential for capital appreciation as well as capital loss. Warrants cease to have value if not exercised prior to the expiration date. These factors can make warrants more speculative than other types of investments.

ADDITIONAL INFORMATION ABOUT THE FUNDS’ PRINCIPAL INVESTMENT POLICIES
Subject to certain restrictions and except as noted below, a fund may use the following investment strategies and purchase the following types of securities.

Foreign Repurchase Agreements
A fund may enter into foreign repurchase agreements. Foreign repurchase agreements may be less well secured than U.S. repurchase agreements, and may be denominated in foreign currencies. They also may involve greater risk of loss if the counterparty defaults. Some counterparties in these transactions may be less creditworthy than those in U.S. markets.

Illiquid Securities
A fund is precluded from investing in excess of 15% of its net assets (or 5% in the case of the Money Market Fund) in securities that are not readily marketable. Investment in illiquid securities involves the risk that, because of the lack of consistent market demand for such securities, a fund may be forced to sell them at a discount from the last offer price.

Indexed/Structured Securities
Funds may invest in indexed/structured securities. These securities are typically short- to intermediate-term debt securities whose value at maturity or interest rate is linked to currencies, interest rates, equity securities, indices, commodity prices or other financial indicators. Such securities may be positively or negatively indexed (i.e., their value may increase or decrease if the reference index or instrument appreciates). Indexed/structured securities may have return characteristics similar to direct investments in the underlying instruments. A fund bears the market risk of an investment in the underlying instruments, as well as the credit risk of the issuer.

Lending of Fund Securities
A fund may lend its securities so long as such loans do not represent more than 331/3% of the fund’s total assets. As collateral for the loaned securities, the borrower gives the lending portfolio collateral equal to at least 100% of the value of the loaned securities. The collateral may consist of cash, cash equivalents or
securities issued or guaranteed by the U.S. government or its agencies or instrumentalities. The borrower must also agree to increase the collateral if the value of the loaned securities increases. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower of the securities fail financially.

**Loan Participations**
The funds may invest in fixed-and floating-rate loans, which investments generally will be in the form of loan participations and assignments of such loans. Participations and assignments involve special types of risks, including credit risk, interest rate risk, liquidity risk, and the risks of being a lender. Investments in loan participations and assignments present the possibility that a fund could be held liable as a co-lender under emerging legal theories of lender liability. If a fund purchases a participation, it may only be able to enforce its rights through the lender and may assume the credit risk of the lender in addition to the borrower.

**Mortgage Dollar Rolls**
The funds may enter into mortgage dollar rolls. Under a mortgage dollar roll, a fund sells mortgage-backed securities for delivery in the future (generally within 30 days) and simultaneously contracts to repurchase substantially similar (same type, coupon and maturity) securities on a specified future date.

At the time a fund enters into a mortgage dollar roll, it will maintain on its records liquid assets such as cash or U.S. government securities equal in value to its obligations in respect of dollar roll, and accordingly, such dollar rolls will not be considered borrowings.

The funds may only enter into covered rolls. A “covered roll” is a specific type of dollar roll for which there is an offsetting cash or cash equivalent security position that matures on or before the forward settlement date of the dollar roll transaction. Dollar roll transactions involve the risk that the market value of the securities sold by the funds may decline below the repurchase price of those securities. While a mortgage dollar roll may be considered a form of leveraging, and may, therefore, increase fluctuations in a fund’s NAV per share, the funds will cover the transaction as described above.

**Repurchase Agreements**
The funds may enter into repurchase agreements. Repurchase agreements involve the acquisition by a fund of debt securities subject to an agreement to resell them at an agreed-upon price. The arrangement is in economic effect a loan collateralized by securities. The fund’s risk in a repurchase transaction is limited to the ability of the seller to pay the agreed-upon sum on the delivery date. In the event of bankruptcy or other default by the seller, the instrument purchased may decline in value, interest payable on the instrument may be lost and there may be possible delays and expense in liquidating the instrument. Securities subject to repurchase agreements will be valued every business day and additional collateral will be requested if necessary so that the value of the collateral is at least equal to the value of the repurchased obligation, including the interest accrued thereon. Repurchases agreements maturing in more than seven days are deemed to be illiquid.

**Reverse Repurchase Agreements**
The funds may enter into “reverse” repurchase agreements. Under a reverse repurchase agreement, a fund may sell a debt security and agree to repurchase it at an agreed upon price and at an agreed upon price. The funds will maintain liquid assets such as cash, Treasury bills or other U.S. government securities having an aggregate value equal to the amount of such commitment to repurchase including accrued interest, until payment is made. While a reverse repurchase agreement may be considered a form of leveraging and may, therefore, increase fluctuations in a fund’s NAV per share, the funds will cover the transaction as described above.

**U.S. Government Securities**
The funds may invest in U.S. government securities issued or guaranteed by the U.S. government or by an agency or instrumentality of the U.S. government. Not all U.S. government securities are backed by the full faith and credit of the United States. Some are supported only by the credit of the issuing agency or instrumentality, which depends entirely on its own resources to repay the debt. U.S. government securities that are backed by the full faith and credit of the United States include U.S. Treasuries and mortgage-backed securities guaranteed by the Government National Mortgage Association. Securities that are only supported by the credit of the issuing agency or instrumentality include Fannie Mae, FHLBs and Freddie Mac. See “Credit and counterparty risk” for additional information on Fannie Mae and Freddie Mac securities.

**Warrants**
The funds may, subject to certain restrictions, purchase warrants, including warrants traded independently of the underlying securities. Warrants are rights to purchase securities at specific prices valid for a specific period of time. Their prices do not necessarily move parallel to the prices of the underlying securities, and warrant holders receive no dividends and have no voting rights or rights with respect to the assets of an issuer. Warrants cease to have value if not exercised prior to their expiration dates.
YOUR ACCOUNT

Class NAV Shares

Class NAV shares are sold to certain affiliated funds, each of which is a fund of funds that invests in various other funds of JHF II and John Hancock Funds III. Class NAV shares may also be sold to retirement plans for employees of John Hancock and/or Manulife affiliated companies only, including John Hancock qualified plans and non-qualified deferred compensation plans, and separate investment accounts of John Hancock and its insurance affiliates and to the issuers of interests in the John Hancock Freedom 529 Plan, including the Education Trust of Alaska.

Other classes of shares of the funds, which have their own expense structures, may be offered in separate prospectuses.

Transaction Policies

Valuation of shares. The net asset value (NAV) for each class of shares of the fund is normally determined once daily as of the close of regular trading on the New York Stock Exchange (NYSE) (typically 4:00 P.M., Eastern Time on each business day that the NYSE is open). In case of emergency or other disruption resulting in the NYSE not opening for trading or the NYSE closing at a time other than the regularly scheduled close, the NAV may be determined as of the regularly scheduled close of the NYSE pursuant to the fund’s Valuation Policies and Procedures. The time at which shares and transactions are priced and until which orders are accepted may vary to the extent permitted by the Securities and Exchange Commission and applicable regulations. On holidays or other days when the NYSE is closed, the NAV is not calculated and the fund does not transact purchase or redemption requests. Trading of securities that are primarily listed on foreign exchanges may take place on weekends and U.S. business holidays on which the fund’s NAV is not calculated. Consequently, the fund’s portfolio securities may trade and the NAV of the fund’s shares may be significantly affected on days when a shareholder will not be able to purchase or redeem shares of the fund.

Each class of shares of the fund has its own NAV, which is computed by dividing the total assets, minus liabilities, allocated to each share class by the number of fund shares outstanding for that class. The current NAV of the fund is available on our website at jhinvestments.com.

Valuation of securities. Portfolio securities are valued by various methods that are generally described below. Portfolio securities also may be fair valued by the fund’s Pricing Committee in certain instances pursuant to procedures established by the Trustees. Equity securities are generally valued at the last sale price or, for certain markets, the official closing price as of the close of the relevant exchange. Securities not traded on a particular day are valued using last available bid prices. A security that is listed or traded on more than one exchange is typically valued at the price on the exchange where the security was acquired or most likely will be sold. In certain instances, the Pricing Committee may determine to value equity securities using prices obtained from another exchange or market if trading on the exchange or market on which prices are typically obtained did not open for trading as scheduled, or if trading closed earlier than scheduled, and trading occurred as normal on another exchange or market. Debt obligations are valued based on evaluated prices provided by an independent pricing vendor. The value of securities denominated in foreign currencies is converted into U.S. dollars at the exchange rate supplied by an independent pricing vendor. Exchange-traded options are valued at the mean of the most recent bid and ask prices. Futures contracts are typically valued at settlement prices. If settlement prices are not available, futures contracts may be valued using last traded prices. Shares of other open-end investment companies that are not ETFs (underlying funds) are valued based on the NAVs of such underlying funds.

Pricing vendors may use matrix pricing or valuation models that utilize certain inputs assumptions to derive values, including transaction data, credit quality information, general market conditions, news, and other factors and assumptions. Special valuation considerations may apply with respect to a fund’s “odd-lot” positions, as a fund may receive different prices when it sells such positions than it would receive for sales of institutional round lot positions. Pricing vendors generally value securities assuming orderly transactions of institutional round lot sizes, but a fund may hold or transact in such securities in smaller, odd lot sizes.

The Pricing Committee engages in oversight activities with respect to the funds’ pricing vendors, which includes, among other things, monitoring significant or unusual price fluctuations above predetermined tolerance levels from the prior day, back-testing of pricing vendor prices against actual trades, conducting periodic due diligence meetings and reviews, and periodically reviewing the inputs, assumptions and methodologies used by these vendors.

If market quotations, official closing prices, or information furnished by a pricing vendor are not readily available or are otherwise deemed unreliable or not representative of the fair value of such security because of market- or issuer-specific events, a security will be valued at its fair value as determined in good faith by the Trustees. The Trustees are assisted in their responsibility to fair value securities by the fund’s Pricing Committee, and the actual calculation of a security’s fair value may be made by the Pricing Committee acting pursuant to the procedures established by the Trustees. In certain instances, therefore, the Pricing Committee may determine that a reported valuation does not reflect fair value, based on additional information available or other factors, and may accordingly determine in good faith the fair value of the assets, which may differ from the reported valuation.

Fair value pricing of securities is intended to help ensure that a fund’s NAV reflects the fair market value of the fund’s portfolio securities as of the close of regular trading on the NYSE (as opposed to a value that no longer reflects market value as of such close), thus limiting the opportunity for aggressive traders or market timers to purchase shares of the fund at deflated prices reflecting stale security valuations and promptly sell such shares at a gain, thereby diluting the interests of long-term shareholders. However, a security’s valuation may differ depending on the method used for determining value, and no assurance can be given that fair value pricing of securities will successfully eliminate all potential opportunities for such trading gains.

The use of fair value pricing has the effect of valuing a security based upon the price the fund might reasonably expect to receive if it sold that security in an orderly transaction between market participants, but does not guarantee that the security can be sold at the fair value price. Further, because of the inherent uncertainty and
subjective nature of fair valuation, a fair valuation price may differ significantly from the value that would have been used had a readily available market price for the investment existed and these differences could be material.

Regarding the fund’s investment in an underlying fund that is not an ETF, which (as noted above) is valued at such underlying fund’s NAV, the prospectus for such underlying fund explains the circumstances and effects of fair value pricing for that underlying fund.

**Buy and sell prices.** When you buy shares, you pay the NAV. When you sell shares, you receive the NAV.

**Execution of requests.** The funds are open on those days when the New York Stock Exchange is open, typically Monday through Friday. Purchase and redemption requests are executed at the next NAV to be calculated after the receipt of your request in good order. In unusual circumstances, each fund has the right to redeem in kind.

In unusual circumstances, any fund may temporarily suspend the processing of redemption requests, or may postpone payment of proceeds for up to three business days or longer, as allowed by federal securities laws.

A fund typically expects to mail or wire redemption proceeds between 1 and 3 days following the receipt of the shareholder’s redemption request. In unusual circumstances, a fund may temporarily suspend the processing of sell requests or may postpone payment of proceeds for up to three business days or longer, as allowed by federal securities laws.

Under normal market conditions, a fund typically expects to meet redemption requests through holdings of cash or cash equivalents or through sales of portfolio securities, and may access other available liquidity facilities. In unusual or stressed market conditions, in addition to the methods used in normal market conditions, a fund may meet redemption requests through the use of its line of credit, interfund lending facility, redemptions in kind, or such other liquidity means or facilities as a fund may have in place from time to time.

**Excessive trading.** The funds are intended for long-term investment purposes only and do not knowingly accept shareholders who engage in “market timing” or other types of excessive short-term trading. Short-term trading into and out of a fund can disrupt Fund investment strategies and may increase Fund expenses for all shareholders, including long-term shareholders who do not generate these costs.

**Right to reject or restrict purchase and exchange orders.** Purchases and exchanges should be made primarily for investment purposes. JHF II reserves the right to reject, restrict or cancel transactions (with respect to cancellations, within one day of the order), for any reason and without any prior notice, any purchase or exchange order, including transactions representing excessive trading and transactions accepted by any shareholder’s financial intermediary. For example, a fund may in its discretion restrict, reject or cancel a purchase or exchange order even if the transaction is not subject to the specific “Limitation on Exchange Activity” described below if the Fund or its agents determine that accepting the order could interfere with the efficient management of the Fund or otherwise not be in a fund’s best interest in light of unusual trading activity related to your account. In the event a fund rejects or cancels an exchange request, neither the redemption nor the purchase side of the exchange will be processed. If you would like the redemption request to be processed even if the purchase order is rejected, you should submit separate redemption and purchase orders rather than placing an exchange order. Each Fund reserves the right to delay for up to one business day, consistent with applicable law, the processing of exchange requests in the event that, in the Fund’s judgment, such delay would be in the Fund’s best interest, in which case both the redemption and purchase side of the exchange will receive the Fund’s NAVs at the conclusion of the delay period. Each Fund, through its agents in their sole discretion, may impose these remedial actions at the account holder level or the underlying shareholder level.

**Exchange limitation policies.** The Board of Trustees has adopted the following policies and procedures by which the Funds, subject to the limitations described below, take steps reasonably designed to curtail excessive trading practices.

**Limitation on exchange activity.** Pursuant to the policies and procedures adopted by the Board of Trustees, a fund, or its agent, may reject or cancel a purchase order, suspend or terminate the exchange privilege or terminate the ability of an investor to invest in John Hancock funds if the fund, or its agent, determines that a proposed transaction involves market timing or disruptive trading that it believes is likely to be detrimental to the fund. A fund, or its agent, cannot ensure that it will be able to identify all cases of market timing or disruptive trading, although it attempts to have adequate procedures in place to do so. The fund, or its agent, may also reject or cancel any purchase order (including an exchange) from an investor or group of investors for any other reason. Decisions to reject or cancel purchase orders (including exchanges) in the fund are inherently subjective and will be made in a manner believed to be in the best interest of a fund’s shareholders. No fund has any arrangement to permit market timing or disruptive trading.

Exchanges made on the same date in the same account are aggregated for purposes of counting the number and dollar amount of exchanges made by the account holder. The exchange limits referenced above will not be imposed or may be modified under certain circumstances. For example, these exchange limits may be modified for accounts held by certain retirement plans to conform to plan exchange limits, ERISA considerations or Department of Labor regulations. Certain automated or pre-established exchange, asset allocation and dollar cost averaging programs are not subject to these exchange limits. These programs are excluded from the exchange limitation since the funds believe that they are advantageous to shareholders and do not offer an effective means for market timing or excessive trading strategies. These investment tools involve regular and predetermined purchase or redemption requests made well in advance of any knowledge of events affecting the market on the date of the purchase or redemption.

These exchange limits are subject to a fund’s ability to monitor exchange activity, as discussed under “Limitation on the ability to detect and curtail excessive trading practices” below. Depending upon the composition of a fund’s shareholder accounts and in light of the limitations on the ability of the Fund to detect and curtail excessive trading practices, a significant percentage of the Fund’s shareholders may not be subject to the exchange limitation policy described above. In applying the
exchange limitation policy, a fund considers information available to it at the time and reserves the right to consider trading activity in a single account or multiple accounts under common ownership, control or influence.

Limitation on the ability to detect and curtail excessive trading practices. Shareholders seeking to engage in excessive trading practices sometimes deploy a variety of strategies to avoid detection, and, despite the efforts of a fund to prevent its excessive trading, there is no guarantee that the fund or its agents will be able to identify such shareholders or curtail its trading practices. The ability of a fund and its agents to detect and curtail excessive trading practices may also be limited by operational systems and technological limitations. Because a fund will not always be able to detect frequent trading activity, investors should not assume that the fund will be able to detect or prevent all frequent trading or other practices that disadvantage the fund. For example, the ability of a fund to monitor trades that are placed by omnibus or other nominee accounts is limited in those instances in which the financial intermediary, including a financial advisor, broker, retirement plan administrator or fee-based program sponsor, maintains the records of the fund’s underlying beneficial owners. Omnibus or other nominee account arrangements are common forms of holding shares of a fund, particularly among certain financial intermediaries such as financial advisors, brokers, retirement plan administrators or fee-based program sponsors. These arrangements often permit the financial intermediary to aggregate its clients’ transactions and ownership positions and do not identify the particular underlying shareholder(s) to the fund. However, a fund will work with financial intermediaries as necessary to discourage shareholders from engaging in abusive trading practices and to impose restrictions on excessive trades. In this regard, each fund has entered into information sharing agreements with financial intermediaries pursuant to which these intermediaries are required to provide to the fund, at the fund’s request, certain information relating to their customers investing in the fund through omnibus or other nominee accounts. A fund will use this information to attempt to identify excessive trading practices. Financial intermediaries are contractually required to follow any instructions from the fund to restrict or prohibit future purchases from shareholders that are found to have engaged in excessive trading in violation of the funds’ policies. No fund can guarantee the accuracy of the information provided to it from financial intermediaries and so cannot ensure that it will be able to detect abusive trading practices that occur through omnibus or other nominee accounts. As a consequence, a fund’s ability to monitor and discourage excessive trading practices in these types of accounts may be limited.

Excessive trading risk. To the extent that a fund or its agents are unable to curtail excessive trading practices in the fund, these practices may interfere with the efficient management of the fund, and may result in the fund engaging in certain activities to a greater extent than it otherwise would, such as maintaining higher cash balances, using its line of credit and engaging in fund transactions. Increased fund transactions and use of the line of credit would correspondingly increase a fund’s operating costs and decrease the fund’s investment performance. Maintenance of higher levels of cash balances would likewise result in lower Fund investment performance during periods of rising markets.

While excessive trading can potentially occur in any fund, certain types of funds are more likely than others to be targets of excessive trading. For example:

- A fund that invests a significant portion of its assets in small- or mid-capitalization stocks or securities in particular industries, that may trade infrequently or are fair valued as discussed under “Valuation of shares.” These types of securities entail a greater risk of excessive trading, as investors may seek to trade Fund shares in an effort to benefit from their understanding of the value of those types of securities (referred to as price arbitrage).

- A fund that invests a material portion of its assets in securities of foreign issuers may be a potential target for excessive trading if investors seek to engage in price arbitrage based upon general trends in the securities markets that occur subsequent to the close of the primary market for such securities. Each Fund may have significant investments in foreign securities.

- A fund that invests a significant portion of its assets in below-investment-grade (junk) bonds, that may trade infrequently or are fair valued as discussed under “Valuation of shares,” entails a greater risk of excessive trading, as investors may seek to trade fund shares in an effort to benefit from their understanding of the value of those types of securities.

Any frequent trading strategies may interfere with efficient management of a fund’s portfolio. A fund that invests in the types of securities discussed above may be exposed to this risk to a greater degree than a fund that invests in highly liquid securities. These risks would be less significant, for example, in a fund that primarily invests in U.S. government securities, money market instruments, investment grade corporate issuers or large-capitalization U.S. equity securities. Any successful price arbitrage may cause dilution in the value of fund shares held by other shareholders.

Dividends and account policies

Dividends. Each fund typically declares and pays dividends and capital gains, if any, at least annually. However, the following funds pay dividends quarterly: Core Bond Fund, Equity Income Fund, High Yield Fund, Real Return Bond Fund, Short Term Government Income Fund, Total Return Fund, and U.S. High Yield Bond Fund; and the following funds declare dividends daily and pay them monthly: Emerging Markets Debt Fund, Floating Rate Income Fund, Spectrum Income Fund, and Strategic Income Opportunities Fund.

Taxability of dividends

For investors who are not exempt from federal income taxes, dividends you receive from a fund, whether reinvested or taken as cash, are generally considered taxable. Dividends from a fund’s short-term capital gains are taxable as ordinary income. Dividends from a fund’s long-term capital gains are taxable at a lower rate. Whether gains are short-term or long-term depends on the fund’s holding period. Some dividends paid in January may be taxable as if they had been paid the previous December.

The Form 1099 that is mailed to you every February, if applicable, details your dividends and their federal tax category, although you should verify your tax liability with your tax professional.
Returns of capital
If a fund’s distributions exceed its taxable income and capital gains realized during a taxable year, all or a portion of the distributions made in the same taxable year may be recharacterized as a return of capital to shareholders. A return of capital distribution will generally not be taxable, but will reduce each shareholder’s cost basis in the fund and result in a higher reported capital gain or lower reported capital loss when those shares on which the distribution was received are sold.

Taxability of transactions
Any time you sell or exchange shares, it is considered a taxable event for you if you are not exempt from federal income taxes. Depending on the purchase price and the sale price of the shares you sell or exchange, you may have a gain or a loss on the transaction. You are responsible for any tax liabilities generated by your transactions.

Account statements. The funds will provide account statements and other account information to shareholders as provided in participation agreements with insurance companies and in John Hancock Retirement Select agreements with qualified retirement plans.

Disclosure of fund portfolio holdings. The funds’ policy regarding disclosure of portfolio holdings can be found in Appendix B of the SAI and the portfolio holdings information can be found at: jhinvestments.com.

All of the holdings of each fund will be posted to the website, jhinvestments.com, no earlier than 15 days after each calendar month end, and will remain posted on the website for six months. With respect to each non-fund of funds, the following information for the fund is posted on the website, jhinvestments.com, generally on the fifth business day after month end: top 10 holdings; top 10 sector analysis; total return/yield; top 10 countries; average quality/maturity; beta/alpha; and top 10 portfolio composition.

The holdings of each fund are also disclosed quarterly to the SEC on Form N-Q as of the end of the first and third quarters of the fund’s fiscal year and on Form N-CSR as of the end of the second and fourth quarters of the fund’s fiscal year. Each fund’s Form N-CSR and Form N-Q will contain the fund’s holdings as of the applicable fiscal quarter end. A description of the funds’ policies and procedures with respect to the disclosure of the funds’ portfolio securities is available in the SAI.

Broker compensation and revenue sharing arrangements
Class NAV shares of the funds are sold to the JHF II Portfolios and may in the future be sold to other series.

Other shares of the funds are primarily sold through financial intermediaries (firms), such as brokers, banks, registered investment advisors, financial planners and retirement plan administrators. These firms may be compensated for selling shares of the fund in two principal ways:

- directly, by the payment of sales commissions, if any; and
- indirectly, as a result of the fund paying Rule 12b-1 fees.

Certain firms may request, and the Distributor may agree to make, payments in addition to sales commissions and Rule 12b-1 fees out of the Distributor’s own resources. These additional payments are sometimes referred to as “revenue sharing.” These payments assist in the Distributor’s efforts to promote the sale of the fund’s shares. The Distributor agrees with the firm on the methods for calculating any additional compensation, which may include the level of sales or assets attributable to the firm. Not all firms receive additional compensation and the amount of compensation varies. These payments could be significant to a firm. The Distributor determines which firms to support and the extent of the payments it is willing to make. The Distributor generally chooses to compensate firms that have a strong capability to distribute shares of the fund and that are willing to cooperate with the Distributor’s promotional efforts.

The Distributor hopes to benefit from revenue sharing by increasing the fund’s net assets, which, as well as benefiting the fund, would result in additional management and other fees for the advisor and its affiliates. In consideration for revenue sharing, a firm may feature the fund in its sales system or give preferential access to members of its sales force or management. In addition, the firm may agree to participate in the Distributor’s marketing efforts by allowing the Distributor or its affiliates to participate in conferences, seminars or other programs attended by the intermediary’s sales force. Although an intermediary may seek revenue sharing payments to offset costs incurred by the firm in servicing its clients that have invested in the fund, the intermediary may earn a profit on these payments. Revenue sharing payments may provide your firm with an incentive to favor the fund.

The SAI discusses the Distributor’s revenue sharing arrangements in more detail. Your intermediary may charge you additional fees other than those disclosed in this prospectus. You can ask your firm about any payments it receives from the Distributor or the fund, as well as about fees and/or commissions it charges.

The Distributor, advisor and their affiliates may have other relationships with your firm relating to the provisions of services to the fund, such as providing omnibus account services, transaction-processing services or effecting portfolio transactions for the fund. If your intermediary provides these services, the advisor or the fund may compensate the intermediary for these services. In addition, your intermediary may have other compensated relationships with the advisor or its affiliates that are not related to the fund.

For a description of these compensation and revenue sharing arrangements, see the prospectuses and statement of additional information for the JHF II funds. The compensation paid to broker-dealers and the revenue sharing arrangements may be derived, in whole or in part, through the advisor’s profit on the advisory fee on the funds.
**FUND DETAILS**

**Business Structure**

The Board of Trustees of JHF II oversees its business activities and retains the services of the various firms that carry out the operations of the funds.

The Board of Trustees may change the respective investment objective of each of the funds without shareholder approval.

The Board of Trustees may change the focus of the investment policy of each of the funds that provides for the investment of a specified amount of its assets in particular securities or geographic regions without shareholder approval. These funds will provide written notice to shareholders at least 60 days prior to a change in their 80% investment policy, as required under the 1940 Act and disclosed in the SAI.

**Advisor**

The investment advisor manages the funds’ business and investment activities.

**John Hancock Advisers, LLC**

601 Congress Street

Boston, MA 02210-2805

Founded in 1968, the advisor is a wholly owned subsidiary of John Hancock Life Insurance Company (U.S.A.), which in turn is a subsidiary of Manulife Financial Corporation.

The advisor’s parent company has been helping individuals and institutions work toward their financial goals since 1862. The advisor offers investment solutions managed by leading institutional money managers, taking a disciplined team approach to portfolio management and research, leveraging the expertise of seasoned investment professionals. As of September 30, 2017, the advisor had total assets under management of approximately $148.8 billion.

Subject to general oversight by the Board of Trustees, the advisor manages and supervises the investment operations and business affairs of the funds. The advisor selects, contracts with and compensates one or more subadvisors to manage all or a portion of the funds’ portfolio assets, subject to oversight by the advisor. In this role, the advisor has supervisory responsibility for managing the investment and reinvestment of the funds’ portfolio assets through proactive oversight and monitoring of the subadvisor and the funds, as described in further detail below. The advisor is responsible for developing overall investment strategies for the funds and overseeing and implementing the funds’ continuous investment programs and provides a variety of advisory oversight and investment research services. The advisor also provides management and transition services associated with certain fund events (e.g., strategy, portfolio manager or subadvisor changes) and coordinates and oversees services provided under other agreements.

The advisor has ultimate responsibility to oversee a subadvisor and recommend to the Board of Trustees its hiring, termination, and replacement. In this capacity, the advisor, among other things: (i) monitors on a daily basis the compliance of the subadvisor with the investment objectives and related policies of the funds; (ii) monitors significant changes that may impact the subadvisor’s overall business and regularly performs due diligence reviews of the subadvisor; (iii) reviews the performance of the subadvisor; and (iv) reports periodically on such performance to the Board of Trustees. The advisor employs a team of investment professionals who provide these ongoing research and monitoring services.

The funds rely on an order from the Securities and Exchange Commission (SEC) permitting the advisor, subject to approval by the Board of Trustees, to appoint a subadvisor or change the terms of a subadvisory agreement without obtaining shareholder approval. The funds, therefore, are able to change subadvisors or the fees paid to a subadvisor, from time to time, without the expense and delays associated with obtaining shareholder approval of the change. This order does not, however, permit the advisor to appoint a subadvisor that is an affiliate of the advisor or the funds (other than by reason of serving as a subadvisor to the funds), or to increase the subadvisory fee of an affiliated subadvisor, without the approval of the shareholders.

**Subadvisors**

The subadvisors handle the funds’ portfolio management activities, subject to oversight by the advisor.

**Custodian**

The custodian holds the funds’ assets, settles all portfolio trades, and collects most of the valuation data required for calculating each fund’s net asset value.

*Except as stated below, each fund’s custodian is State Street Bank and Trust Company.*

**State Street Bank and Trust Company**

State Street Financial Center

One Lincoln Street

Boston, MA 02111

Management fees

As full compensation for its services, the advisor receives a fee from each fund.

The fee for each fund is calculated by applying to the net assets of the fund an annual fee rate, which is determined based on the application of the annual percentage rates for the fund to the fund’s net assets. The advisory fee rate for certain funds is based on the aggregate of the net assets of the fund and the net assets of one or more other John Hancock funds (or portions thereof) that have the same subadvisor as the fund. If a fund and such other fund(s) (or portions thereof) cease to have the same subadvisor, their assets will no longer be aggregated for purposes of determining the applicable annual fee rate for a fund. The fee for each fund is accrued and paid daily and is calculated for each day by multiplying the daily equivalent of the applicable annual fee rate by the value of the net assets of the fund at the close of business on the previous business day of the fund.

The schedule of the annual percentage rates of the management fees for the funds is set forth in Appendix A hereto. The investment management fees, including the impact of the waivers and reimbursements as described below, incurred by each fund during the most recent fiscal year are set forth in Appendix B hereto.

A discussion regarding the basis of the Board of Trustees’ approving the investment advisory and subadvisory contracts of the funds (except for funds that have not commenced operations) is available in the funds’ most recent annual report to shareholders dated August 31. A discussion regarding the basis of the Board of Trustees’ approving the investment advisory and subadvisory contracts for a fund that has not commenced operations will be available in the fund’s first shareholder report after commencement of operations.

The fund’s annual operating expenses will likely vary throughout the period and from year to year. The fund’s expenses for the current fiscal year may be higher than the expenses listed in the fund’s “Annual fund operating expenses” table, for some of the following reasons: (i) a significant decrease in average net assets may result in a higher advisory fee rate if advisory fee breakpoints are not achieved; (ii) a significant decrease in average net assets may result in an increase in the expense ratio because certain fund expenses do not decrease as asset levels decrease; or (iii) fees may be incurred for extraordinary events such as fund tax expenses.

The advisor has contractually agreed to waive a portion of its management fee and/or reimburse expenses for certain funds of the John Hancock funds complex (the participating portfolios). The waiver equals, on an annualized basis, 0.0100% of that portion of the aggregate net assets of all the participating portfolios that exceeds $75 billion but is less than or equal to $125 billion; 0.0125% of that portion of the aggregate net assets of all the participating portfolios that exceeds $125 billion but is less than or equal to $150 billion; 0.0150% of that portion of the aggregate net assets of all the participating portfolios that exceeds $150 billion but is less than or equal to $175 billion; 0.0175% of that portion of the aggregate net assets of all the participating portfolios that exceeds $175 billion but is less than or equal to $200 billion; 0.0200% of that portion of the aggregate net assets of all the participating portfolios that exceeds $200 billion but is less than or equal to $225 billion; and 0.0225% of that portion of the aggregate net assets of all the participating portfolios that exceeds $225 billion. The amount of the reimbursement is calculated daily and allocated among all the participating portfolios in proportion to the daily net assets of each fund. This arrangement may be amended or terminated at any time by the advisor upon notice to the funds and with the approval of the Board of Trustees.

The advisor contractually agrees to reduce its management fee or, if necessary, make payment to Global Equity Fund, in an amount equal to the amount by which expenses of the fund exceed 0.89% of average net assets. For purposes of this agreement, “expenses of the fund” means all fund expenses, excluding (a) taxes, (b) brokerage commissions, (c) interest expense, (d) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the fund’s business, (e) class-specific expenses, (f) acquired fund fees and expenses paid indirectly, (g) borrowing costs, (h) prime brokerage fees, and (i) short dividend expense. This agreement expires on December 31, 2018, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

The advisor contractually agrees to waive its advisory fees so that the amount retained by the advisor after payment of the subadvisory fees for International Value Fund does not exceed 0.45% of the fund’s average net assets. The current expense limitation agreement expires on December 31, 2018, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

The advisor voluntarily agrees to reduce its management fee for each fund, or if necessary make payment to a fund, in an amount equal to the amount by which the expenses of the fund exceed the following percentages of the average net assets of the funds: 0.25% for Emerging Markets Fund, Fundamental Global Franchise Fund, Global Equity Fund, Global Real Estate Fund, International Growth Stock Fund, International Small Cap Fund, International Small Company Fund, International Strategic Equity Allocation Fund and International Value Fund; 0.20% for Blue Chip Growth Fund, Capital Appreciation Fund, Capital Appreciation Value Fund, Equity Income Fund, Health Sciences Fund, Mid Cap Stock Fund, Mid Value Fund, Natural Resources Fund, New Opportunities Fund, Real Estate Equity Fund, Real Estate
Securities Fund, Redwood Fund, Science & Technology Fund, Small Cap Growth Fund, Small Cap Value Fund, Small Company Growth Fund, Small Company Value Fund, Strategic Equity Allocation Fund, U.S. Growth Fund, and U.S. Strategic Equity Allocation Fund; and 0.15% for Asia Pacific Total Return Bond Fund, Core Bond Fund, Emerging Markets Debt Fund, Floating Rate Income Fund, Global Bond Fund, High Yield Fund, Real Return Bond Fund, Short Term Government Income Fund, Spectrum Income Fund, Strategic Income Opportunities Fund, Total Return Fund, and U.S. High Yield Bond Fund. For purposes of this agreement, “expenses of the fund” means all fund expenses, excluding (a) taxes, (b) brokerage commissions, (c) interest expense, (d) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the fund’s business, (e) advisory fees, (f) Rule 12b-1 fees, (g) transfer agency fees and service fees, (h) underlying fund expenses (acquired fund fees), and (i) short dividend expense. This agreement will continue in effect until terminated at any time by the advisor on notice to the funds.

The advisor voluntarily agrees to waive its advisory fees so that the amount retained by the advisor after payment of the subadvisory fees for International Strategic Equity Allocation Fund, Strategic Equity Allocation Fund and U.S. Strategic Equity Allocation Fund does not exceed 0.45% of the fund’s average net assets. The advisor may terminate this voluntary waiver at any time upon notice to the Trust.

The advisor voluntarily agrees to reduce its advisory fee that would be payable by the Total Return Fund (after giving effect to asset-based breakpoints) by 0.07% of the Total Return Fund’s average daily net assets. The advisor may terminate this voluntary waiver at any time upon notice to the Total Return Fund.

The advisor voluntarily agrees to reduce its advisory fee that would be payable by the Short Term Government Income Fund (after giving effect to asset-based breakpoints) by 0.02% of the Short Term Government Income Fund’s average daily net assets. The advisor may terminate this voluntary waiver at any time upon notice to the Short Term Government Income Fund.
SUB ADVISORY ARRANGEMENTS AND MANAGEMENT BIOGRAPHIES

The advisor has entered into subadvisory agreements with the subadvisors to the funds. Under these agreements, the subadvisors manage the assets of the funds, subject to the supervision of the advisor and the Trustees of JHF II. Each subadvisor formulates a continuous investment program for each fund it subadvises, consistent with the fund’s investment goal and strategy as described above. Each subadvisor regularly reports to the advisor and the Trustees of JHF II with respect to the implementation of such programs.

Subadvisory Fees. Each subadvisor is compensated by the advisor, subject to Board approval, and not by the fund or funds that it subadvises.

Pursuant to an order received from the SEC, the advisor is permitted to appoint a new subadvisor for a fund or change the terms of a subadvisory agreement without obtaining shareholder approval. As a result, a fund is able from time to time to change fund subadvisors or the fees paid to subadvisors without the expense and delays associated with holding a shareholders’ meeting. The SEC order does not, however, permit the advisor to appoint a subadvisor that is an affiliate of the advisor or a fund (other than by reason of serving as a subadvisor) or change the subadvisory fee of an affiliated subadvisor without shareholder approval. A discussion regarding the basis for the Board of Trustees’ approval of each subadvisory agreement is available in the funds’ report to shareholders dated August 31, 2017 (except for funds that have not commenced operations).

Set forth below is information about the subadvisors and the portfolio managers for the funds, including a brief summary of the portfolio managers’ business careers over the past five years. The SAI includes additional details about the funds’ portfolio managers, including information about their compensation, accounts they manage other than the funds and their ownership of fund securities.

Each subadvisor will benefit from increased subadvisory fees when assets are allocated to affiliated subadvised funds that it manages. In addition, Manulife Financial Corporation, as the parent company of each subadvisor and all affiliated investment advisors, will benefit through increased revenue generated from the fees on assets managed by the affiliated subadvisors. Accordingly, there is a conflict of interest in that there is an incentive for each subadvisor to allocate fund assets to funds subadvised by the subadvisor and other affiliated subadvised funds. However, each subadvisor has a duty to allocate assets to an affiliated subadvised fund only when the subadvisor believes it is in the best interests of fund shareholders, without regard to such economic incentive. As part of its oversight of the funds and the subadvisors, the advisor will monitor to ensure that allocations are conducted in accordance with these principles. This conflict of interest is also considered by the Independent Trustees when approving or replacing affiliated subadvisors.

Allianz Global Investors U.S. LLC ("AllianzGI US")

AllianzGI US, a Delaware limited liability company, is a registered investment advisor with offices in New York, New York and San Diego, California and San Francisco, California. AllianzGI US is a direct, wholly-owned subsidiary of Allianz Global Investors U.S. Holdings LLC, which in turn is owned indirectly by Allianz SE, a diversified global financial institution. AllianzGI US provides advisory services to mutual funds and institutional accounts. AllianzGI US is located at 555 Mission Street, San Francisco, California 94105. As of September 30, 2017, AllianzGI US had approximately $108.28 billion in assets under management. AllianzGI US has identified the following persons as jointly and primarily responsible for the day-to-day management of the fund’s portfolio as set forth below. These managers are employed by AllianzGI US.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Portfolio Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Science &amp; Technology Fund</td>
<td>Huachen Chen</td>
</tr>
<tr>
<td></td>
<td>Walter C. Price</td>
</tr>
</tbody>
</table>

- **Huachen Chen.** Managing Director and Senior Portfolio Manager. Mr. Chen joined AllianzGI US in 1984 as an analyst and became a principal in 1994.
- **Walter C. Price.** Managing Director and Senior Portfolio Manager. Mr. Price joined AllianzGI US in 1974 as a senior securities analyst in technology and became a principal in 1978.

Boston Partners Global Investors, Inc., doing business as Boston Partners

Boston Partners is an indirect, wholly-owned subsidiary of Orix Corporation of Japan. As of September 30, 2017, Boston Partners had approximately $94.7 billion assets under management. These managers are employed by Boston Partners.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Portfolio Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redwood Fund</td>
<td>Todd C. Hawthorne</td>
</tr>
</tbody>
</table>

- **Todd C. Hawthorne.** Portfolio Manager. Mr. Hawthorne joined Robeco Investment Management, Inc. in March 2014. Prior to this, Mr. Hawthorne was a Director and Lead Portfolio Manager at Allianz Global Investors U.S. LLC (formerly, RCM Capital Management LLC) (2006-2014) and has been lead manager of the Fund since its inception in 2011.

Brandywine Global Investment Management, LLC ("Brandywine")

Founded in 1986, Brandywine offers a broad array of fixed income, equity, and balanced strategies that invest across global markets. The firm is a wholly owned, independently operated subsidiary of Legg Mason, Inc. (NYSE: LM). Brandywine’s headquarters are located at Cira Centre, 2929 Arch St., 8th Floor, Philadelphia, Pennsylvania 19104, and has offices in San Francisco, Montreal, Toronto, Singapore, and London. As of September 30, 2017, Brandywine managed $74.8 billion in...
assets. Brandywine has identified the following persons as jointly and primarily responsible for the day-to-day management of the fund’s portfolio as set forth below. These managers are employed by Brandywine.

**Fund**

**Portfolio Managers**

New Opportunities Fund

- Justin C. Bennitt
- Gregory P. Manley, CFA

Deutsche Investment Management Americas Inc. ("DIMA")

RREEF America L.L.C. ("RREEF") serves as sub-subadvisor

DIMA, located at 345 Park Avenue, New York, New York 10154, is an indirect wholly-owned subsidiary of Deutsche Bank AG, an international commercial and investment banking group. Deutsche Bank AG is a major banking institution that is engaged in a wide range of financial services, including investment management, mutual fund, retail, private and commercial banking, investment banking and insurance. DIMA provides a full range of investment advisory services to retail and institutional clients. As of September 30, 2017, DIMA managed $176.8 billion in assets.

RREEF, located at 875 N. Michigan Ave, 41st Floor, Chicago, Illinois 60611, is an indirect wholly-owned subsidiary of Deutsche Bank AG. RREEF has provided real estate investment management services to institutional investors since 1975. As of September 30, 2017, RREEF managed $31.2 billion in assets. DIMA and RREEF have identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolio as set forth below. These managers are employed by DIMA and/or RREEF.

**Fund**

**Portfolio Managers**

Global Real Estate Fund

- John Hammond
- Chris Robinson
- Robert Thomas
- John W. Vojticek
- David W. Zonavetch, CPA

Real Estate Securities Fund

- Robert Thomas
- John W. Vojticek
- David W. Zonavetch, CPA

- John Hammond. Managing Director, Lead Portfolio Manager and Head of European Real Estate Securities; Portfolio Manager; managed fund since 2006. John has a BS from University of Reading, UK.

- Chris Robinson. Managing Director, Lead Portfolio Manager and Head of Asia-Pacific Real Estate Securities. Mr. Robinson joined the Company in November 2003. Chris holds a Bachelor of Business in Finance and Marketing from The Australian Catholic University and a Graduate Diploma in Applied Finance from The Securities Institute of Australia.


- John W. Vojticek. Managing Director, CIO and Global Portfolio Manager of Real Estate Securities. Mr. Vojticek joined RREEF in June 1996. John has a BS in Business Administration from University of Southern California.

- David W. Zonavetch, CPA. Managing Director, Co-Lead Portfolio Manager and Co-Head of Americas Real Estate Securities. Mr. Zonavetch joined the Company in 1998 with 2 years of industry experience. Prior to his current role, David served as an analyst for 10+ years covering the office, industrial, storage and healthcare sectors. Prior to joining, he worked as an Analyst at Cendant Mobility. David has a BS in Finance from University of Illinois at Urbana-Champaign and is a Certified Public Accountant.

**Dimensional Fund Advisors LP ("Dimensional")**

Dimensional was organized in 1981 as “Dimensional Fund Advisors, Inc.,” a Delaware corporation, and in 2006, it converted its legal name and organizational form to “Dimensional Fund Advisors LP,” a Delaware limited partnership. Dimensional is engaged in the business of providing investment management services. Dimensional is located at 6300 Bee Cave Road, Building One, Austin, Texas 78746. Since its organization, Dimensional has provided investment management services primarily to institutional investors and mutual funds. As of September 30, 2017, Dimensional and its affiliates had approximately $548 billion in assets under management.

Dimensional uses a team approach. The investment team includes the Investment Committee of Dimensional, portfolio managers and trading personnel. The Investment Committee is composed primarily of certain officers and directors of Dimensional who are appointed annually. Investment strategies for funds managed
by Dimensional are set by the Investment Committee, which meets on a regular basis and also as needed to consider investment issues. The Investment Committee also sets and reviews all investment related policies and procedures and approves any changes in regards to approved countries, security types and brokers.

In accordance with the team approach, the portfolio managers and portfolio traders implement the policies and procedures established by the Investment Committee. The portfolio managers and portfolio traders also make daily investment decisions regarding fund management based on the parameters established by the Investment Committee. Dimensional has identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolios as set forth below. These managers are employed by Dimensional.

**Fund** | **Portfolio Managers**
---|---
Emerging Markets Fund | Joseph H. Chi, CFA  
|  | Jed S. Fogdall  
|  | Mary T. Phillips, CFA  
|  | Allen Pu, CFA  
|  | Bhanu P. Singh

International Small Company Fund | Joseph H. Chi, CFA  
|  | Jed S. Fogdall  
|  | Arun Keswani, CFA  
|  | Mary T. Phillips, CFA  
|  | Bhanu P. Singh

New Opportunities Fund | Joseph H. Chi, CFA  
|  | Jed S. Fogdall  
|  | Joel Schneider

- **Joseph H. Chi, CFA.** Senior Portfolio Manager and Vice President of Dimensional and Chairman of the Investment Committee. Mr. Chi joined Dimensional as a Portfolio Manager in 2005 and has been co-head of the portfolio management group since 2012.
- **Jed S. Fogdall.** Senior Portfolio Manager and Vice President of Dimensional and a member of the Investment Committee. Mr. Fogdall joined Dimensional as a Portfolio Manager in 2004 and has been co-head of the portfolio management group since 2012.
- **Mary T. Phillips, CFA.** Senior Portfolio Manager and Vice President of Dimensional and a member of the Investment Committee. Ms. Phillips joined Dimensional in 2012.
- **Arun Keswani, CFA.** Senior Portfolio Manager and Vice President at Dimensional. Mr. Keswani joined Dimensional in 2011 and has been a portfolio manager since 2013.
- **Allen Pu, CFA.** Senior Portfolio Manager and Vice President at Dimensional. Mr. Pu joined Dimensional in 2006 and has been a portfolio manager since 2006.
- **Joel Schneider.** Senior Portfolio Manager and Vice President of Dimensional. Mr. Schneider joined Dimensional in 2011, has been a portfolio manager since 2013.
- **Bhanu P. Singh.** Senior Portfolio Manager and Vice President of Dimensional. Mr. Singh joined Dimensional in 2003 and has been a portfolio manager since 2012.

**Franklin Templeton Investments Corporation (“Templeton”)**

Templeton is located at 200 King Street West, Suite 1500, Toronto, Ontario, Canada M5H3T4. As of September 30, 2017, Franklin Resources, Inc. had $753.2 billion in assets under management. Templeton is a wholly owned subsidiary of Franklin Resources, Inc. Templeton has identified the following persons as jointly and primarily responsible for the day-to-day management of the fund’s portfolio as set forth below. These managers are employed by Templeton.

**Fund** | **Portfolio Managers**
---|---
International Small Cap Fund | Harlan B. Hodes, CPA  
|  | David Tuttle, CFA

- **Harlan B. Hodes, CPA.** Executive Vice President, Portfolio Manager and Research Analyst; joined the Templeton organization in 2001.
- **David Tuttle, CFA.** Vice President, Portfolio Manager, and Research Analyst, joined Templeton in 2002.

**GW&K Investment Management, LLC (“GW&K”)**

Founded in 1974, GW&K serves as an investment advisor or subadvisor to private clients, pension and profit-sharing plans, mutual funds, estates, charitable foundations, endowments, corporations, and other entities. GW&K is located at 222 Berkeley Street, Boston, Massachusetts 02116. Affiliated Managers Group, Inc., a publicly traded asset management company (NYSE: AMG), holds a majority equity interest in GW&K. As of September 30, 2017, GW&K managed approximately $35.82 billion. GW&K has identified the following persons as jointly and primarily responsible for the day-to-day management of the fund’s portfolio as set forth below. These managers are employed by GW&K.

**Fund** | **Portfolio Managers**
---|---
New Opportunities Fund | Joseph C. Craigen, CFA  
|  | Daniel L. Miller, CFA
Joseph C. Craigen, CFA. Principal and Equity Portfolio Manager, who has been with GW&K since 2008; formerly a research analyst at Citizens Funds and Needham & Company.

Daniel L. Miller, CFA. Partner and Director of Equities, who has been with GW&K since 2008; formerly an independent investment and financial consultant, and the Chief Investment Officer for the Specialty Growth Group at Putnam Investments.

Invesco Advisers, Inc. ("Invesco")

Invesco is an indirect wholly owned subsidiary of Invesco Ltd., whose principal business address is 1555 Peachtree Street, N.E., Atlanta, Georgia 30309. Invesco, an investment advisor since 1976, is a publicly traded company that, through its subsidiaries, engages in the business of investment management on an international basis. Invesco, and/or its affiliates is the investment advisor for mutual funds, separately managed accounts, such as corporate and municipal pension plans, charitable institutions and private individuals. As of September 30, 2017, Invesco Ltd. managed approximately $917.5 billion. Invesco has identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolio as set forth below. These managers are employed by Invesco.

**Fund**

**Portfolio Managers**

International Growth Stock Fund

- Clas Olsson
- Brently Bates, CFA, CPA
- Matthew Dennis, CFA
- Mark Jason, CFA
- Richard Nield, CFA

Brently Bates, CFA, CPA. Portfolio Manager, who has been with Invesco and/or affiliates since 1996.

Matthew Dennis, CFA. Portfolio Manager, who has been with Invesco and/or its affiliates since 2000.

Mark Jason, CFA. Portfolio Manager, who has been with Invesco and/or its affiliates since 2001.

Richard Nield, CFA. Portfolio Manager, who has been with Invesco and/or affiliates since 2000.

Clas Olsson. Portfolio Manager (with respect to the fund’s investments in Europe and Canada), who has been with the Invesco and/or its affiliates since 1994.

Jennison Associates LLC ("Jennison")

Jennison, 466 Lexington Avenue, New York, New York 10017, is a Delaware limited liability company and has been (including its predecessor, Jennison Associates Capital Corp.) in the investment advisory business since 1969. Jennison is a direct, wholly-owned subsidiary of PGIM, Inc., which is a direct, wholly-owned subsidiary of PGIM Holding Company LLC, which is a direct, wholly-owned subsidiary of Prudential Financial, Inc. As of September 30, 2017, Jennison managed in excess of $170 billion in assets. Jennison has identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolio as set forth below. These managers are employed by Jennison.

**Fund**

**Portfolio Managers**

Capital Appreciation Fund

- Michael A. Del Balso
- Kathleen A. McCarragher
- Spiros “Sig” Segalas

Michael A. Del Balso. Joined Jennison in 1972 and is a Managing Director of Jennison. He is also Jennison’s Director of Research for Growth Equity.

Kathleen A. McCarragher. Joined Jennison in 1998 and is a Director and Managing Director of Jennison. She is also Jennison’s Head of Growth Equity. Prior to joining Jennison, she was employed at Weiss, Peck & Greer L.L.C. for six years as a Managing Director and the Director of Large Cap Growth Equities.

Spiros “Sig” Segalas. Mr. Segalas was a founding member of Jennison in 1969 and is currently a Director, President and Chief Investment Officer of Jennison. Mr. Del Balso generally has final authority over all aspects of the Capital Appreciation Fund’s investment portfolio, including but not limited to, purchases and sales of individual securities, portfolio construction, risk assessment and management of cash flows.

Natural Resources Fund

- Neil P. Brown, CFA
- John “Jay” Saunders

Neil P. Brown, CFA. Joined Jennison in 2005 and is a Managing Director of Jennison.

John “Jay” Saunders. Joined Jennison in 2005 and is a Managing Director of Jennison.

Mr. Saunders and Mr. Brown have final authority over all aspects of the Natural Resources Fund’s investment portfolio, including but not limited to, purchases and sales of individual securities, portfolio construction, risk assessment and management of cash flows.

The portfolio managers for the funds are supported by other Jennison portfolio managers, research analysts and investment professionals. Team members conduct research, make securities recommendations and support the portfolio managers in all activities. Members of the team may change from time to time.
John Hancock Asset Management a division of Manulife Asset Management (US) LLC

John Hancock Asset Management a division of Manulife Asset Management (US) LLC (JHAM US), a Delaware limited liability company located at 197 Clarendon Street, Boston, Massachusetts 02116, was founded in 1979. It is a wholly-owned subsidiary of John Hancock Financial Services, Inc. (“JHFS”) and an affiliate of the advisor. JHFS is a subsidiary of MFC, based in Toronto, Canada. MFC is the holding company of the Manufacturers Life Insurance Company and its subsidiaries, collectively known as Manulife Financial. As of September 30, 2017, JHAM US had approximately $204.7 billion in assets under management. JHAM US has identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolio as set forth below. These managers are employed by JHAM US.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Portfolio Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific Total Return Bond Fund</td>
<td>Neal Capecci</td>
</tr>
<tr>
<td></td>
<td>Endre Pedersen</td>
</tr>
<tr>
<td></td>
<td>Jimond Wong, CFA, CPA</td>
</tr>
<tr>
<td>Emerging Markets Debt Fund</td>
<td>Roberto Sanchez-Dahl, CFA</td>
</tr>
<tr>
<td></td>
<td>Paolo H. Valle</td>
</tr>
<tr>
<td>Fundamental Global Franchise Fund</td>
<td>Emory W. Sanders, Jr., CFA</td>
</tr>
<tr>
<td></td>
<td>Jonathan White, CFA</td>
</tr>
<tr>
<td>Global Equity Fund</td>
<td>Paul Boyne</td>
</tr>
<tr>
<td></td>
<td>Doug McGraw</td>
</tr>
<tr>
<td>International Strategic Equity Allocation Fund</td>
<td>Robert Boyda</td>
</tr>
<tr>
<td></td>
<td>Marcelle Daher, CFA</td>
</tr>
<tr>
<td></td>
<td>Nathan Thooft, CFA</td>
</tr>
<tr>
<td>Short Term Government Income Fund</td>
<td>Jeffrey N. Given</td>
</tr>
<tr>
<td></td>
<td>Howard C. Greene</td>
</tr>
<tr>
<td>Strategic Equity Allocation Fund</td>
<td>Robert Boyda</td>
</tr>
<tr>
<td></td>
<td>Marcelle Daher, CFA</td>
</tr>
<tr>
<td></td>
<td>Nathan Thooft, CFA</td>
</tr>
<tr>
<td>Strategic Income Opportunities Fund</td>
<td>Christopher M. Chapman, CFA</td>
</tr>
<tr>
<td></td>
<td>Thomas C. Goggins</td>
</tr>
<tr>
<td></td>
<td>Daniel S. Janis III</td>
</tr>
<tr>
<td></td>
<td>Kisoo Park</td>
</tr>
<tr>
<td>U.S. Strategic Equity Allocation Fund</td>
<td>Robert Boyda</td>
</tr>
<tr>
<td></td>
<td>Marcelle Daher, CFA</td>
</tr>
<tr>
<td></td>
<td>Nathan Thooft, CFA</td>
</tr>
</tbody>
</table>

- **Robert Boyda.** Senior Managing Director and Senior Portfolio Manager, John Hancock Asset Management; joined John Hancock Asset Management in 2009.
- **Paul Boyne.** Senior Managing Director and Senior Portfolio Manager, who was a Senior Fund Manager at Invesco Advisers, Inc. (2008–2012) prior to joining John Hancock Asset Management in 2013.
- **Neal Capecci.** Portfolio Manager; joined John Hancock Asset Management in 2005; joined fund team in 2012.
- **Christopher M. Chapman, CFA.** Portfolio Manager; joined John Hancock Asset Management in 2005; began business career in 1999.
- **Marcelle Daher, CFA.** Senior Managing Director and Co-Head of Portfolio Solutions Group (PSG) North America, previously Vice President and Director of Investments, Investment Management Services, John Hancock Financial (2008-2011); joined Manulife Financial in 2008.
- **Jeffrey N. Given.** Vice President; joined John Hancock Asset Management in 1993.
- **Thomas C. Goggins.** Senior Vice President; John Hancock Asset Management (since 2009); Co-founder and Director of Research, Fontana Capital (2005-2009).
- **Howard C. Greene.** Senior Vice President; joined John Hancock Asset Management in 2002; previously a Vice President of Sun Life Financial Services Company of Canada.
- **Daniel S. Janis III.** Senior Vice President; joined John Hancock Asset Management in 1999; previously a senior risk manager at BankBoston (1997-1999).
- **Doug McGraw.** Managing Director and Portfolio Manager, who was a Senior Fund Manager (2010–2012) and Senior Analyst (2009–2012) at Invesco Advisers, Inc. prior to joining John Hancock Asset Management in 2013.
- **Kisoo Park.** Managing Director and Portfolio Manager, John Hancock Asset Management; joined John Hancock Asset Management in 2011; previously, founder and chief operating officer of a hedge fund firm based in Hong Kong.
- **Endre Pedersen.** Portfolio Manager; joined John Hancock Asset Management in 2008; joined fund team in 2012.
Roberto Sanchez-Dahl, CFA. Managing Director and Senior Portfolio Manager, who was a Portfolio Manager and Analyst at Federated (1997-2013) prior to joining John Hancock Asset Management in 2013.

Emory W. Sanders, Jr., CFA. Senior Managing Director and Senior Portfolio Manager, joined John Hancock Asset Management in 2010; previously Director, Portfolio Manager and senior equity analyst, Wells Capital Management (1997-2010).

Nathan Thoof, CFA. Senior Managing Director and Co-Head of PSG North America; previously Vice President and Director of Investments for Investment Management Services, John Hancock Financial (2008-2011); joined Manulife Financial in 2008.

Paolo H. Valle. Managing Director and Senior Portfolio Manager, who was a Portfolio Manager at Federated (2004-2013) prior to joining Manulife Asset Management in 2013.

Jonathan White, CFA. Managing Director and Portfolio Manager, John Hancock Asset Management, joined John Hancock Asset Management in 2011 from the Berkeley Street Equity team at Wells Capital Management.

Jimond Wong, CFA, CPA. Portfolio Manager, who was Executive Director, Credit Research - Asia ex Japan at UBS AG (2010-2013) prior to joining John Hancock Asset Management in 2013; joined the fund team in 2016.

Pacific Investment Management Company LLC (“PIMCO”)

PIMCO is a majority owned subsidiary of Allianz Asset Management with minority interests held by certain of its current and former officers, by Allianz Asset Management of America LLC, and by PIMCO Partners, LLC, a California limited liability company. PIMCO Partners, LLC is owned by certain current and former officers of PIMCO. Through various holding company structures, Allianz Asset Management is majority owned by Allianz SE. As of September 30, 2017, PIMCO had approximately $1.69 trillion in assets under management. PIMCO has identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolio as set forth below. These managers are employed by PIMCO.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Portfolio Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Bond Fund</td>
<td>Andrew Balls</td>
</tr>
<tr>
<td></td>
<td>Sachin Gupta</td>
</tr>
<tr>
<td></td>
<td>Lorenzo Pagani, Ph.D.</td>
</tr>
<tr>
<td>Real Return Bond Fund</td>
<td>Jeremie Banet</td>
</tr>
<tr>
<td></td>
<td>Mihir P. Worah</td>
</tr>
<tr>
<td>Total Return Fund</td>
<td>Mark R. Kiesel</td>
</tr>
<tr>
<td></td>
<td>Scott A. Mather</td>
</tr>
<tr>
<td></td>
<td>Mihir P. Worah</td>
</tr>
</tbody>
</table>

Andrew Balls. Mr. Balls is PIMCO’s CIO Global Fixed Income. Based in the London office, he oversees the firm’s European, Asia-Pacific, emerging markets and global specialist investment teams. He manages a range of global portfolios and is a member of the Investment Committee. Previously, he was head of European portfolio management, a global portfolio manager in the Newport Beach office and the firm’s global strategist. Prior to joining PIMCO in 2006, he was an economics correspondent and columnist for the Financial Times in London, New York and Washington, DC. He has 19 years of investment and economics/financial markets experience and holds a bachelor’s degree from Oxford and a master’s degree from Harvard University. He was a lecturer in economics at Keble College, Oxford. Mr. Balls was nominated by Morningstar in 2013 for European Fixed-Income Fund Manager of the Year. He is a director of Room to Read, a nonprofit that promotes literacy and gender equality in education in low-income countries.

Jeremie Banet. Mr. Banet is an executive vice president in the Newport Beach office and a portfolio manager on the real return team. Prior to joining PIMCO in 2011, he traded inflation-linked investments at Nomura Fixed Income. Prior to that, he was with BNP Paribas, most recently as head of U.S. inflation trading. He has 17 years of investment and financial services experience and holds a master’s degree in applied economics and an undergraduate degree from Paris IX Dauphine University.

Sachin Gupta. Mr. Gupta is a managing director in the Newport Beach office, global portfolio manager and head of the global desk. He is a member of the European Portfolio Committee and a rotating member of the Asia-Pacific Portfolio Committee, and has also served as a rotating member of the Investment Committee. Previously, he was in PIMCO’s London office managing European liability driven investment (LDI) portfolios. Before that, he was part of PIMCO’s global portfolio management team in the Singapore office. In these roles, he focused on investments in government bonds, foreign exchange and interest rate derivatives across global markets. Prior to joining PIMCO in 2003, he was in the fixed income and currency derivatives group at ABN AMRO Bank. He has 20 years of investment experience and holds an MBA from XLRI, India. He received an undergraduate degree from Indian Institute of Technology, Delhi.

Mark R. Kiesel. Mr. Kiesel is CIO Global Credit and a managing director in the Newport Beach office. He is a member of the Investment Committee, a generalist portfolio manager and the global head of corporate bond portfolio management, with oversight for the firm’s investment grade, high yield, bank loan, municipal and insurance business as well as credit research. Morningstar named him Fixed-Income Fund Manager of the Year in 2012 and a finalist in 2010. He has written extensively on the topic of global credit markets, founded the firm’s Global Credit Perspectives publication and regularly appears in the financial media. He joined PIMCO in 1996 and previously served as PIMCO’s global head of investment grade corporate bonds and as a senior credit analyst. He has 25 years of investment experience and holds an MBA from the University of Chicago’s Graduate School of Business. He received his undergraduate degree from the University of Michigan.
Scott A. Mather. Mr. Mather is CIO U.S. Core Strategies and a managing director in the Newport Beach office. He is a member of the Investment Committee and a generalist portfolio manager. Mr. Mather also oversees ESG portfolio integration in the U.S. Previously he was head of global portfolio management. Before that, he led portfolio management in Europe, managed euro and pan-European portfolios and worked closely with many Allianz-related companies. He also served as a managing director of Allianz Global Investors KAG. Prior to these roles, Mr. Mather co-headed PIMCO’s mortgage- and asset-backed securities team. Prior to joining PIMCO in 1998, he was a fixed income trader specializing in mortgage-backed securities at Goldman Sachs in New York. He has 23 years of investment experience and holds a master’s degree in engineering, as well as undergraduate degrees, from the University of Pennsylvania.

Lorenzo Pagani, Ph.D. Dr. Pagani is a managing director and portfolio manager in the Munich office and head of the European government bond and European rates desk. He is also a member of the European portfolio committee and a member of the counterparty risk committee. Prior to joining PIMCO in 2004, he was with the nuclear engineering department at the Massachusetts Institute of Technology (MIT) and with Procter & Gamble in Italy. He has 15 years of investment experience and holds a Ph.D. in nuclear engineering from MIT. He graduated from the Financial Technology Option program of MIT/Sloan Business School and holds a joint master of science degree from the Politecnico di Milano in Italy and the Ecole Centrale de Paris in France.

Mihir P. Worah. Mr. Worah is CIO Asset Allocation and Real Return and a managing director in the Newport Beach office. He is a member of the Investment Committee and the Executive Committee, and oversees portfolio management for the U.S. He is a generalist portfolio manager who manages a variety of fixed income, commodity and multi-asset portfolios. Prior to joining PIMCO in 2001, he was a postdoctoral research associate at the University of California, Berkeley, and the Stanford Linear Accelerator Center, where he built models to explain the difference between matter and anti-matter. In 2012 he co-authored “Intelligent Commodity Indexing,” published by McGraw-Hill. He has 16 years of investment experience and holds a Ph.D. in theoretical physics from the University of Chicago.

**Redwood Investments, LLC (“Redwood”)**

Redwood, located at One Gateway Center, Suite 802, Newton, MA 02458, is a professional investment advisory firm which provides investment management services to investment companies, employee benefit plans, endowments, and other institutions. As of September 30, 2017, Redwood Investments had investment management authority with respect to approximately $1.79 billion in assets. These managers are employed by Redwood.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Portfolio Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Company Growth Fund</td>
<td>Valerie Klaiman, CFA</td>
</tr>
<tr>
<td></td>
<td>Michael Mufson, CFA</td>
</tr>
<tr>
<td></td>
<td>Ezra Samet, CFA</td>
</tr>
<tr>
<td></td>
<td>Jennifer Silver, CFA</td>
</tr>
<tr>
<td></td>
<td>Tony Sutton</td>
</tr>
</tbody>
</table>

Valerie Klaiman, CFA. Co-Portfolio Manager; managed the fund since 2017; Portfolio Manager & Analyst (since 2004); joined Redwood Investments in 2004; began investment career in 1981.

Michael Mufson, CFA. Co-Portfolio Manager; managed the fund since 2017; Co-CIO, Portfolio Manager & Analyst (since 2004); joined Redwood Investments in 2004; began investment career in 1988.

Ezra Samet, CFA. Co-Portfolio Manager; managed the fund since 2017; Portfolio Manager & Analyst (since 2013); joined Redwood Investments in 2006; began investment career in 2006.

Jennifer Silver, CFA. Co-Portfolio Manager; managed the fund since 2017; Co-CIO, Portfolio Manager & Analyst (since 2004); joined Redwood Investments in 2004; began investment career in 1981.

Tony Sutton. Co-Portfolio Manager; managed the fund since 2017; Portfolio Manager & Analyst (since 2010); joined Redwood Investments in 2010; began investment career in 1989.

**Templeton Investment Counsel, LLC (“Templeton”)**

**Templeton Global Advisors Limited serves as sub-subadvisor**

Templeton is located at 300 S. E. 2nd Street, Ft. Lauderdale, Florida 33301, and has been in the business of providing investment advisory services since 1954. As of September 30, 2017, Franklin Resources, Inc. had $753.2 billion in assets under management. Templeton is an indirect wholly owned subsidiary of Franklin Resources, Inc. Templeton has identified the following persons as jointly and primarily responsible for the day-to-day management of the fund’s portfolio as set forth below. These managers are employed by Templeton.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Portfolio Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Value Fund</td>
<td>Tucker Scott, CFA</td>
</tr>
<tr>
<td></td>
<td>Peter A. Nori, CFA</td>
</tr>
<tr>
<td></td>
<td>Christopher Peel, CFA</td>
</tr>
</tbody>
</table>

Peter A. Nori, CFA. Executive Vice President, Portfolio Manager and Research Analyst; joined the Templeton organization in 1987 and Templeton’s global equity research team in 1994.

Christopher Peel, CFA. Senior Vice President, Portfolio Manager and Research Analyst for the Templeton Global Equity Group (TGEG); joined Franklin in 2007.

Tucker Scott, CFA. Executive Vice President, Lead Portfolio Manager and Research Analyst; joined the Templeton organization in 1996.
T. Rowe Price, 100 East Pratt Street, Baltimore, Maryland 21202, was founded in 1937. As of September 30, 2017, T. Rowe Price and its affiliates managed over $947.9 billion for individual and institutional investor accounts. T. Rowe Price has identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolio as set forth below. These managers are employed by T. Rowe Price.

### Fund

**Blue Chip Growth Fund**

**Portfolio Managers**

Larry J. Puglia, CFA, CPA

David R. Giroux, CFA

John D. Linehan, CFA

Ziad Bakri, MD, CFA

David J. Wallack

### Capital Appreciation Value Fund

**Portfolio Managers**

David M. Lee, CFA

Ken Allen

### Mid Value Fund

**Portfolio Managers**

John D. Linehan, CFA

### Real Estate Equity Fund

**Portfolio Managers**

J. David Wagner, CFA

### Spectrum Income Fund

- Ken Allen. Vice President; joined T. Rowe Price in 2000.
- Ziad Bakri, MD, CFA. Portfolio Manager; managed the fund since 2016, joined T. Rowe Price in 2011.
- David R. Giroux, CFA. Vice President; joined T. Rowe Price in 1998.
- David M. Lee, CFA. Vice President; joined T. Rowe Price in 1993.
- John D. Linehan, CFA. Portfolio Manager and Vice President; joined T. Rowe Price in 1998.
- Larry J. Puglia, CFA, CPA. Vice President; joined T. Rowe Price in 1990.
- Charles M. Shriver, CFA. Vice President; managed the fund since 2011.
- J. David Wagner, CFA. Vice President, joined T. Rowe Price in 2000.
- David J. Wallack. Vice President; joined T. Rowe Price in 1990.

### Wellington Management Company LLP (“Wellington Management”)

Wellington Management is a Delaware limited liability partnership with principal offices at 280 Congress Street, Boston, Massachusetts 02210. Wellington Management is a professional investment counseling firm which provides investment services to investment companies, employee benefit plans, endowments, foundations and other institutions. Wellington Management and its predecessor organizations have provided investment advisory services for over 80 years. Wellington Management is owned by the partners of Wellington Management Group LLP, a Massachusetts limited liability partnership. As of September 30, 2017, Wellington Management and its investment advisory affiliates had investment management authority with respect to approximately $1.1 billion in assets. Wellington Management has identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolio as set forth below. These managers are employed by Wellington Management.

### Fund

**Mid Cap Stock Fund**

**Portfolio Managers**

Mario E. Abularach, CFA, CMT

Michael T. Carmen, CFA

Stephen Mortimer

**Small Cap Growth Fund**

- Mario E. Abularach, CFA, CMT
- Steven C. Angeli, CFA
- Stephen Mortimer
- John V. Schneider, CFA

**Small Cap Value Fund**

- Timothy J. McCormack, CFA
- Shaun F. Pedersen

**U.S. Growth Fund**

- John A. Boselli, CFA

- Mario E. Abularach, CFA, CMT. Senior Managing Director and Equity Research Analyst of Wellington Management; joined the firm as an investment professional in 2001.
- Steven C. Angeli, CFA. Senior Managing Director and Equity Portfolio Manager of Wellington Management; joined the firm as an investment professional in 1994.
John A. Boselli, CFA. Senior Managing Director and Equity Portfolio Manager of Wellington Management; joined the firm as an investment professional in 2002.

Michael T. Carmen, CFA. Senior Managing Director and Equity Portfolio Manager of Wellington Management; joined the firm as an investment professional in 1999.

Timothy J. McCormack, CFA. Senior Managing Director and Equity Portfolio Manager of Wellington Management; joined the firm as an investment professional in 2000.

Stephen Mortimer. Senior Managing Director and Equity Portfolio Manager of Wellington Management; joined the firm as an investment professional in 2001.

Shaun F. Pedersen. Senior Managing Director and Equity Portfolio Manager of Wellington Management; joined the firm as an investment professional in 2004.

John V. Schneider, CFA. Vice President and Equity Research Analyst; joined the firm as an investment professional in 2016.

Wells Capital Management, Incorporated (“WellsCap”)

WellsCap, located at 525 Market Street, San Francisco, California, is an indirect, wholly-owned subsidiary of Wells Fargo & Company. It was created to assume the mutual fund advisory responsibilities of Wells Fargo Bank and is an affiliate of Wells Fargo Bank. Wells Fargo Bank, which was founded in 1852, is the oldest bank in the western U.S. and is one of the largest banks in the U.S. As of September 30, 2017, WellsCap had approximately $374.5 billion in assets under management. WellsCap has identified the following persons as jointly and primarily responsible for the day-to-day management of the funds’ portfolio as set forth below. These managers are employed by WellsCap.

**Fund** | **Portfolio Managers**
--- | ---
Core Bond Fund | Maulik Bhansali, CFA
 | Troy Ludgood*
 | Thomas O’Connor, CFA
 | Jarad Vasquez

U.S. High Yield Bond Fund | Niklas Nordenfelt, CFA
 | Philip Susser

Maulik Bhansali, CFA. Senior Portfolio Manager of the Montgomery Fixed Income team at Wells Capital Management; joined Wells Capital Management in 2001. Prior to joining the Montgomery Fixed Income team in 2006, he was an equity research analyst responsible for quantitative modeling and portfolio construction in addition to fundamental analysis.

Troy Ludgood.* Senior Portfolio Manager and Co-Head of the Montgomery Fixed Income team at Wells Capital Management; joined Wells Capital Management in 2004; previously, he was a trader at Lehman Brothers, responsible for corporate, emerging markets, and non-dollar sovereign bonds.

Niklas Nordenfelt, CFA. Senior Portfolio Manager and Co-Manager of the Sutter High Yield Fixed Income team at Wells Capital Management; he joined Sutter as an investment strategist in 2003; previously he worked at Barclays Global Investors, where he was a principal, working on their international and emerging markets equity strategies.

Thomas O’Connor, CFA. Senior Portfolio Manager and Co-Head of the Montgomery Fixed Income team at Wells Capital Management; joined Wells Capital Management in 2003; joined Montgomery Asset Management and the team in 2000; previously he was a senior portfolio manager in charge of agency mortgages at Vanderbilt Capital Advisors (formerly ARM Capital Advisors).

Philip Susser. Senior Portfolio Manager and Co-Manager of the Sutter High Yield Fixed Income team at Wells Capital Management; joined Sutter as a research analyst in 2001; previously he worked at Deutsche Bank Securities Inc. as an associate research analyst.

Jarad Vasquez. Senior Portfolio Manager of the Montgomery Fixed Income team at Wells Capital Management; joined Wells Capital Management in 2007 focusing on mortgage-backed securities. Prior to joining the firm, Jarad was a trader at Susquehanna International Group.

* Effective May 1, 2018, Troy Ludgood will no longer serve as portfolio manager of the Core Bond Fund.

Western Asset Management Company (“Western Asset”)

Western Asset Management Company Limited serves as sub-subadvisor

Western Asset is located at 385 East Colorado Boulevard, Pasadena, California and is one of the world’s leading investment management firms. Its primary business is managing fixed-income portfolios, an activity the Firm has pursued since 1971. From offices in Pasadena, New York, Sao Paulo, London, Dubai, Singapore, Hong Kong, Tokyo and Melbourne, Western Asset’s 842 employees perform investment services for a wide variety of global clients. The Firm’s clients include charitable, corporate, health care, insurance, mutual fund, public and union organizations, and client portfolios range across an equally wide variety of mandates, from money markets to emerging markets. Western Asset’s client base totals 409, representing 36 countries, 963 accounts, and $435.1 billion in assets under management as of September 30, 2017. These managers are employed by Western Asset.

**Fund** | **Portfolio Managers**
--- | ---
Floating Rate Income Fund | Michael C. Buchanan, CFA
 | S. Kenneth Leech
 | Timothy J. Settel
Michael C. Buchanan, CFA. Co-Portfolio Manager and Deputy Chief Investment Officer; joined Western Asset in 2005. Prior to Western Asset, Mr. Buchanan worked for Credit Suisse Asset Management as Managing Director, Head of U.S. Credit Products, 2003-2005.

Walter E. Kilcullen. Head of US High-Yield/Portfolio Manager; joined Western Asset in 2002. Prior to Western Asset, Mr. Kilcullen worked for Seix Investment Advisors as Head of high-yield trading, 1998-2002.

S. Kenneth Leech. Co-Portfolio Manager and Chief Investment Officer of Western Asset since September 2014; joined Western Asset as Chief Investment Officer in 1990; transitioned into a CIO Emeritus role in September 2008. Prior to Western Asset, Mr. Leech was a portfolio manager with Greenwich Capital Markets from 1988 to 1990; the First Boston Corporation from 1980 to 1988; and the National Bank of Detroit from 1977 to 1980.


Additional information

Each fund has entered into contractual arrangements with various parties that provide services to the fund, which may include, among others, the advisor, subadvisor, custodian, principal distributor, and transfer agent, as described above and in the SAI. Fund shareholders are not parties to, or intended or “third-party” beneficiaries of, any of these contractual arrangements. These contractual arrangements are not intended to, nor do they, create in any individual shareholder or group of shareholders any right, either directly or on behalf of the fund, to either: (a) enforce such contracts against the service providers; or (b) seek any remedy under such contracts against the service providers.

This prospectus provides information concerning the funds that you should consider in determining whether to purchase shares of the funds. Each of this prospectus, the SAI, or any contract that is an exhibit to the funds’ registration statement, is not intended to, nor does it, give rise to an agreement or contract between the funds and any investor. Each such document also does not give rise to any contract or create rights in any individual shareholder, group of shareholders, or other person. The foregoing disclosure should not be read to suggest any waiver of any rights conferred by federal or state securities laws.
FINANCIAL HIGHLIGHTS

The financial highlights table below for each fund is intended to help investors understand the financial performance of the fund for the past five years (or since inception in the case of a fund in operation for less than five years). Certain information reflects financial results for a single share of a fund. The total returns presented in the table represent the rate that an investor would have earned (or lost) on an investment in a particular fund (assuming reinvestment of all dividends and distributions). Certain information reflects financial results for a single fund share. For certain funds for which Class NAV had not yet commenced operations as of the last reporting period, August 31, 2017, the financial highlights for an existing class of shares, described in a separate prospectus, if applicable, has been included for reference. Because these other share classes have different expenses than Class NAV shares, financial highlights for Class NAV shares would have differed.

The financial statements of JHF II as of August 31, 2017, have been audited by PricewaterhouseCoopers LLP, independent registered public accounting firm. The report of PricewaterhouseCoopers LLP is included, along with JHF II’s financial statements, has been incorporated by reference into the SAI. The funds’ annual report is available upon request.

Asia Pacific Total Return Bond Fund

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($)</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>From tax return of capital ($)</th>
<th>From net realized gain ($)</th>
<th>From net investment income ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%) 01</th>
<th>Expenses before reductions ($) 02</th>
<th>Expenses including reductions (%) 02</th>
<th>Net investment income (loss) (%) 02</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%) 01</th>
</tr>
</thead>
<tbody>
<tr>
<td>08-31-2017</td>
<td>9.64</td>
<td>0.32</td>
<td>(0.01)</td>
<td>(0.15)</td>
<td>-</td>
<td>9.80</td>
<td>3.30</td>
<td>0.80</td>
<td>0.79</td>
<td>3.32</td>
<td>382</td>
<td>53</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2016</td>
<td>8.94</td>
<td>0.32</td>
<td>0.64</td>
<td>0.96</td>
<td>-</td>
<td>10.60</td>
<td>10.96</td>
<td>0.81</td>
<td>0.80</td>
<td>3.44</td>
<td>412</td>
<td>54</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2015</td>
<td>9.63</td>
<td>0.30</td>
<td>(0.74)</td>
<td>(0.44)</td>
<td>-</td>
<td>(0.25)</td>
<td>8.94</td>
<td>(4.65)</td>
<td>0.63</td>
<td>0.82</td>
<td>3.21</td>
<td>422</td>
<td>35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2014</td>
<td>9.25</td>
<td>0.28</td>
<td>0.45</td>
<td>0.73</td>
<td>(0.02)</td>
<td>9.63</td>
<td>8.12</td>
<td>0.87</td>
<td>0.86</td>
<td>3.00</td>
<td>443</td>
<td>31</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2013</td>
<td>10.00</td>
<td>0.16</td>
<td>(0.91)</td>
<td>(0.75)</td>
<td>-</td>
<td>9.25</td>
<td>(7.50)</td>
<td>0.89</td>
<td>0.86</td>
<td>2.64</td>
<td>404</td>
<td>7</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3 Period from 1-16-13 (commencement of operations) to 8-31-13.
4 Not annualized.
5 Annualized.

Blue Chip Growth Fund Class NAV Shares

<table>
<thead>
<tr>
<th>Per share operating performance</th>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$32.48</td>
<td>$34.76</td>
<td>$35.97</td>
<td>$28.72</td>
<td>$24.07</td>
<td></td>
</tr>
<tr>
<td>Net investment income (loss) 01</td>
<td>0.04</td>
<td>0.01</td>
<td>0.02</td>
<td>(0.01)</td>
<td>0.06</td>
<td></td>
</tr>
<tr>
<td>Net realized and unrealized gain on investments</td>
<td>8.41</td>
<td>2.02</td>
<td>2.44</td>
<td>8.03</td>
<td>4.67</td>
<td></td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>8.45</td>
<td>2.03</td>
<td>2.46</td>
<td>8.02</td>
<td>4.73</td>
<td></td>
</tr>
<tr>
<td>Less distributions</td>
<td>From net investment income (0.02)</td>
<td>(0.02)</td>
<td>-</td>
<td>(0.02)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net realized gain (1.96)</td>
<td>(1.96)</td>
<td>(4.29)</td>
<td>(3.67)</td>
<td>(0.77)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total distributions</td>
<td>(1.98)</td>
<td>(4.31)</td>
<td>(3.67)</td>
<td>(0.77)</td>
<td>(0.08)</td>
<td></td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$38.95</td>
<td>$32.48</td>
<td>$34.76</td>
<td>$35.97</td>
<td>$28.72</td>
<td></td>
</tr>
<tr>
<td>Total return (%) 02</td>
<td>27.54</td>
<td>5.74</td>
<td>7.31</td>
<td>28.11</td>
<td>19.69</td>
<td></td>
</tr>
</tbody>
</table>

Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios (as a percentage of average net assets):</th>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses before reductions</td>
<td>0.82</td>
<td>0.82</td>
<td>0.81</td>
<td>0.81</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.78</td>
<td>0.78</td>
<td>0.77</td>
<td>0.78</td>
<td>0.78</td>
<td></td>
</tr>
<tr>
<td>Net investment income (loss)</td>
<td>0.11</td>
<td>0.02</td>
<td>0.06</td>
<td>(0.04)</td>
<td>0.24</td>
<td></td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>26</td>
<td>34</td>
<td>31</td>
<td>33</td>
<td>33</td>
<td></td>
</tr>
</tbody>
</table>

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### Capital Appreciation Fund

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($)</th>
<th>Total from investment operations ($)</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CLASS NAV</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>16.63</td>
<td>0.02</td>
<td>3.90</td>
<td>3.92</td>
<td>(0.02)</td>
<td>(1.93)</td>
<td>—</td>
<td>(1.95)</td>
<td>18.60</td>
<td>26.62</td>
<td>0.74</td>
<td>0.73</td>
<td>0.11</td>
<td>1,222</td>
<td>45</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>18.15</td>
<td>0.02</td>
<td>0.83</td>
<td>0.85</td>
<td>(0.01)</td>
<td>(2.36)</td>
<td>—</td>
<td>(2.37)</td>
<td>16.63</td>
<td>4.45</td>
<td>0.74</td>
<td>0.73</td>
<td>0.10</td>
<td>1,413</td>
<td>32</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>18.32</td>
<td>0.01</td>
<td>1.22</td>
<td>1.23</td>
<td>—</td>
<td>(1.40)</td>
<td>—</td>
<td>(1.40)</td>
<td>18.15</td>
<td>7.65</td>
<td>0.73</td>
<td>0.72</td>
<td>0.06</td>
<td>1,519</td>
<td>33</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>15.08</td>
<td>0.01</td>
<td>4.20</td>
<td>4.21</td>
<td>(0.02)</td>
<td>(0.95)</td>
<td>—</td>
<td>(0.97)</td>
<td>18.32</td>
<td>28.49</td>
<td>0.73</td>
<td>0.73</td>
<td>0.03</td>
<td>1,781</td>
<td>45</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>12.89</td>
<td>0.05</td>
<td>2.18</td>
<td>2.23</td>
<td>(0.04)</td>
<td>—</td>
<td>—</td>
<td>(0.04)</td>
<td>15.08</td>
<td>17.39</td>
<td>0.74</td>
<td>0.73</td>
<td>0.33</td>
<td>1,406</td>
<td>44</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### Capital Appreciation Value Fund

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($)</th>
<th>Total from investment operations ($)</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CLASS NAV</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>11.62</td>
<td>0.18</td>
<td>1.06</td>
<td>1.24</td>
<td>(0.20)</td>
<td>(0.40)</td>
<td>—</td>
<td>(0.60)</td>
<td>12.26</td>
<td>11.26</td>
<td>0.85</td>
<td>0.81</td>
<td>1.51</td>
<td>1,880</td>
<td>61</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>11.86</td>
<td>0.16</td>
<td>1.03</td>
<td>1.19</td>
<td>(0.18)</td>
<td>(1.21)</td>
<td>—</td>
<td>(1.43)</td>
<td>11.62</td>
<td>10.94</td>
<td>0.85</td>
<td>0.81</td>
<td>1.39</td>
<td>2,101</td>
<td>64</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>12.70</td>
<td>0.14</td>
<td>0.59</td>
<td>0.73</td>
<td>(0.17)</td>
<td>(1.40)</td>
<td>—</td>
<td>(1.57)</td>
<td>11.86</td>
<td>5.90</td>
<td>0.84</td>
<td>0.80</td>
<td>1.22</td>
<td>2,000</td>
<td>90</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>12.41</td>
<td>0.16</td>
<td>1.88</td>
<td>2.04</td>
<td>(0.18)</td>
<td>(1.57)</td>
<td>—</td>
<td>(1.75)</td>
<td>12.70</td>
<td>17.68</td>
<td>0.85</td>
<td>0.81</td>
<td>1.25</td>
<td>1,987</td>
<td>63</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>11.22</td>
<td>0.14</td>
<td>1.62</td>
<td>1.76</td>
<td>(0.16)</td>
<td>(0.41)</td>
<td>—</td>
<td>(0.57)</td>
<td>12.41</td>
<td>16.37</td>
<td>0.84</td>
<td>0.80</td>
<td>1.21</td>
<td>1,770</td>
<td>83</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### Core Bond Fund

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($)</th>
<th>Total from investment operations ($)</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CLASS NAV</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>13.47</td>
<td>0.23</td>
<td>(0.17)</td>
<td>0.06</td>
<td>(0.25)</td>
<td>(0.15)</td>
<td>—</td>
<td>(0.40)</td>
<td>13.13</td>
<td>0.51</td>
<td>0.62</td>
<td>0.61</td>
<td>1.77</td>
<td>1,615</td>
<td>363</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>12.99</td>
<td>0.22</td>
<td>0.50</td>
<td>0.72</td>
<td>(0.24)</td>
<td>—</td>
<td>—</td>
<td>(0.24)</td>
<td>13.47</td>
<td>5.65</td>
<td>0.62</td>
<td>0.61</td>
<td>1.64</td>
<td>1,226</td>
<td>471</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>13.06</td>
<td>0.19</td>
<td>(0.04)</td>
<td>0.13</td>
<td>(0.22)</td>
<td>—</td>
<td>—</td>
<td>(0.22)</td>
<td>12.89</td>
<td>1.19</td>
<td>0.63</td>
<td>0.62</td>
<td>1.44</td>
<td>1,044</td>
<td>408</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>12.58</td>
<td>0.21</td>
<td>0.57</td>
<td>0.78</td>
<td>(0.25)</td>
<td>(0.05)</td>
<td>—</td>
<td>(0.30)</td>
<td>13.06</td>
<td>6.29</td>
<td>0.63</td>
<td>0.63</td>
<td>1.64</td>
<td>415</td>
<td>332</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>13.62</td>
<td>0.20</td>
<td>(0.48)</td>
<td>(0.28)</td>
<td>(0.27)</td>
<td>(0.49)</td>
<td>—</td>
<td>(0.76)</td>
<td>12.58</td>
<td>(2.21)</td>
<td>0.62</td>
<td>0.62</td>
<td>1.50</td>
<td>456</td>
<td>346</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### Emerging Markets Fund Class NAV Shares

#### Per share operating performance

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$9.59</td>
<td>$8.65</td>
<td>$11.34</td>
<td>$9.60</td>
<td>$9.61</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.15</td>
<td>0.13</td>
<td>0.13</td>
<td>0.15</td>
<td>0.13</td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>1.95</td>
<td>0.98</td>
<td>(2.67)</td>
<td>1.79</td>
<td>—</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>2.10</td>
<td>1.11</td>
<td>(2.54)</td>
<td>1.94</td>
<td>0.13</td>
</tr>
<tr>
<td><strong>Total distributions</strong></td>
<td>(0.18)</td>
<td>(0.17)</td>
<td>(0.15)</td>
<td>(0.20)</td>
<td>(0.14)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$11.51</td>
<td>$9.59</td>
<td>$8.65</td>
<td>$11.34</td>
<td>$9.60</td>
</tr>
<tr>
<td><strong>Total return (%)</strong></td>
<td>22.40</td>
<td>13.14</td>
<td>(22.59)</td>
<td>20.46</td>
<td>1.25</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$979</td>
<td>$985</td>
<td>$1,600</td>
<td>$2,230</td>
<td>$2,163</td>
</tr>
<tr>
<td>Ratios (as a percentage of average net assets):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>1.10</td>
<td>1.05</td>
<td>1.06</td>
<td>1.08</td>
<td>1.08</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>1.09</td>
<td>1.04</td>
<td>1.04</td>
<td>1.08</td>
<td>1.08</td>
</tr>
<tr>
<td>Net investment income</td>
<td>1.45</td>
<td>1.51</td>
<td>1.31</td>
<td>1.46</td>
<td>1.30</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>14</td>
<td>6</td>
<td>14</td>
<td>17</td>
<td>7</td>
</tr>
</tbody>
</table>

---

1. Based on average daily shares outstanding.
2. Less than $0.005 per share.
3. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
4. Excludes merger activity.

### Emerging Markets Debt Fund Class NAV Shares

#### Per share operating performance

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$9.69</td>
<td>$8.82</td>
<td>$10.14</td>
<td>$9.34</td>
<td>$9.84</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.50</td>
<td>0.54</td>
<td>0.49</td>
<td>0.50</td>
<td>0.07</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>0.74</td>
<td>1.38</td>
<td>(0.80)</td>
<td>1.35</td>
<td>(0.43)</td>
</tr>
<tr>
<td><strong>Total distributions</strong></td>
<td>(0.56)</td>
<td>(0.51)</td>
<td>(0.48)</td>
<td>(0.51)</td>
<td>(0.07)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$9.87</td>
<td>$9.69</td>
<td>$8.82</td>
<td>$10.14</td>
<td>$9.34</td>
</tr>
<tr>
<td><strong>Total return (%)</strong></td>
<td>8.00</td>
<td>16.29</td>
<td>(8.09)</td>
<td>14.83</td>
<td>(4.36)</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$797</td>
<td>$570</td>
<td>$552</td>
<td>$475</td>
<td>$195</td>
</tr>
<tr>
<td>Ratios (as a percentage of average net assets):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>0.79</td>
<td>0.81</td>
<td>0.79</td>
<td>0.88</td>
<td>0.90</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.78</td>
<td>0.81</td>
<td>0.78</td>
<td>0.87</td>
<td>0.87</td>
</tr>
<tr>
<td>Net investment income</td>
<td>5.28</td>
<td>6.03</td>
<td>5.17</td>
<td>5.15</td>
<td>3.73</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>20</td>
<td>26</td>
<td>27</td>
<td>24</td>
<td>92</td>
</tr>
</tbody>
</table>

---

1. The inception date for Class NAV shares is 6-20-13.
2. Based on average daily shares outstanding.
3. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
4. Not annualized.
5. Annualized.
6. The portfolio turnover is shown for the period from 9-1-12 to 8-31-13.
**Equity Income Fund Class NAV Shares**

<table>
<thead>
<tr>
<th>Per share operating performance</th>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net asset value, beginning of period</strong></td>
<td>$18.49</td>
<td>$18.37</td>
<td>$21.45</td>
<td>$18.52</td>
<td>$15.57</td>
<td></td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.45</td>
<td>0.41</td>
<td>0.37</td>
<td>0.37</td>
<td>0.32</td>
<td></td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>2.16</td>
<td>1.63</td>
<td>(1.78)</td>
<td>3.15</td>
<td>2.95</td>
<td></td>
</tr>
<tr>
<td><strong>Total from investment operations</strong></td>
<td>2.61</td>
<td>2.04</td>
<td>(1.41)</td>
<td>3.52</td>
<td>3.27</td>
<td></td>
</tr>
<tr>
<td><strong>Less distributions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.47)</td>
<td>(0.39)</td>
<td>(0.53)</td>
<td>(0.46)</td>
<td>(0.32)</td>
<td></td>
</tr>
<tr>
<td>From net realized gain</td>
<td>(0.41)</td>
<td>(1.53)</td>
<td>(1.14)</td>
<td>(0.13)</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td><strong>Total distributions</strong></td>
<td>(0.88)</td>
<td>(1.92)</td>
<td>(1.67)</td>
<td>(0.59)</td>
<td>(0.32)</td>
<td></td>
</tr>
<tr>
<td><strong>Net asset value, end of period</strong></td>
<td>$20.22</td>
<td>$18.49</td>
<td>$18.37</td>
<td>$21.45</td>
<td>$18.52</td>
<td></td>
</tr>
<tr>
<td><strong>Total return (%)</strong></td>
<td>14.44</td>
<td>12.13</td>
<td>(7.27)</td>
<td>19.25</td>
<td>21.33</td>
<td></td>
</tr>
</tbody>
</table>

**Ratios and supplemental data**

| Net assets, end of period (in millions) | $1,377 | $1,485 | $1,553 | $1,760 | $1,226 |

Ratios (as a percentage of average net assets):

- Expenses before reductions: 0.78, 0.80, 0.81, 0.82, 0.81
- Expenses including reductions: 0.74, 0.76, 0.77, 0.78, 0.78
- Net investment income: 2.30, 2.34, 1.83, 1.81, 1.87
- Portfolio turnover (%): 21, 40, 19, 17, 14

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.

---

**Floating Rate Income Fund Class NAV Shares**

<table>
<thead>
<tr>
<th>Per share operating performance</th>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net asset value, beginning of period</strong></td>
<td>$8.48</td>
<td>$8.71</td>
<td>$9.36</td>
<td>$9.37</td>
<td>$9.41</td>
<td></td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.40</td>
<td>0.46</td>
<td>0.46</td>
<td>0.44</td>
<td>0.48</td>
<td></td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>0.01</td>
<td>(0.24)</td>
<td>(0.62)</td>
<td>—</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td><strong>Total from investment operations</strong></td>
<td>0.41</td>
<td>0.22</td>
<td>(0.16)</td>
<td>0.44</td>
<td>0.51</td>
<td></td>
</tr>
<tr>
<td><strong>Less distributions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.44)</td>
<td>(0.45)</td>
<td>(0.47)</td>
<td>(0.43)</td>
<td>(0.47)</td>
<td></td>
</tr>
<tr>
<td>From net realized gain</td>
<td>—</td>
<td>—</td>
<td>(0.02)</td>
<td>(0.02)</td>
<td>(0.08)</td>
<td></td>
</tr>
<tr>
<td><strong>Total distributions</strong></td>
<td>(0.44)</td>
<td>(0.45)</td>
<td>(0.49)</td>
<td>(0.45)</td>
<td>(0.55)</td>
<td></td>
</tr>
<tr>
<td><strong>Net asset value, end of period</strong></td>
<td>$8.45</td>
<td>$8.48</td>
<td>$8.71</td>
<td>$9.36</td>
<td>$9.37</td>
<td></td>
</tr>
<tr>
<td><strong>Total return (%)</strong></td>
<td>4.89</td>
<td>2.82</td>
<td>(1.71)</td>
<td>4.75</td>
<td>5.54</td>
<td></td>
</tr>
</tbody>
</table>

**Ratios and supplemental data**

| Net assets, end of period (in millions) | $1,202 | $1,518 | $2,200 | $2,513 | $2,244 |

Ratios (as a percentage of average net assets):

- Expenses before reductions: 0.76, 0.73, 0.71, 0.70, 0.71
- Expenses including reductions: 0.75, 0.72, 0.70, 0.70, 0.70
- Net investment income: 4.71, 5.55, 5.04, 4.64, 5.06
- Portfolio turnover (%): 66, 35, 40, 52, 65

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### Fundamental Global Franchise Fund

#### Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($)</th>
<th>Net realized and unrealized gain on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>13.85</td>
<td>0.10</td>
<td>1.69</td>
<td>1.79</td>
<td>(0.09)</td>
<td>(1.26)</td>
<td>—</td>
<td>(1.3%)</td>
<td>14.29</td>
<td>15.09</td>
<td>0.86</td>
<td>0.86</td>
<td>0.77</td>
<td>548</td>
<td>54</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>12.77</td>
<td>0.12</td>
<td>2.37</td>
<td>2.49</td>
<td>(0.13)</td>
<td>(1.28)</td>
<td>—</td>
<td>(1.41)</td>
<td>13.85</td>
<td>20.34</td>
<td>0.86</td>
<td>0.85</td>
<td>0.92</td>
<td>451</td>
<td>38</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>13.30</td>
<td>0.11</td>
<td>0.14</td>
<td>0.25</td>
<td>(0.13)</td>
<td>(0.69)</td>
<td>—</td>
<td>(0.79)</td>
<td>12.77</td>
<td>1.99</td>
<td>0.87</td>
<td>0.87</td>
<td>0.83</td>
<td>449</td>
<td>28</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>12.15</td>
<td>0.13</td>
<td>1.74</td>
<td>1.87</td>
<td>(0.13)</td>
<td>(0.59)</td>
<td>—</td>
<td>(0.72)</td>
<td>13.30</td>
<td>15.62</td>
<td>0.90</td>
<td>0.90</td>
<td>0.92</td>
<td>454</td>
<td>13</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>10.56</td>
<td>0.13</td>
<td>1.53</td>
<td>1.66</td>
<td>(0.07)</td>
<td>(0.07)</td>
<td>—</td>
<td>(0.07)</td>
<td>12.15</td>
<td>15.76</td>
<td>0.90</td>
<td>0.90</td>
<td>1.11</td>
<td>408</td>
<td>26</td>
</tr>
</tbody>
</table>

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3 Less than $0.005 per share.

### Global Bond Fund

#### Per share operating performance for a share outstanding throughout each period

| Period ended | Net asset value, beginning of period ($) | Net investment income ($)| Net realized and unrealized gain on investments ($) | Total from investment operations ($) | From net investment income ($) | From net realized gain ($) | From tax return of capital ($) | Total distributions ($) | Net asset value, end of period ($) | Total return (%) | Expenses before reductions (%) | Expenses including reductions (%) | Net investment income (%) | Net assets, end of period (in millions) | Portfolio turnover (%) |
|--------------|----------------------------------------|--------------------------|-------------------------------------------------|-------------------------------------|-------------------------------|--------------------------|-------------------------------|------------------------|-------------------------------|----------------------|----------------------------------|---------------------------------|--------------------------|                                  |                        |
| CLASS NAV    |                                        |                          |                                                 |                                     |                               |                          |                               |                        |                               |                      |                                  |                                 |                          |                                  |                        |
| 08-31-2017   | 13.08                                  | 0.19                     | (0.09)                                         | 0.10                                | (0.04)                        | (0.36)                   | —                             | (0.36)                 | 12.82                        | 1.03                 | 0.78                             | 0.77                             | 1.51                         | 250                    | 56                     |
| 08-31-2016   | 11.96                                  | 0.20                     | 1.03                                            | 1.23                                | (0.01)                        | (0.01)                   | —                             | (0.01)                 | 13.08                        | 10.36                | 0.77                             | 0.76                             | 1.60                         | 431                    | 71                     |
| 08-31-2015   | 12.62                                  | 0.20                     | (0.96)                                         | (0.76)                              | —                             | —                        | —                             | —                      | 11.86                        | (6.02)               | 0.78                             | 0.77                             | 1.68                         | 466                    | 61                     |
| 08-31-2014   | 11.82                                  | 0.25                     | 0.55                                            | 0.80                                | —                             | —                        | —                             | —                      | 12.62                        | 6.77                 | 0.81                             | 0.80                             | 2.02                         | 540                    | 97                     |
| 08-31-2013   | 12.00                                  | 0.25                     | (0.84)                                         | (0.59)                              | (0.39)                        | (0.39)                   | —                             | (0.39)                 | 11.82                        | (4.83)               | 0.81                             | 0.81                             | 2.04                         | 511                    | 85                     |

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3 Less than $0.005 per share.

---

209
Global Equity Fund Class NAV Shares

<table>
<thead>
<tr>
<th>Per share operating performance</th>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$10.95</td>
<td>$10.26</td>
<td>$11.70</td>
<td>$9.95</td>
<td>$10.00</td>
<td></td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.21</td>
<td>0.24</td>
<td>0.22</td>
<td>0.31</td>
<td>0.05</td>
<td></td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>1.09</td>
<td>0.67</td>
<td>(0.72)</td>
<td>1.57</td>
<td>(0.10)</td>
<td></td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>1.30</td>
<td>0.91</td>
<td>(0.50)</td>
<td>1.88</td>
<td>(0.05)</td>
<td></td>
</tr>
<tr>
<td>Less distributions</td>
<td>From net investment income</td>
<td>(0.21)</td>
<td>(0.22)</td>
<td>(0.31)</td>
<td>(0.08)</td>
<td>—</td>
</tr>
<tr>
<td>From net realized gain</td>
<td>—</td>
<td>—</td>
<td>(0.63)</td>
<td>(0.05)</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td>Total distributions</td>
<td>(0.21)</td>
<td>(0.22)</td>
<td>(0.94)</td>
<td>(0.13)</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$12.04</td>
<td>$10.95</td>
<td>$10.26</td>
<td>$11.70</td>
<td>$9.95</td>
<td></td>
</tr>
<tr>
<td>Total return (%)</td>
<td>12.09</td>
<td>8.97</td>
<td>(4.54)</td>
<td>19.06</td>
<td>(0.50)</td>
<td></td>
</tr>
</tbody>
</table>

Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$747</td>
<td>$762</td>
<td>$478</td>
<td>$482</td>
<td>$329</td>
</tr>
<tr>
<td>Ratios (as a percentage of average net assets):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>0.87</td>
<td>0.93</td>
<td>0.91</td>
<td>0.93</td>
<td>1.03</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.86</td>
<td>0.93</td>
<td>0.91</td>
<td>0.93</td>
<td>1.02</td>
</tr>
<tr>
<td>Net investment income</td>
<td>1.82</td>
<td>2.31</td>
<td>1.99</td>
<td>2.76</td>
<td>1.59</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>46</td>
<td>35</td>
<td>45</td>
<td>70</td>
<td>8</td>
</tr>
</tbody>
</table>

1 Period from 5-16-13 (commencement of operations) to 8-31-13.
2 Based on average daily shares outstanding.
3 Net investment income per share and the percentage of average net assets reflect special dividends received by the fund, which amounted to $0.06 and 0.66%, respectively.
4 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
5 Not annualized.
6 Annualized.
7 Excludes merger activity.

Global Real Estate Fund

<table>
<thead>
<tr>
<th>Per share operating performance for a share outstanding throughout each period</th>
<th>Ratios and supplemental data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income (loss) from investment operations</td>
<td>Less Distributions</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>Period ended</td>
<td>Net asset value, beginning of period ($)</td>
</tr>
<tr>
<td>08-31-2017</td>
<td>10.17</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>8.80</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>9.39</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>8.15</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>7.93</td>
</tr>
</tbody>
</table>

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3 Net investment income per share and the percentage of average net assets reflect special dividends received by the fund, which amounted to $0.06 and 0.66%, respectively.
4 Includes reimbursement for overbilling of custody expenses in prior years of 0.06%.
Health Sciences Fund

### Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($/§)</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>5.59</td>
<td>(0.01)</td>
<td>0.74</td>
<td>0.73</td>
<td>(1.31)</td>
<td>(1.31)</td>
<td>5.01</td>
<td>18.48</td>
<td>1.14</td>
<td>1.07</td>
<td>(0.27)</td>
<td>320</td>
<td>131</td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2016</td>
<td>18.69</td>
<td>(0.03)</td>
<td>(0.64)</td>
<td>(0.67)</td>
<td>(12.41)</td>
<td>(12.43)</td>
<td>5.59</td>
<td>(8.77)</td>
<td>1.10</td>
<td>1.04</td>
<td>(0.32)</td>
<td>216</td>
<td>46</td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2015</td>
<td>20.26</td>
<td>0.01</td>
<td>4.41</td>
<td>4.42</td>
<td>(5.99)</td>
<td>(5.93)</td>
<td>18.69</td>
<td>26.42</td>
<td>0.99</td>
<td>0.94</td>
<td>0.06</td>
<td>368</td>
<td>44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2014</td>
<td>17.77</td>
<td>(0.08)</td>
<td>6.02</td>
<td>5.94</td>
<td>(3.45)</td>
<td>(3.45)</td>
<td>20.26</td>
<td>37.34</td>
<td>1.04</td>
<td>0.99</td>
<td>(0.45)</td>
<td>620</td>
<td>61</td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2013</td>
<td>13.70</td>
<td>(0.06)</td>
<td>6.61</td>
<td>4.55</td>
<td>(0.48)</td>
<td>(0.48)</td>
<td>17.77</td>
<td>34.29</td>
<td>1.08</td>
<td>1.03</td>
<td>(0.39)</td>
<td>545</td>
<td>42</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

---

High Yield Fund

### Per share operating performance for a share outstanding throughout each period

| Period ended | Net asset value, beginning of period ($) | Net investment income ($/§) | Net realized and unrealized gain (loss) on investments ($) | Total from investment operations ($) | From net investment income ($) | From net realized gain ($) | From tax return of capital ($) | Total distributions ($) | Net asset value, end of period ($) | Total return (%) | Expenses before reductions (%) | Expenses including reductions (%) | Net investment income (loss) (%) | Net assets, end of period (in millions) | Portfolio turnover (%) |
|--------------|-----------------------------------------|-----------------------------|-----------------------------------------------------------|                                   |                               |                          |                               |                          |                          |                |                             |                                 |                          |                             |                          |                        |
| CLASS NAV    |                                          |                             |                                                           |                                   |                               |                          |                               |                          |                          |                |                             |                                 |                          |                             |                          |                        |
| 08-31-2017   | 8.09                                    | 0.49                        | 0.16                                                      | 0.65                              | (0.53)                       | (0.53)                   | 8.21                          | 8.33                     | 0.74                          | 0.73                       | 5.95                        | 147                             | 56                         |                          |
| 08-31-2016   | 8.25                                    | 0.55                        | (0.14)                                                   | 0.41                              | (0.57)                       | (0.57)                   | 8.09                          | 5.72                     | 0.74                          | 0.73                       | 7.15                        | 185                             | 58                         |                          |
| 08-31-2015   | 9.54                                    | 0.60                        | (1.22)                                                   | (0.62)                            | (0.67)                       | (0.67)                   | 8.25                          | (6.69)                   | 0.72                          | 0.71                       | 6.73                        | 214                             | 59                         |                          |
| 08-31-2014   | 9.23                                    | 0.61                        | 0.34                                                      | 0.95                              | (0.64)                       | (0.64)                   | 9.54                          | 10.57                    | 0.71                          | 0.70                       | 6.50                        | 447                             | 70                         |                          |
| 08-31-2013   | 9.05                                    | 0.67                        | 0.17                                                      | 0.84                              | (0.66)                       | (0.66)                   | 9.23                          | 9.58                     | 0.71                          | 0.71                       | 7.19                        | 646                             | 67                         |                          |

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### International Growth Stock Fund

#### Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income (loss) ($)</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain (loss) ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>08-31-2017</td>
<td>12.53</td>
<td>0.19</td>
<td>1.29</td>
<td>1.48</td>
<td>—</td>
<td>—</td>
<td>(0.18)</td>
<td>—</td>
<td>13.83</td>
<td>12.02</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>12.31</td>
<td>0.19</td>
<td>0.40</td>
<td>0.59</td>
<td>(0.16)</td>
<td>(0.21)</td>
<td>(0.37)</td>
<td>12.53</td>
<td>4.80</td>
<td>0.85</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>14.25</td>
<td>0.20</td>
<td>(1.51)</td>
<td>(1.31)</td>
<td>(0.29)</td>
<td>(0.38)</td>
<td>(0.63)</td>
<td>12.31</td>
<td>(9.39)</td>
<td>0.83</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>12.14</td>
<td>0.23</td>
<td>2.09</td>
<td>2.32</td>
<td>(0.21)</td>
<td>(0.21)</td>
<td>(0.21)</td>
<td>14.25</td>
<td>19.26</td>
<td>0.92</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>10.89</td>
<td>0.16</td>
<td>1.20</td>
<td>1.36</td>
<td>(0.11)</td>
<td>—</td>
<td>(0.11)</td>
<td>12.14</td>
<td>12.53</td>
<td>0.92</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>08-31-2017</td>
<td>0.85</td>
<td>0.84</td>
<td>1.50</td>
<td>821</td>
<td>37</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>0.83</td>
<td>0.83</td>
<td>1.59</td>
<td>780</td>
<td>23</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>0.80</td>
<td>0.87</td>
<td>1.49</td>
<td>751</td>
<td>22</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>0.92</td>
<td>0.92</td>
<td>1.68</td>
<td>690</td>
<td>26</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>1.37</td>
<td>1.37</td>
<td>1.37</td>
<td>631</td>
<td>25</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### International Small Cap Fund

#### Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income (loss) ($)</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain (loss) ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>08-31-2017</td>
<td>17.74</td>
<td>0.26</td>
<td>3.53</td>
<td>3.79</td>
<td>(0.28)</td>
<td>—</td>
<td>(0.28)</td>
<td>21.25</td>
<td>21.82</td>
<td>1.05</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>18.03</td>
<td>0.25</td>
<td>(0.96)</td>
<td>(0.11)</td>
<td>(0.18)</td>
<td>(0.18)</td>
<td>(0.18)</td>
<td>17.74</td>
<td>(0.64)</td>
<td>1.01</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>19.46</td>
<td>0.23</td>
<td>(1.59)</td>
<td>(1.32)</td>
<td>(0.11)</td>
<td>(0.11)</td>
<td>(0.11)</td>
<td>18.03</td>
<td>6.79</td>
<td>1.04</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>16.86</td>
<td>0.17</td>
<td>2.71</td>
<td>2.88</td>
<td>(0.28)</td>
<td>—</td>
<td>(0.28)</td>
<td>19.46</td>
<td>17.17</td>
<td>1.09</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>14.22</td>
<td>0.25</td>
<td>2.65</td>
<td>2.90</td>
<td>(0.26)</td>
<td>—</td>
<td>(0.26)</td>
<td>16.86</td>
<td>20.56</td>
<td>1.14</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>08-31-2017</td>
<td>0.97</td>
<td>0.97</td>
<td>1.39</td>
<td>530</td>
<td>20</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>1.00</td>
<td>1.00</td>
<td>1.39</td>
<td>536</td>
<td>42</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>1.00</td>
<td>1.00</td>
<td>1.39</td>
<td>536</td>
<td>42</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>1.00</td>
<td>1.00</td>
<td>1.39</td>
<td>536</td>
<td>42</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>1.00</td>
<td>1.00</td>
<td>1.39</td>
<td>536</td>
<td>42</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3. Includes reimbursement for overbilling of custody expenses in prior years of 0.01%.

### International Small Company Fund Class NAV Shares

#### Per share operating performance

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$10.35</td>
<td>$9.88</td>
<td>$10.80</td>
<td>$9.12</td>
<td>$7.59</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.18</td>
<td>0.18</td>
<td>0.17</td>
<td>0.17</td>
<td>0.15</td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>2.04</td>
<td>0.44</td>
<td>(0.92)</td>
<td>1.64</td>
<td>1.52</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>2.22</td>
<td>0.62</td>
<td>(0.75)</td>
<td>1.81</td>
<td>1.67</td>
</tr>
<tr>
<td>Less distributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.24)</td>
<td>(0.15)</td>
<td>(0.17)</td>
<td>(0.13)</td>
<td>(0.14)</td>
</tr>
<tr>
<td>Total distributions</td>
<td>(0.24)</td>
<td>(0.15)</td>
<td>(0.17)</td>
<td>(0.13)</td>
<td>(0.14)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$12.33</td>
<td>$10.35</td>
<td>$9.88</td>
<td>$10.80</td>
<td>$9.12</td>
</tr>
<tr>
<td>Total return (%)</td>
<td>21.96</td>
<td>6.36</td>
<td>(6.87)</td>
<td>19.98</td>
<td>22.17</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th>Net assets, end of period (in millions)</th>
<th>Ratios (as a percentage of average net assets):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$531</td>
<td>Expenses before reductions</td>
</tr>
<tr>
<td></td>
<td>$532</td>
<td>Expenses including reductions</td>
</tr>
<tr>
<td></td>
<td>$700</td>
<td>Net investment income</td>
</tr>
<tr>
<td></td>
<td>$587</td>
<td>Portfolio turnover (%)</td>
</tr>
<tr>
<td></td>
<td>$518</td>
<td></td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### International Strategic Equity Allocation Fund

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($)</th>
<th>Net unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>Income from net realized capital ($)</th>
<th>From tax return on capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) ($)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>10.00</td>
<td>0.23</td>
<td>1.59</td>
<td>1.82</td>
<td>(0.03)</td>
<td>(0.01)</td>
<td>(0.04)</td>
<td>11.78</td>
<td>18.26</td>
<td>0.69</td>
<td>0.56</td>
<td>2.43</td>
<td>2.049</td>
<td>112</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3. Period from 10-17-16 (commencement of operations) to 8-31-17.
4. Not annualized.
5. Annualized.

### International Value Fund

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($)</th>
<th>Net unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>Income from net realized capital ($)</th>
<th>From tax return on capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) ($)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>14.76</td>
<td>0.29</td>
<td>2.08</td>
<td>2.37</td>
<td>(0.36)</td>
<td></td>
<td></td>
<td></td>
<td>16.77</td>
<td>16.38</td>
<td>1.85</td>
<td>1.85</td>
<td>987</td>
<td>31</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>14.49</td>
<td>0.28</td>
<td>0.27</td>
<td>0.55</td>
<td>(0.28)</td>
<td></td>
<td></td>
<td></td>
<td>14.76</td>
<td>3.93</td>
<td>0.85</td>
<td>2.06</td>
<td>1,347</td>
<td>24</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>18.07</td>
<td>0.37</td>
<td>(3.42)</td>
<td>(3.13)</td>
<td>(0.43)</td>
<td></td>
<td></td>
<td></td>
<td>14.49</td>
<td>(17.55)</td>
<td>0.88</td>
<td>1.69</td>
<td>1,569</td>
<td>32</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>15.70</td>
<td>0.49</td>
<td>2.15</td>
<td>2.64</td>
<td>(0.27)</td>
<td></td>
<td></td>
<td></td>
<td>18.07</td>
<td>16.90</td>
<td>0.92</td>
<td>2.81</td>
<td>1,793</td>
<td>26</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>12.94</td>
<td>0.29</td>
<td>2.80</td>
<td>3.09</td>
<td>(0.33)</td>
<td></td>
<td></td>
<td></td>
<td>15.70</td>
<td>24.11</td>
<td>0.91</td>
<td>2.00</td>
<td>1,462</td>
<td>36</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### Mid Cap Stock Fund

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income ($)</th>
<th>Net unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>Income from net realized capital ($)</th>
<th>From tax return on capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) ($)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>19.01</td>
<td>(0.02)</td>
<td>3.43</td>
<td>3.41</td>
<td>(0.09)</td>
<td></td>
<td></td>
<td></td>
<td>22.33</td>
<td>17.99</td>
<td>0.87</td>
<td>0.86</td>
<td>(0.12)</td>
<td>1,245</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>20.71</td>
<td>(0.03)</td>
<td>0.61</td>
<td>0.58</td>
<td>(2.28)</td>
<td></td>
<td></td>
<td></td>
<td>19.01</td>
<td>3.06</td>
<td>0.87</td>
<td>0.86</td>
<td>(0.18)</td>
<td>1,147</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>22.69</td>
<td>(0.05)</td>
<td>1.04</td>
<td>0.99</td>
<td>(2.97)</td>
<td></td>
<td></td>
<td></td>
<td>20.71</td>
<td>4.83</td>
<td>0.86</td>
<td>0.86</td>
<td>(0.24)</td>
<td>1,195</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>21.49</td>
<td>(0.08)</td>
<td>3.99</td>
<td>3.91</td>
<td>(2.71)</td>
<td></td>
<td></td>
<td></td>
<td>23.69</td>
<td>19.10</td>
<td>0.87</td>
<td>0.86</td>
<td>(0.38)</td>
<td>1,328</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>17.74</td>
<td>0.02</td>
<td>4.42</td>
<td>4.44</td>
<td>(0.02)</td>
<td></td>
<td></td>
<td></td>
<td>21.49</td>
<td>25.85</td>
<td>0.87</td>
<td>0.87</td>
<td>0.11</td>
<td>1,145</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### Mid Value Fund

#### Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income (loss) ($/sh)</th>
<th>Net unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>From net investment income ($)</th>
<th>From net unrealized gain on investments ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>08-31-2017</td>
<td>15.88</td>
<td>0.16</td>
<td>1.52</td>
<td>1.68</td>
<td>(0.14)</td>
<td>(1.42)</td>
<td>—</td>
<td>(1.56)</td>
<td>16.00</td>
<td>10.83</td>
<td>0.99</td>
<td>0.94</td>
<td>0.98</td>
<td>1,224</td>
<td>55</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>15.45</td>
<td>0.17</td>
<td>1.94</td>
<td>2.11</td>
<td>(0.20)</td>
<td>(1.48)</td>
<td>—</td>
<td>(1.60)</td>
<td>15.88</td>
<td>15.18</td>
<td>0.99</td>
<td>0.93</td>
<td>1.17</td>
<td>922</td>
<td>56</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>18.20</td>
<td>0.15</td>
<td>(0.72)</td>
<td>(0.57)</td>
<td>(0.14)</td>
<td>(2.04)</td>
<td>—</td>
<td>(2.10)</td>
<td>15.45</td>
<td>(3.95)</td>
<td>1.03</td>
<td>0.97</td>
<td>0.88</td>
<td>957</td>
<td>47</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>14.94</td>
<td>0.13</td>
<td>3.75</td>
<td>3.88</td>
<td>(0.09)</td>
<td>(0.53)</td>
<td>—</td>
<td>(0.62)</td>
<td>18.20</td>
<td>26.44</td>
<td>1.04</td>
<td>0.98</td>
<td>0.77</td>
<td>1,085</td>
<td>40</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>13.05</td>
<td>0.15</td>
<td>2.50</td>
<td>2.65</td>
<td>(0.17)</td>
<td>(0.59)</td>
<td>—</td>
<td>(0.76)</td>
<td>14.94</td>
<td>21.15</td>
<td>1.04</td>
<td>0.99</td>
<td>1.08</td>
<td>789</td>
<td>35</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### Natural Resources Fund Class NAV Shares

#### Per share operating performance

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$11.30</td>
<td>$10.78</td>
<td>$18.78</td>
<td>$16.38</td>
<td>$16.09</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.08</td>
<td>0.06</td>
<td>0.07</td>
<td>0.12</td>
<td>0.09</td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>(0.21)</td>
<td>0.55</td>
<td>(8.00)</td>
<td>2.40</td>
<td>0.31</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>(0.13)</td>
<td>0.61</td>
<td>(7.93)</td>
<td>2.52</td>
<td>0.40</td>
</tr>
<tr>
<td>Less distributions</td>
<td>(0.12)</td>
<td>(0.09)</td>
<td>(0.07)</td>
<td>(0.12)</td>
<td>(0.11)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$11.05</td>
<td>$11.30</td>
<td>$10.78</td>
<td>$18.78</td>
<td>$16.38</td>
</tr>
<tr>
<td>Total return (%)</td>
<td>(1.26)</td>
<td>5.86</td>
<td>(42.27)</td>
<td>15.49</td>
<td>2.45</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th></th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$426</td>
<td>$543</td>
<td>$544</td>
<td>$798</td>
<td>$657</td>
</tr>
<tr>
<td>Ratios (as a percentage of average net assets):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>1.05</td>
<td>1.05</td>
<td>1.03</td>
<td>1.07</td>
<td>1.08</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.96</td>
<td>0.95</td>
<td>0.93</td>
<td>1.01</td>
<td>1.06</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.73</td>
<td>0.56</td>
<td>0.54</td>
<td>0.67</td>
<td>0.57</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>28</td>
<td>22</td>
<td>25</td>
<td>193</td>
<td>66</td>
</tr>
</tbody>
</table>

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3 Portfolio turnover does not reflect merger activity.

### New Opportunities Fund Class NAV Shares

#### Per share operating performance

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$24.41</td>
<td>$25.45</td>
<td>$30.70</td>
<td>$28.42</td>
<td>$22.63</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.13</td>
<td>0.10</td>
<td>0.09</td>
<td>0.02</td>
<td>0.13</td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>2.98</td>
<td>1.16</td>
<td>(0.68)</td>
<td>5.23</td>
<td>6.18</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>3.11</td>
<td>1.26</td>
<td>(0.59)</td>
<td>5.25</td>
<td>6.31</td>
</tr>
<tr>
<td>Less distributions</td>
<td>(0.11)</td>
<td>(0.09)</td>
<td>(0.04)</td>
<td>(0.08)</td>
<td>(0.13)</td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.07)</td>
<td>(2.21)</td>
<td>(4.62)</td>
<td>(2.89)</td>
<td>(0.39)</td>
</tr>
<tr>
<td>From net realized gain</td>
<td>(0.18)</td>
<td>(2.30)</td>
<td>(4.66)</td>
<td>(2.97)</td>
<td>(0.52)</td>
</tr>
<tr>
<td>Total distributions</td>
<td>(0.18)</td>
<td>(2.30)</td>
<td>(4.66)</td>
<td>(2.97)</td>
<td>(0.52)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$27.34</td>
<td>$24.41</td>
<td>$25.45</td>
<td>$30.70</td>
<td>$28.42</td>
</tr>
<tr>
<td>Total return (%)</td>
<td>12.75</td>
<td>5.61</td>
<td>(2.39)</td>
<td>18.72</td>
<td>28.35</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th></th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$149</td>
<td>$145</td>
<td>$153</td>
<td>$139</td>
<td>$113</td>
</tr>
<tr>
<td>Ratios (as a percentage of average net assets):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>1.00</td>
<td>1.12</td>
<td>1.08</td>
<td>1.07</td>
<td>1.06</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.79</td>
<td>0.90</td>
<td>1.00</td>
<td>0.98</td>
<td>0.97</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.47</td>
<td>0.44</td>
<td>0.31</td>
<td>0.05</td>
<td>0.49</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>41</td>
<td>49³</td>
<td>78</td>
<td>30</td>
<td>22</td>
</tr>
</tbody>
</table>

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3 Portfolio turnover does not reflect merger activity.
Real Estate Equity Fund

Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Income (loss) from investment operations</th>
<th>Net realized and unrealized gain (loss) on investments</th>
<th>Total from investment operations</th>
<th>Less Distributions</th>
<th>Ratios and supplemental data</th>
<th>Ratios to average net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net asset value, beginning of period ($)</td>
<td>Net investment income (loss) ($)</td>
<td>Total from investment operations ($)</td>
<td>From net realized gain ($)</td>
<td>From tax return of capital ($)</td>
<td>Total distributions ($)</td>
</tr>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2013</td>
<td>9.60</td>
<td>0.16</td>
<td>(0.25)</td>
<td>0.09</td>
<td>—</td>
<td>(0.12)</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>9.39</td>
<td>0.13</td>
<td>2.16</td>
<td>0.15</td>
<td>—</td>
<td>(0.15)</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>11.53</td>
<td>0.16</td>
<td>0.15</td>
<td>0.31</td>
<td>—</td>
<td>(0.31)</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>11.37</td>
<td>0.23</td>
<td>2.12</td>
<td>0.18</td>
<td>(1.27)</td>
<td>(1.45)</td>
</tr>
<tr>
<td>08-31-2017</td>
<td>12.27</td>
<td>0.13</td>
<td>(0.60)</td>
<td>0.47</td>
<td>(0.23)</td>
<td>(1.51)</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3. Net investment income per share and the percentage of average net assets reflect special dividends received by the fund, which amounted to $0.07 and 0.52%.

Because Class NAV shares of Real Estate Securities Fund had not commenced operations as of the end of the most recent reporting period, August 31, 2017, the table details the financial performance of Class 1 shares of the fund, which are described in a separate prospectus, including total return information showing how much an investment in the fund has increased or decreased each period. Because Class 1 shares have different expenses than Class NAV shares, financial highlights for Class NAV shares would have differed.

Real Estate Securities Fund

Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Income (loss) from investment operations</th>
<th>Net realized and unrealized gain (loss) on investments</th>
<th>Total from investment operations</th>
<th>Less Distributions</th>
<th>Ratios and supplemental data</th>
<th>Ratios to average net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net asset value, beginning of period ($)</td>
<td>Net investment income (loss) ($)</td>
<td>Total from investment operations ($)</td>
<td>From net realized gain ($)</td>
<td>From tax return of capital ($)</td>
<td>Total distributions ($)</td>
</tr>
<tr>
<td>CLASS 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2013</td>
<td>15.26</td>
<td>0.27</td>
<td>(0.48)</td>
<td>0.21</td>
<td>(0.26)</td>
<td>(1.38)</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>13.41</td>
<td>0.26</td>
<td>2.64</td>
<td>0.31</td>
<td>(1.32)</td>
<td>(1.63)</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>14.68</td>
<td>0.23</td>
<td>(0.15)</td>
<td>0.08</td>
<td>(1.12)</td>
<td>(1.37)</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>13.39</td>
<td>0.45</td>
<td>2.79</td>
<td>0.27</td>
<td>(1.41)</td>
<td>(1.60)</td>
</tr>
<tr>
<td>08-31-2017</td>
<td>14.95</td>
<td>0.28</td>
<td>(0.52)</td>
<td>0.24</td>
<td>(1.09)</td>
<td>(1.59)</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3. Net investment income per share and the percentage of average net assets reflect special dividends received by the fund, which amounted to $0.12 and 0.88%.

Real Return Bond Fund

Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Income (loss) from investment operations</th>
<th>Net realized and unrealized gain (loss) on investments</th>
<th>Total from investment operations</th>
<th>Less Distributions</th>
<th>Ratios and supplemental data</th>
<th>Ratios to average net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net asset value, beginning of period ($)</td>
<td>Net investment income (loss) ($)</td>
<td>Total from investment operations ($)</td>
<td>From net realized gain ($)</td>
<td>From tax return of capital ($)</td>
<td>Total distributions ($)</td>
</tr>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2013</td>
<td>13.03</td>
<td>0.26</td>
<td>(1.25)</td>
<td>0.99</td>
<td>(0.30)</td>
<td>(0.60)</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>11.35</td>
<td>0.26</td>
<td>0.75</td>
<td>0.28</td>
<td>—</td>
<td>(0.28)</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>11.82</td>
<td>0.07</td>
<td>(0.60)</td>
<td>0.53</td>
<td>—</td>
<td>(0.28)</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>11.01</td>
<td>0.16</td>
<td>0.33</td>
<td>0.19</td>
<td>—</td>
<td>(0.15)</td>
</tr>
<tr>
<td>08-31-2017</td>
<td>11.35</td>
<td>0.21</td>
<td>0.13</td>
<td>0.30</td>
<td>—</td>
<td>(0.30)</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
Redwood Fund Class NAV Shares

<table>
<thead>
<tr>
<th>Per share operating performance</th>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$10.21</td>
<td>$10.83</td>
<td>$11.56</td>
<td>$11.17</td>
<td>$10.78</td>
<td></td>
</tr>
<tr>
<td>Net investment income (loss)</td>
<td>(0.02)</td>
<td>(0.02)</td>
<td>(0.07)</td>
<td>0.04</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>0.53</td>
<td>0.19</td>
<td>(0.17)</td>
<td>0.67</td>
<td>0.58</td>
<td></td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>0.51</td>
<td>0.19</td>
<td>(0.19)</td>
<td>0.60</td>
<td>0.62</td>
<td></td>
</tr>
<tr>
<td>Less distributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(0.09)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net realized gain</td>
<td>—</td>
<td>(0.81)</td>
<td>(0.54)</td>
<td>(0.21)</td>
<td>(0.14)</td>
<td></td>
</tr>
<tr>
<td>Total distributions</td>
<td>—</td>
<td>(0.81)</td>
<td>(0.54)</td>
<td>(0.21)</td>
<td>(0.23)</td>
<td></td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$10.72</td>
<td>$10.21</td>
<td>$10.83</td>
<td>$11.56</td>
<td>$11.17</td>
<td></td>
</tr>
<tr>
<td>Total return (%)</td>
<td>5.00</td>
<td>1.88</td>
<td>(1.69)</td>
<td>5.44</td>
<td>5.85</td>
<td></td>
</tr>
</tbody>
</table>

Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$83</td>
</tr>
<tr>
<td>Ratios (as a percentage of average net assets):</td>
<td>$446</td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>1.23</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>1.22</td>
</tr>
<tr>
<td>Net investment income (loss)</td>
<td>(0.23)</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>124</td>
</tr>
</tbody>
</table>

1 Based on average daily shares outstanding.
2 Less than $0.005 per share.
3 Total returns would have been lower had certain expenses not been reduced during the applicable periods.

Science & Technology Fund

<table>
<thead>
<tr>
<th>Per share operating performance</th>
<th>Ratios and supplemental data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period ended</td>
<td>Income (loss) from investment operations</td>
</tr>
<tr>
<td></td>
<td>Net asset value, beginning of period ($)</td>
</tr>
<tr>
<td>CLASS NAV</td>
<td>08-31-2017</td>
</tr>
<tr>
<td></td>
<td>08-31-2016</td>
</tr>
<tr>
<td></td>
<td>08-31-2015</td>
</tr>
<tr>
<td></td>
<td>08-31-2014</td>
</tr>
<tr>
<td></td>
<td>08-31-2013*</td>
</tr>
</tbody>
</table>

1 Based on average daily shares outstanding.
2 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3 Period from 2-14-13 (commencement of operations) to 8-31-13.
4 Not annualized.
5 Annualized.
### Short Term Government Income Fund

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income (loss) ($)</th>
<th>Total from investment operations ($)</th>
<th>From net realized gain ($)</th>
<th>From net capital gain (loss) ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)&lt;sup&gt;2&lt;/sup&gt;</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reclassifications (%)</th>
<th>Net investment income (loss) (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>9.65</td>
<td>0.08</td>
<td>0.01</td>
<td>(0.15)</td>
<td></td>
<td>(0.15)</td>
<td>9.51</td>
<td>0.16</td>
<td>0.63</td>
<td>0.61</td>
<td>0.85</td>
<td>275</td>
<td>68</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>9.70</td>
<td>0.07</td>
<td>0.10</td>
<td>(0.13)</td>
<td></td>
<td>(0.13)</td>
<td>9.65</td>
<td>0.10</td>
<td>0.62</td>
<td>0.62</td>
<td>0.75</td>
<td>313</td>
<td>72</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>9.79</td>
<td>0.06</td>
<td>0.07</td>
<td>(0.16)</td>
<td></td>
<td>(0.16)</td>
<td>9.70</td>
<td>0.16</td>
<td>0.62</td>
<td>0.61</td>
<td>0.61</td>
<td>226</td>
<td>31</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>9.79</td>
<td>0.07</td>
<td>0.13</td>
<td>(0.13)</td>
<td></td>
<td>(0.13)</td>
<td>9.79</td>
<td>1.36</td>
<td>0.62</td>
<td>0.62</td>
<td>0.67</td>
<td>232</td>
<td>53</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>10.07</td>
<td>0.05</td>
<td>(0.17)</td>
<td>(0.16)</td>
<td></td>
<td>(0.16)</td>
<td>9.91</td>
<td>(1.25)</td>
<td>0.64</td>
<td>0.63</td>
<td>0.49</td>
<td>227</td>
<td>54</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### Small Cap Growth Fund

**Per share operating performance for a share outstanding throughout each period**

| Period ended | Net asset value, beginning of period ($) | Net investment income (loss) ($) | Total from investment operations ($) | From net realized gain ($) | From net capital gain (loss) ($) | Total distributions ($) | Net asset value, end of period ($) | Total return (%)<sup>2</sup> | Expenses before reductions (%) | Expenses including reclassifications (%) | Net investment income (loss) (%) | Net assets, end of period (in millions) | Portfolio turnover (%) |
|--------------|----------------------------------------|---------------------------------|-------------------------------------|---------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------------------------|-------------------------------|--------------------------------------|-------------------------------|                                   |                           |
| CLASS NAV    |                                        |                                 |                                     |                           |                               |                         |                                   |                              |                               |                                      |                               |                                   |                           |
| 08-31-2017   | 7.94                                   | (0.04)                          | 1.51                                | 1.47                      |                               | (1.26)                  | 7.92                              | (1.26)                           | 1.11                          | 1.10                                 | (0.43)                        | 238                               | 101                      |
| 08-31-2016   | 9.91                                   | (0.04)                          | (0.69)                              | (0.73)                    |                               | (1.26)                  | 7.92                              | (1.26)                           | 1.11                          | 1.11                                 | (0.48)                        | 203                               | 100                      |
| 08-31-2015   | 11.06                                  | (0.06)                          | 0.22                                | 0.16                      |                               | (1.31)                  | 9.91                              | 1.14                           | 1.10                          | 1.09                                 | (0.56)                        | 213                               | 93                       |
| 08-31-2014   | 10.22                                  | (0.09)                          | 2.03                                | 1.94                      |                               | (1.10)                  | 11.06                             | 19.49                          | 1.12                          | 1.12                                 | (0.83)                        | 240                               | 100                      |
| 08-31-2013   | 8.59                                   | (0.03)                          | 2.20                                | 2.17                      |                               | (0.54)                  | 10.22                             | 26.90                          | 1.12                          | 1.12                                 | (0.27)                        | 211                               | 122                      |

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### Small Cap Value Fund

**Per share operating performance**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$20.22</td>
<td>$18.94</td>
<td>$19.35</td>
<td>$18.47</td>
<td>$16.57</td>
</tr>
<tr>
<td>Net investment income&lt;sup&gt;1&lt;/sup&gt;</td>
<td>0.22</td>
<td>0.10</td>
<td>0.09</td>
<td>0.11</td>
<td>0.09</td>
</tr>
<tr>
<td>Net realized and unrealized gain on investments</td>
<td>0.82</td>
<td>2.10</td>
<td>0.52</td>
<td>2.81</td>
<td>3.63</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>1.04</td>
<td>2.20</td>
<td>0.61</td>
<td>2.92</td>
<td>3.72</td>
</tr>
<tr>
<td>Less distributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.15)</td>
<td>(0.10)</td>
<td>(0.10)</td>
<td>(0.04)</td>
<td>(0.22)</td>
</tr>
<tr>
<td>From net realized gain</td>
<td>(0.91)</td>
<td>(0.82)</td>
<td>(0.92)</td>
<td>(2.00)</td>
<td>(1.60)</td>
</tr>
<tr>
<td>Total distributions</td>
<td>(1.06)</td>
<td>(0.92)</td>
<td>(1.02)</td>
<td>(2.04)</td>
<td>(1.82)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$20.20</td>
<td>$20.22</td>
<td>$18.94</td>
<td>$19.35</td>
<td>$18.47</td>
</tr>
<tr>
<td>Total return (%)&lt;sup&gt;3&lt;/sup&gt;</td>
<td>4.80</td>
<td>12.01</td>
<td>3.05</td>
<td>15.88</td>
<td>24.20</td>
</tr>
</tbody>
</table>

**Ratios and supplemental data**

<table>
<thead>
<tr>
<th>Ratios (as a percentage of average net assets):</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses before reductions</td>
<td>1.10</td>
<td>1.11</td>
<td>1.12</td>
<td>1.12</td>
<td>1.11</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>1.10</td>
<td>1.10</td>
<td>1.09</td>
<td>1.12</td>
<td>1.11</td>
</tr>
<tr>
<td>Net investment income</td>
<td>1.02</td>
<td>0.59</td>
<td>0.48</td>
<td>0.59</td>
<td>0.51</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>26</td>
<td>25</td>
<td>22</td>
<td>20</td>
<td>19</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Net investment income per share and the percentage of average net assets reflect special dividends received by the fund, which amounted to $0.12 and 0.57%, respectively.
3. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
**Small Company Growth Fund**

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income (loss) ($)¹</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)²</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>08-31-2017</td>
<td>18.44</td>
<td>(0.05)</td>
<td>3.01</td>
<td>2.96</td>
<td>—</td>
<td>(1.05)</td>
<td>(1.05)</td>
<td>20.31</td>
<td>16.79</td>
<td>1.06</td>
<td>1.05</td>
<td>(0.29)</td>
<td>229</td>
<td>39</td>
<td></td>
</tr>
<tr>
<td>08-31-2016</td>
<td>19.94</td>
<td>(0.03)</td>
<td>0.57</td>
<td>0.54</td>
<td>—</td>
<td>(2.04)</td>
<td>(2.04)</td>
<td>18.44</td>
<td>3.42</td>
<td>1.06</td>
<td>1.05</td>
<td>(0.17)</td>
<td>179</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>08-31-2015</td>
<td>21.16</td>
<td>(0.07)</td>
<td>1.14</td>
<td>1.07</td>
<td>—</td>
<td>(2.29)</td>
<td>(2.29)</td>
<td>19.94</td>
<td>5.26</td>
<td>1.05</td>
<td>1.04</td>
<td>(0.32)</td>
<td>188</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>08-31-2014</td>
<td>18.26</td>
<td>(0.03)</td>
<td>3.86</td>
<td>3.83</td>
<td>—</td>
<td>(0.93)</td>
<td>(0.93)</td>
<td>21.16</td>
<td>21.25</td>
<td>1.06</td>
<td>1.05</td>
<td>(0.14)</td>
<td>204</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>08-31-2013</td>
<td>14.76</td>
<td>0.02</td>
<td>3.98</td>
<td>4.00</td>
<td>(0.03)</td>
<td>(0.47)</td>
<td>(0.50)</td>
<td>18.26</td>
<td>27.81</td>
<td>1.07</td>
<td>1.07</td>
<td>0.13</td>
<td>176</td>
<td>30</td>
<td></td>
</tr>
</tbody>
</table>

¹ Based on average daily shares outstanding.
² Total returns would have been lower had certain expenses not been reduced during the applicable periods.

**Ratios and supplemental data**

**CLASS NAV**

**Small Company Value Fund**

**Per share operating performance for a share outstanding throughout each period**

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Net asset value, beginning of period ($)</th>
<th>Net investment income (loss) ($)¹</th>
<th>Net realized and unrealized gain (loss) on investments ($)</th>
<th>Total from investment operations ($)</th>
<th>From net investment income ($)</th>
<th>From net realized gain ($)</th>
<th>From tax return of capital ($)</th>
<th>Total distributions ($)</th>
<th>Net asset value, end of period ($)</th>
<th>Total return (%)²</th>
<th>Expenses before reductions (%)</th>
<th>Expenses including reductions (%)</th>
<th>Net investment income (loss) (%)</th>
<th>Net assets, end of period (in millions)</th>
<th>Portfolio turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>08-31-2017</td>
<td>28.46</td>
<td>0.14</td>
<td>4.01</td>
<td>4.15</td>
<td>(0.24)</td>
<td>(3.36)</td>
<td>(3.60)</td>
<td>29.01</td>
<td>14.72</td>
<td>1.10</td>
<td>1.04</td>
<td>0.49</td>
<td>171</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>08-31-2016</td>
<td>32.82</td>
<td>0.24</td>
<td>3.67</td>
<td>3.91</td>
<td>(0.32)</td>
<td>(7.95)</td>
<td>(8.27)</td>
<td>28.46</td>
<td>15.70</td>
<td>1.09</td>
<td>1.03</td>
<td>0.87</td>
<td>186</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>08-31-2015</td>
<td>37.28</td>
<td>0.32</td>
<td>(1.52)</td>
<td>(1.20)</td>
<td>(0.29)</td>
<td>(3.01)</td>
<td>(3.26)</td>
<td>32.82</td>
<td>(3.61)</td>
<td>1.08</td>
<td>1.02</td>
<td>0.93</td>
<td>198</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>08-31-2014</td>
<td>32.77</td>
<td>0.17</td>
<td>4.60</td>
<td>4.77</td>
<td>(0.07)</td>
<td>(0.19)</td>
<td>(0.26)</td>
<td>37.28</td>
<td>14.54</td>
<td>1.07</td>
<td>1.01</td>
<td>0.47</td>
<td>281</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>08-31-2013</td>
<td>27.05</td>
<td>0.32</td>
<td>5.98</td>
<td>6.30</td>
<td>(0.58)</td>
<td>—</td>
<td>(0.58)</td>
<td>32.77</td>
<td>23.58</td>
<td>1.08</td>
<td>1.02</td>
<td>1.03</td>
<td>236</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

¹ Based on average daily shares outstanding.
² Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### Spectrum Income Fund Class NAV Shares

#### Per share operating performance

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$10.71</td>
<td>$10.22</td>
<td>$11.25</td>
<td>$10.89</td>
<td>$11.06</td>
</tr>
<tr>
<td>Net investment income (^1)</td>
<td>0.35</td>
<td>0.34</td>
<td>0.32</td>
<td>0.36</td>
<td>0.35</td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>0.15</td>
<td>0.51</td>
<td>(0.66)</td>
<td>0.63</td>
<td>(0.12)</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>0.50</td>
<td>0.85</td>
<td>(0.34)</td>
<td>0.99</td>
<td>0.23</td>
</tr>
<tr>
<td>Less distributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.34)</td>
<td>(0.32)</td>
<td>(0.41)</td>
<td>(0.35)</td>
<td>(0.39)</td>
</tr>
<tr>
<td>From net realized gain</td>
<td>—</td>
<td>(0.04)</td>
<td>(0.28)</td>
<td>(0.28)</td>
<td>(0.01)</td>
</tr>
<tr>
<td>Total distributions</td>
<td>(0.34)</td>
<td>(0.36)</td>
<td>(0.69)</td>
<td>(0.63)</td>
<td>(0.40)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$10.87</td>
<td>$10.71</td>
<td>$10.22</td>
<td>$11.25</td>
<td>$10.89</td>
</tr>
<tr>
<td>Total return (%)</td>
<td>4.75</td>
<td>8.58</td>
<td>(3.05)</td>
<td>9.30</td>
<td>2.05</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th></th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$879</td>
<td>$919</td>
<td>$901</td>
<td>$965</td>
<td>$1,033</td>
</tr>
<tr>
<td>Ratios (as a percentage of average net assets):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>0.80</td>
<td>0.76(^3)</td>
<td>0.78</td>
<td>0.79</td>
<td>0.79</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.76</td>
<td>0.72(^3)</td>
<td>0.75</td>
<td>0.75</td>
<td>0.76</td>
</tr>
<tr>
<td>Net investment income</td>
<td>3.24</td>
<td>3.31</td>
<td>2.99</td>
<td>3.22</td>
<td>3.11</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>69</td>
<td>72</td>
<td>76</td>
<td>59</td>
<td>69</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3. Includes reimbursement for overbilling of custody expenses in prior years of 0.04%.

### Strategic Equity Allocation Fund

#### Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>Income (loss) from investment operations</th>
<th>Less Distributions</th>
<th>Ratios and supplemental data</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net asset value, beginning of period ($)</td>
<td>Net investment income (loss) ($)(^1)</td>
<td>Net realized and unrealized gain (loss) on investments ($)</td>
</tr>
<tr>
<td>CLASS NAV</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08-31-2017</td>
<td>13.14</td>
<td>0.24</td>
<td>1.85</td>
</tr>
<tr>
<td>08-31-2016</td>
<td>12.88</td>
<td>0.23</td>
<td>0.79</td>
</tr>
<tr>
<td>08-31-2015</td>
<td>13.96</td>
<td>0.23</td>
<td>0.72</td>
</tr>
<tr>
<td>08-31-2014</td>
<td>11.82</td>
<td>0.23</td>
<td>2.31</td>
</tr>
<tr>
<td>08-31-2013</td>
<td>10.21</td>
<td>0.21</td>
<td>1.54</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### Strategic Income Opportunities Fund Class NAV Shares

#### Per share operating performance

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$10.72</td>
<td>$10.79</td>
<td>$10.97</td>
<td>$10.80</td>
<td>$10.94</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.34</td>
<td>0.30</td>
<td>0.37</td>
<td>0.45</td>
<td>0.51</td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>0.16</td>
<td>0.22</td>
<td>(0.17)</td>
<td>0.33</td>
<td>(0.09)</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>0.50</td>
<td>0.52</td>
<td>0.20</td>
<td>0.78</td>
<td>0.42</td>
</tr>
<tr>
<td>Less distributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.29)</td>
<td>(0.32)</td>
<td>(0.38)</td>
<td>(0.49)</td>
<td>(0.56)</td>
</tr>
<tr>
<td>From net realized gain</td>
<td>—</td>
<td>(0.27)</td>
<td>—</td>
<td>(0.12)</td>
<td>—</td>
</tr>
<tr>
<td>Total distributions</td>
<td>(0.29)</td>
<td>(0.59)</td>
<td>(0.38)</td>
<td>(0.61)</td>
<td>(0.56)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$10.93</td>
<td>$10.72</td>
<td>$10.79</td>
<td>$10.97</td>
<td>$10.80</td>
</tr>
<tr>
<td>Total return (%)</td>
<td>4.79</td>
<td>5.06</td>
<td>1.85</td>
<td>7.44</td>
<td>3.77</td>
</tr>
</tbody>
</table>

#### Ratios and supplemental data

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$1,847</td>
<td>$1,814</td>
<td>$1,683</td>
<td>$1,533</td>
<td>$1,341</td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>0.68</td>
<td>0.68</td>
<td>0.68</td>
<td>0.69</td>
<td>0.71</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.65</td>
<td>0.65</td>
<td>0.65</td>
<td>0.68</td>
<td>0.71</td>
</tr>
<tr>
<td>Net investment income</td>
<td>3.20</td>
<td>2.85</td>
<td>3.39</td>
<td>4.07</td>
<td>4.54</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>42</td>
<td>44</td>
<td>37</td>
<td>48</td>
<td>41</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### Total Return Fund

#### Per share operating performance for a share outstanding throughout each period

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net asset value, beginning of period</td>
<td>$10.72</td>
<td>$10.79</td>
<td>$10.97</td>
<td>$10.80</td>
<td>$10.94</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.34</td>
<td>0.30</td>
<td>0.37</td>
<td>0.45</td>
<td>0.51</td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>0.16</td>
<td>0.22</td>
<td>(0.17)</td>
<td>0.33</td>
<td>(0.09)</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>0.50</td>
<td>0.52</td>
<td>0.20</td>
<td>0.78</td>
<td>0.42</td>
</tr>
<tr>
<td>Less distributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.29)</td>
<td>(0.32)</td>
<td>(0.38)</td>
<td>(0.49)</td>
<td>(0.56)</td>
</tr>
<tr>
<td>From net realized gain</td>
<td>—</td>
<td>(0.27)</td>
<td>—</td>
<td>(0.12)</td>
<td>—</td>
</tr>
<tr>
<td>Total distributions</td>
<td>(0.29)</td>
<td>(0.59)</td>
<td>(0.38)</td>
<td>(0.61)</td>
<td>(0.56)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>$10.93</td>
<td>$10.72</td>
<td>$10.79</td>
<td>$10.97</td>
<td>$10.80</td>
</tr>
<tr>
<td>Total return (%)</td>
<td>4.79</td>
<td>5.06</td>
<td>1.85</td>
<td>7.44</td>
<td>3.77</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

<table>
<thead>
<tr>
<th>Ratios and supplemental data</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, end of period (in millions)</td>
<td>$1,847</td>
<td>$1,814</td>
<td>$1,683</td>
<td>$1,533</td>
<td>$1,341</td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>0.68</td>
<td>0.68</td>
<td>0.68</td>
<td>0.69</td>
<td>0.71</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.65</td>
<td>0.65</td>
<td>0.65</td>
<td>0.68</td>
<td>0.71</td>
</tr>
<tr>
<td>Net investment income</td>
<td>3.20</td>
<td>2.85</td>
<td>3.39</td>
<td>4.07</td>
<td>4.54</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>42</td>
<td>44</td>
<td>37</td>
<td>48</td>
<td>41</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net investment income</td>
<td>0.29</td>
<td>0.30</td>
<td>0.28</td>
<td>0.23</td>
<td>0.23</td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>0.06</td>
<td>0.36</td>
<td>0.19</td>
<td>0.22</td>
<td>0.44</td>
</tr>
<tr>
<td>Total from investment operations</td>
<td>0.35</td>
<td>0.66</td>
<td>0.19</td>
<td>0.43</td>
<td>0.43</td>
</tr>
<tr>
<td>From net investment income</td>
<td>—</td>
<td>(0.46)</td>
<td>(0.45)</td>
<td>(0.27)</td>
<td>(0.43)</td>
</tr>
<tr>
<td>From net realized gain</td>
<td>—</td>
<td>(0.00)</td>
<td>(0.03)</td>
<td>(0.19)</td>
<td>(0.21)</td>
</tr>
<tr>
<td>From tax return of capital</td>
<td>—</td>
<td>(0.33)</td>
<td>(0.51)</td>
<td>(0.46)</td>
<td>(0.33)</td>
</tr>
<tr>
<td>Total distributions</td>
<td>(0.33)</td>
<td>(0.33)</td>
<td>(0.51)</td>
<td>(0.46)</td>
<td>(0.33)</td>
</tr>
<tr>
<td>Net asset value, end of period</td>
<td>13.80</td>
<td>13.78</td>
<td>13.78</td>
<td>13.85</td>
<td>14.65</td>
</tr>
<tr>
<td>Total return (%)</td>
<td>2.64</td>
<td>4.91</td>
<td>3.05</td>
<td>2.74</td>
<td>1.56</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
### U.S. Growth Fund Class NAV Shares

<table>
<thead>
<tr>
<th>Per share operating performance</th>
<th>Period ended</th>
<th>8-31-17</th>
<th>8-31-16</th>
<th>8-31-15</th>
<th>8-31-14</th>
<th>8-31-13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net asset value, beginning of period</strong></td>
<td>$10.60</td>
<td>$11.33</td>
<td>$13.81</td>
<td>$13.03</td>
<td>$11.56</td>
<td></td>
</tr>
<tr>
<td>Net investment income ¹</td>
<td>0.10</td>
<td>0.15</td>
<td>0.23</td>
<td>0.18</td>
<td>0.20</td>
<td></td>
</tr>
<tr>
<td>Net realized and unrealized gain (loss) on investments</td>
<td>1.39</td>
<td>1.10</td>
<td>(0.32)</td>
<td>2.33</td>
<td>1.46</td>
<td></td>
</tr>
<tr>
<td><strong>Total from investment operations</strong></td>
<td>1.49</td>
<td>1.25</td>
<td>(0.09)</td>
<td>2.51</td>
<td>1.66</td>
<td></td>
</tr>
<tr>
<td><strong>Less distributions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From net investment income</td>
<td>(0.20)</td>
<td>(0.25)</td>
<td>(0.17)</td>
<td>(0.27)</td>
<td>(0.19)</td>
<td></td>
</tr>
<tr>
<td>From net realized gain</td>
<td>(2.08)</td>
<td>(1.73)</td>
<td>(2.22)</td>
<td>(1.46)</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td><strong>Total distributions</strong></td>
<td>(2.28)</td>
<td>(1.98)</td>
<td>(2.39)</td>
<td>(1.73)</td>
<td>(0.19)</td>
<td></td>
</tr>
<tr>
<td><strong>Net asset value, end of period</strong></td>
<td>$9.81</td>
<td>$10.60</td>
<td>$11.33</td>
<td>$13.81</td>
<td>$13.03</td>
<td></td>
</tr>
<tr>
<td><strong>Total return (%)</strong> ²</td>
<td>18.04</td>
<td>12.06</td>
<td>(1.63)</td>
<td>20.56</td>
<td>14.55</td>
<td></td>
</tr>
</tbody>
</table>

### Ratios and supplemental data

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>8-31-13</td>
<td>8-31-14</td>
<td>8-31-15</td>
<td>8-31-16</td>
<td>8-31-17</td>
</tr>
<tr>
<td>Expenses before reductions</td>
<td>$8</td>
<td>$837</td>
<td>$914</td>
<td>$1,005</td>
<td>$939</td>
</tr>
<tr>
<td>Expenses including reductions</td>
<td>0.78</td>
<td>0.80</td>
<td>0.79</td>
<td>0.79</td>
<td>0.78</td>
</tr>
<tr>
<td><strong>Net investment income</strong></td>
<td>0.96</td>
<td>1.45</td>
<td>1.82</td>
<td>1.34</td>
<td>1.60</td>
</tr>
<tr>
<td><strong>Portfolio turnover (%)</strong></td>
<td>112</td>
<td>85</td>
<td>60</td>
<td>52</td>
<td>42</td>
</tr>
</tbody>
</table>

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### U.S. High Yield Bond Fund

| Per share operating performance for a share outstanding throughout each period | Ratios and supplemental data |
|---|---|---|---|---|
| | Income (loss) from investment operations | Less Distributions | Ratios to average net assets | Net assets, end of period (in millions) | Portfolio turnover (%) |
| Period ended | Net asset value, beginning of period ($) | Net investment income ($) ³ | Net realized and unrealized gain (loss) on investments ($) | From net investment income ($) | From net realized gain ($) | From tax return of capital ($) | Total distributions ($) | Net asset value, end of period ($) | Total return (%) ² | Expenses before reductions (%) | Expenses including reductions (%) | Net investment income (loss) (%) | Net assets, end of period (in millions) | Portfolio turnover (%) |
| CLASS NAV | | | | | | | | | | | | | | |
| 08-31-2017 | 11.14 | 0.62 | 0.30 | 0.92 | (0.03) | (0.66) | — | — | (0.66) | 11.40 | 8.59 | 0.83 | 0.82 | 5.52 | 212 | 68 |
| 08-31-2016 | 11.19 | 0.64 | 0.03 | 0.67 | (0.22) | — | — | (0.72) | 11.14 | 6.56 | 0.80 | 0.80 | 6.03 | 281 | 59 |
| 08-31-2015 | 12.58 | 0.67 | (0.82) | 0.19 | (0.76) | (0.48) | — | (1.24) | 11.19 | (1.24) | 0.78 | 0.77 | 5.65 | 261 | 40 |
| 08-31-2014 | 12.48 | 0.71 | 0.44 | 1.15 | (0.61) | (0.24) | — | (1.05) | 12.58 | 9.66 | 0.77 | 0.76 | 5.64 | 391 | 54 |
| 08-31-2013 | 12.82 | 0.77 | (0.16) | 0.61 | (0.80) | (0.13) | — | (0.95) | 12.48 | 4.84 | 0.70 | 0.76 | 6.00 | 625 | 61 |

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.

### U.S. Strategic Equity Allocation Fund

| Per share operating performance for a share outstanding throughout each period | Ratios and supplemental data |
|---|---|---|---|---|---|
| | Income (loss) from investment operations | Less Distributions | Ratios to average net assets | Net assets, end of period (in millions) | Portfolio turnover (%) |
| Period ended | Net asset value, beginning of period ($) | Net investment income ($) ³ | Net realized and unrealized gain (loss) on investments ($) | From net investment income ($) | From net realized gain ($) | From tax return of capital ($) | Total distributions ($) | Net asset value, end of period ($) | Total return (%) ² | Expenses before reductions (%) | Expenses including reductions (%) | Net investment income (loss) (%) | Net assets, end of period (in millions) | Portfolio turnover (%) |
| CLASS NAV | | | | | | | | | | | | | | |
| 08-31-2017 ³ | 10.00 | 0.15 | 1.46 | 1.61 | (0.04) | — | — | (0.04) | 11.57 | 16.08 ⁴ | 0.66 ⁵ | 0.53 ⁵ | 1.45 ⁵ | 1,955 | 119 |

1. Based on average daily shares outstanding.
2. Total returns would have been lower had certain expenses not been reduced during the applicable periods.
3. Period from 9-26-16 (commencement of operations) to 8-31-17.
4. Not annualized.
5. Annualized.
APPENDIX A: SCHEDULE OF MANAGEMENT FEES

Set forth below is the schedule of the annual percentage rates of the management fees for the funds. For certain funds the advisory or management fee for the fund is calculated by applying to the net assets of the fund an annual fee rate, which is determined based on the application of the annual percentage rates for the fund to the “Aggregate Net Assets” of the fund. Aggregate Net Assets of a fund include the net assets of the fund, and in most cases, the net assets of one or more other John Hancock Fund Complex funds (or portions thereof) identified in the advisory agreement. If a fund and such other fund(s) (or portions thereof) cease to have the same subadvisor, their assets will no longer be aggregated for purposes of determining the applicable annual fee rate for the fund.

<table>
<thead>
<tr>
<th>Fund</th>
<th>APR</th>
<th>Advisory Fee Breakpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific Total Return Bond Fund</td>
<td>0.725%</td>
<td>— first $250 million;</td>
</tr>
<tr>
<td></td>
<td>0.700%</td>
<td>— next $250 million;</td>
</tr>
<tr>
<td></td>
<td>0.600%</td>
<td>— excess over $500 million.</td>
</tr>
<tr>
<td>Blue Chip Growth Fund</td>
<td>0.825%</td>
<td>— first $500 million;</td>
</tr>
<tr>
<td></td>
<td>0.800%</td>
<td>— next $500 million;</td>
</tr>
<tr>
<td></td>
<td>0.750%</td>
<td>— excess over $1 billion.*†</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*When Aggregate Net Assets exceed $1 billion on any day, the annual rate of advisory fee for that day is 0.750% on all asset levels.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>†The fee schedule above became effective July 1, 2017.</td>
</tr>
<tr>
<td>Capital Appreciation Fund</td>
<td>0.850%</td>
<td>— first $300 million;</td>
</tr>
<tr>
<td></td>
<td>0.800%</td>
<td>— next $200 million;</td>
</tr>
<tr>
<td></td>
<td>0.700%</td>
<td>— next $500 million;</td>
</tr>
<tr>
<td></td>
<td>0.670%</td>
<td>— excess over $1 billion.</td>
</tr>
<tr>
<td>Capital Appreciation Value Fund</td>
<td>0.950%</td>
<td>If net assets are less than $500 million, the following fee schedule shall apply:</td>
</tr>
<tr>
<td></td>
<td>0.850%</td>
<td>— first $250 million;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>— excess over $250 million.</td>
</tr>
<tr>
<td></td>
<td>0.850%</td>
<td>If net assets equal or exceed $500 million but are less than $2 billion, the following fee schedule shall apply:</td>
</tr>
<tr>
<td></td>
<td>0.800%</td>
<td>— first $1 billion;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>— excess $1 billion.</td>
</tr>
<tr>
<td></td>
<td>0.850%</td>
<td>If net assets equal or exceed $2 billion but are less than $3 billion, the following fee schedule shall apply:</td>
</tr>
<tr>
<td></td>
<td>0.800%</td>
<td>— first $500 million;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>— excess over $500 million.</td>
</tr>
<tr>
<td></td>
<td>0.800%</td>
<td>If net assets equal or exceed $3 billion, the following fee schedule shall apply:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>— all asset levels.</td>
</tr>
<tr>
<td>Core Bond Fund</td>
<td>0.690%</td>
<td>— first $200 million;</td>
</tr>
<tr>
<td></td>
<td>0.640%</td>
<td>— next $200 million;</td>
</tr>
<tr>
<td></td>
<td>0.570%</td>
<td>— excess over $400 million.</td>
</tr>
<tr>
<td>Emerging Markets Fund</td>
<td>0.970%</td>
<td>— first $100 million;</td>
</tr>
<tr>
<td></td>
<td>0.920%</td>
<td>— excess over $100 million.*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*The fee schedule above became effective April 1, 2017.</td>
</tr>
<tr>
<td>Emerging Markets Debt Fund</td>
<td>0.725%</td>
<td>— first $250 million;</td>
</tr>
<tr>
<td></td>
<td>0.700%</td>
<td>— next $500 million;</td>
</tr>
<tr>
<td></td>
<td>0.675%</td>
<td>— excess over $750 million.</td>
</tr>
<tr>
<td>Equity Income Fund</td>
<td>0.825%</td>
<td>— first $100 million;</td>
</tr>
<tr>
<td></td>
<td>0.800%</td>
<td>— Between $100 million and $200 million;</td>
</tr>
<tr>
<td></td>
<td>0.775%</td>
<td>— Between $200 million and $500 million;</td>
</tr>
<tr>
<td></td>
<td>0.750%</td>
<td>— Between $500 million and $1 billion;</td>
</tr>
<tr>
<td></td>
<td>0.750%</td>
<td>— Between $1 billion and $1.5 billion;</td>
</tr>
<tr>
<td></td>
<td>0.725%</td>
<td>— Excess over $1.5 billion.</td>
</tr>
</tbody>
</table>
When Aggregate Net Assets exceed $200 million on any day, the annual rate of advisory fee for that day is 0.800% on the first $200 million of Aggregate Net Assets.

When Aggregate Net Assets exceed $500 million on any day, the annual rate of advisory fee for that day is 0.775% on the first $500 million of Aggregate Net Assets and 0.750% on the amount above $500 million.

When Aggregate Net Assets exceed $1 billion on any day, the annual rate of advisory fee for that day is 0.750% on the first $1 billion of Aggregate Net Assets.

When Aggregate Net Assets exceed $1.5 billion on any day, the annual rate of advisory fee for that day is 0.725% on the first $1.5 billion of Aggregate Net Assets.

The fee schedule above became effective January 1, 2017.

### Floating Rate Income Fund
- 0.700% — first $1.1 billion;
- 0.675% — next $0.90 billion;
- 0.650% — next $1.5 billion; and
- 0.600% — excess over $3.5 billion.

### Fundamental Global Franchise Fund
- 0.800% — first $1 billion; and
- 0.780% — excess over $1 billion.

### Global Bond Fund
- 0.700% — first $1 billion; and
- 0.650% — excess over $1 billion.*

### Global Equity Fund
- 0.825% — first $500 million; and
- 0.800% — excess over $500 million.*

### Global Real Estate Fund
- 0.900% — first $500 million;
- 0.875% — next $250 million; and
- 0.850% — excess over $750 million.

### Health Sciences Fund
- 1.050% — first $500 million;
- 1.000% — next $250 million; and
- 0.950% — excess over $750 million.*

### High Yield Fund
- 0.700% — first $500 million; and
- 0.650% — excess over $500 million.

### International Growth Stock Fund
- 0.850% — first $250 million;
- 0.800% — next $500 million; and
- 0.750% — excess over $750 million.

### International Small Cap Fund
- 1.050% — first $200 million;
- 0.950% — next $300 million; and
- 0.850% — excess over $500 million.

### International Small Company Fund
- 0.950% — at all asset levels.

### International Strategic Equity Allocation Fund
- 0.675% — first $2.5 billion
- 0.650% — next $5 billion;
- 0.625% — next $2.5 billion;
- 0.600% — next $5 billion;
- 0.595% — next $10 billion; and
- 0.590% — excess over $25 billion.

### International Value Fund
- 0.950% — first $150 million;
- 0.850% — next $150 million; and
- 0.790% — excess over $150 million.*
*When Aggregate Net Assets exceed $300 million, the advisory fee rate is 0.800% on all net assets of the fund.

**Mid Cap Stock Fund**
- 0.875% — first $200 million;
- 0.850% — next $300 million; and
- 0.825% — excess over $500 million.

**Mid Value Fund**
- 1.050% — first $20 million;
- 0.950% — next $30 million; and
- 0.950% — excess over $50 million.*

*When Aggregate Net Assets exceed $50 million, the advisory fee is 0.950% on all assets of the Mid Value Fund.

**Natural Resources Fund**
- 1.000% — first $500 million;
- 0.950% — next $500 million;
- 0.900% — next $1 billion; and
- 0.850% — excess over $2 billion.

**New Opportunities Fund**
- 0.900% — first $2 billion; and
- 0.850% — excess over $2 billion.

**Real Estate Equity Fund**
- 0.875% — first $250 million;
- 0.850% — next $250 million; and
- 0.825% — excess over $500 million.

**Real Estate Securities Fund**
- 0.700% — at all asset levels.

**Real Return Bond Fund**
- 0.700% — first $1 billion; and
- 0.650% — excess over $1 billion.

**Redwood Fund**
- 1.200% — first $100 million;
- 1.150% — next $100 million;
- 1.100% — above $200 million, retroactive to prior asset levels; and
- 1.050% — excess over $500 million.

**Science & Technology Fund**
- 1.050% — first $500 million; and
- 1.000% — excess over $500 million.

**Short Term Government Income Fund**
- 0.570% — first $250 million; and
- 0.550% — excess over $250 million.

**Small Cap Growth Fund**
- 1.050% — first $50 million; and
- 1.000% — excess over $50 million.*

*The fee schedule above became effective July 1, 2017.

**Small Cap Value Fund**
- 1.100% — first $100 million;
- 1.050% — next $500 million; and
- 1.000% — excess over $600 million.

**Small Company Growth Fund**
- 0.880% — first $300 million;
- 0.850% — next $300 million; and
- 0.830% — next $300 million; and
- 0.800% — excess over $900 million.*

*The fee schedule above was effective December 26, 2017.

**Small Company Value Fund**
- 1.050% — first $500 million; and
- 1.000% — excess over $500 million.

**Spectrum Income Fund**
- 0.800% — first $250 million; and
Strategic Equity Allocation Fund

- 0.675% — first $2.5 billion;
- 0.650% — next $5 billion;
- 0.625% — next $2.5 billion;
- 0.600% — next $5 billion;
- 0.595% — next $10 billion; and
- 0.590% — excess over $25 billion.

Strategic Income Opportunities Fund

- 0.700% — first $500 million;
- 0.650% — next $3 billion;
- 0.600% — next $4 billion;
- 0.590% — next $4.5 billion; and
- 0.575% — excess over $12 billion.

Total Return Fund

- 0.700% — first $1 billion of Total Return Net Assets; and
- 0.650% — excess over $1 billion of Total Return Net Assets.

If PIMCO is the subadvisor to the fund, the following fee schedule shall apply:

- 0.700% — first $1 billion of Total Return Net Assets; and
- 0.675% — excess over $1 billion of Total Return Net Assets.

If PIMCO is not the subadvisor to the fund, the following fee schedule shall apply:

- 0.700% — first $1 billion of Total Return Net Assets; and
- 0.650% — excess over $1 billion of Total Return Net Assets.

U.S. Growth Fund

- 0.700% — first $500 million;
- 0.650% — excess over $500 million.

*The fee schedule above became effective September 29, 2016.

U.S. High Yield Bond Fund

- 0.750% — first $200 million; and
- 0.720% — excess over $200 million.

U.S. Strategic Equity Allocation Fund

- 0.675% — first $2.5 billion;
- 0.650% — next $5 billion;
- 0.625% — next $2.5 billion;
- 0.600% — next $5 billion;
- 0.595% — next $10 billion; and
- 0.590% — excess over $25 billion.

*The fee schedule above became effective September 29, 2016.
During their most recent fiscal period, the funds paid the following management fees as a percentage of average daily net assets to their advisor (including any waivers and/or reimbursements):

- Asia Pacific Total Return Bond Fund: 0.71%
- Blue Chip Growth Fund: 0.73%
- Capital Appreciation Fund: 0.70%
- Capital Appreciation Value Fund: 0.77%
- Core Bond Fund: 0.58%
- Emerging Markets Debt Fund: 0.70%
- Emerging Markets Fund: 0.93%
- Equity Income Fund: 0.69%
- Floating Rate Income Fund: 0.67%
- Fundamental Global Franchise Fund: 0.79%
- Global Bond Fund: 0.69%
- Global Equity Fund: 0.79%
- Global Real Estate Fund: 0.89%
- Health Sciences Fund: 0.99%
- High Yield Fund: 0.68%
- International Growth Stock Fund: 0.78%
- International Small Cap Fund: 0.96%
- International Small Company Fund: 0.94%
- International Strategic Equity Allocation Fund: 0.49%
- International Value Fund: 0.79%
- Mid Cap Stock Fund: 0.82%
- Mid Value Fund: 0.90%
- Natural Resources Fund: 0.90%
- New Opportunities Fund: 0.69%
- Real Estate Equity Fund: 0.83%
- Real Estate Securities Fund: 0.69%
- Real Return Bond Fund: 0.69%
- Redwood Fund: 1.12%
- Science & Technology Fund: 0.98%
- Short Term Government Income Fund: 0.55%
- Small Cap Growth Fund: 1.03%
- Small Cap Value Fund: 1.02%
- Small Company Growth Fund: 0.99%
- Small Company Value Fund: 0.99%
- Spectrum Income Fund: 0.70%
- Strategic Equity Allocation Fund: 0.49%
- Strategic Income Opportunities Fund: 0.60%
- Total Return Fund: 0.60%
- U.S. Growth Fund: 0.54%
- U.S. High Yield Bond Fund: 0.73%
- U.S. Strategic Equity Allocation Fund: 0.49%
The following documents are available that offer further information on JHF II:

**Annual/semiannual reports to shareholders**
Additional information about a fund’s investments is available in the fund’s annual and semiannual reports to shareholders. In a fund’s annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the fund’s performance during its last fiscal year.

**Statement of Additional Information (SAI)**
The SAI contains more detailed information on all aspects of a fund and includes a summary of a fund’s policy regarding disclosure of its portfolio holdings, as well as legal and regulatory matters. A current SAI has been filed with the SEC and is incorporated by reference into (and is legally a part of) this prospectus.

**XBRL Filings**
XBRL filings regarding the funds may be found at www.johnhancock.com/XBRL/JHTII.html.

To obtain a free copy of these documents or request other information
There are several ways you can get a current annual/semiannual report, prospectus, or SAI from John Hancock, request other information, or make inquiries:

**Online:** jhinvestments.com

**By mail:**
John Hancock Funds
601 Congress Street
Boston, MA 02210-2805

**By phone:** 800-344-1029

You can also view or obtain copies of these documents through the SEC:

**Online:** sec.gov

**By email (duplicating fee required):** publicinfo@sec.gov

**By mail (duplicating fee required):**
Public Reference Section
Securities and Exchange Commission
Washington, DC 20549-1520

**In person:** at the SEC’s Public Reference Room in Washington, DC
For access to the Reference Room, call 202-551-8090.