

# Statement of Additional Information Supplement

**John Hancock Bond Trust**  
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## **Supplement dated June 30, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)**

Effective June 30, 2025, Paul Lorentz no longer serves as a non-independent Trustee of the investment companies listed above (each a “Trust”). Accordingly, all references to Mr. Lorentz as a current non-independent Trustee are removed from the SAI.

In addition, the Board of Trustees of each Trust has appointed Kristie Feinberg, who will continue to serve as each Trust’s President, as a non-independent Trustee effective June 30, 2025. As of April 30, 2025, the “John Hancock Fund Complex” consisted of 186 funds (including separate series of series mutual funds). Ms. Feinberg’s Principal Occupation(s) and Other Directorships are as follows:

Head of Retail, Manulife Investment Management (since 2025); Head of Wealth & Asset Management, U.S. and Europe, for John Hancock and Manulife (2023–2025); Director and Chairman, John Hancock Investment Management LLC (since 2023); Director and Chairman, John Hancock Variable Trust Advisers LLC (since 2023); Director and Chairman, John Hancock Investment Management Distributors LLC (since 2023); CFO and Global Head of Strategy, Manulife Investment Management (2021–2023, including prior positions); CFO Americas & Global Head of Treasury, Invesco, Ltd., Invesco US (2019–2020, including prior positions); Senior Vice President, Corporate Treasurer and Business Controller, Oppenheimer Funds (2001–2019, including prior positions); President (Chief Executive Officer and Principal Executive Officer) of various trusts within the John Hancock Fund Complex (since 2023, including prior positions).

Trustee of various trusts within the John Hancock Fund Complex (since 2025).

The section under the heading “Additional Information about the Trustees” is amended to include the following:

*Kristie M. Feinberg* — As President and CEO of John Hancock Investment Management and of various trusts within the John Hancock Fund Complex, and through prior leadership roles at Manulife Investment Management including Head of Wealth & Asset Management, U.S. and Europe and CFO and Global Head of Strategy, Ms. Feinberg brings deep expertise in financial services. Her strong background in finance, strategy, and leadership, along with a proven track record of expanding product offerings and distribution, enables her to provide strategic insight and management input to the Board.

*You should read this supplement in conjunction with the SAI and retain it for your future reference.*

# Statement of Additional Information Supplement

## John Hancock Funds II Capital Appreciation Value Fund (the fund)

### Supplement dated June 30, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)

As of June 30, 2025 (the Effective Date), Vivek Rajeswaran, Mike Signore, and Brian Solomon are added as portfolio managers of the fund. David R. Giroux continues as a portfolio manager of the fund, and together with Vivek Rajeswaran, Mike Signore, and Brian Solomon is jointly and primarily responsible for the day-to-day management of the fund's portfolio. Accordingly, as of the Effective Date, the following information regarding Vivek Rajeswaran, Mike Signore, and Brian Solomon supplements the information presented in Appendix B - Portfolio Manager Information, which provides additional information about the portfolio managers of the fund's subadvisor, T. Rowe Price Associates, Inc.:

### PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED

The following table provides information regarding other accounts for which each of Vivek Rajeswaran, Mike Signore, and Brian Solomon has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance ("performance-based fees"), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each of Vivek Rajeswaran's, Mike Signore's, and Brian Solomon's investment in the fund and similarly managed accounts.

The following table provides information as of April 30, 2025:

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Vivek Rajeswaran	0	\$0	0	\$0	0	\$0
Mike Signore	0	\$0	0	\$0	0	\$0
Brian Solomon	1	\$52.07	0	\$0	0	\$0

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Vivek Rajeswaran	0	\$0	0	\$0	0	\$0
Mike Signore	0	\$0	0	\$0	0	\$0
Brian Solomon	0	\$0	0	\$0	0	\$0

### Ownership of the Fund and Similarly Managed Accounts

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by each of Vivek Rajeswaran, Mike Signore, and Brian Solomon as of April 30, 2025. For purposes of this table, "similarly managed accounts" include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. Each of Vivek Rajeswaran's, Mike Signore's, and Brian Solomon's ownership of fund shares is stated in the footnote below the table.

Portfolio Manager	Dollar Range of Shares Owned <sup>1</sup>
Vivek Rajeswaran	\$10,001-\$50,000
Mike Signore	None

Portfolio Manager	Dollar Range of Shares Owned <sup>1</sup>
Brian Solomon	\$100,001–\$500,000

<sup>1</sup> As of April 30, 2025, Vivek Rajeswaran, Mike Signore, and Brian Solomon beneficially owned \$0, \$0, and \$0, respectively, of the fund.

*You should read this supplement in conjunction with the SAI and retain it for your future reference.*

# Statement of Additional Information Supplement

**John Hancock Funds II**  
**Multi-Asset High Income Fund (the fund)**

**Supplement dated April 24, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)**

As of March 31, 2026 (the Effective Date), John F. Addeo, CFA will no longer serve as a portfolio manager of the fund. As of the Effective Date, Geoffrey Kelley, CFA, Caryn E. Rothman, CFA, Nathan W. Thooft, CFA and Christopher Walsh, CFA will continue to serve as portfolio managers of the fund and will be jointly and primarily responsible for the day-to-day management of the fund's portfolio. Accordingly, as of the Effective Date, all references to Mr. Addeo will be removed from the SAI.

*You should read this supplement in conjunction with the SAI and retain it for your future reference.*

# Statement of Additional Information Supplement

## John Hancock Funds II International Small Company Fund (the fund)

### Supplement dated April 16, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)

Effective April 28, 2025, Brendan J. McAndrews will be added as a portfolio manager of the fund. Jed S. Fogdall and Joel P. Schneider continue to serve as portfolio managers of the fund, and together with Brendan J. McAndrews, are jointly and primarily responsible for the day-to-day management of the fund's portfolio. Accordingly, the following supplements the information presented in Appendix B of the SAI, which provides additional information about the portfolio managers of the fund's subadvisor, Dimensional Fund Advisors LP:

### PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED

The following table provides information regarding other accounts for which Brendan J. McAndrews has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pays advisory fees that are based on account performance ("performance-based fees"), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is Brendan J. McAndrews' investment in the fund and similarly managed accounts.

The following table provides information as of February 28, 2025:

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Brendan J. McAndrews	19	\$75,942	0	\$0	7	\$4,692

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below:

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Brendan J. McAndrews	0	\$0	0	\$0	0	\$0

### Ownership of the Fund Shares

The following table shows the dollar range of fund shares beneficially owned by Brendan J. McAndrews as of February 28, 2025.

Portfolio Manager	Dollar Range of Shares Owned
Brendan J. McAndrews	none

*You should read this supplement in conjunction with the SAI and retain it for your future reference.*

# Statement of Additional Information Supplement

**John Hancock Funds II (the Trust)  
International Small Company Fund**

**Supplement dated March 27, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)**

At its meeting held on March 24-27, 2025, the Board of Trustees of the Trust (the Board) approved the closing and liquidation of the fund pursuant to a Plan of Liquidation approved by the Board. The Board determined that the continuation of the fund is not in the best interests of the fund or its shareholders as a result of factors or events adversely affecting the fund's ability to conduct its business and operations in an economically viable manner. The fund generally will not accept orders to purchase shares of the fund beginning on or about April 28, 2025 except at the fund's sole discretion. However, discretionary fee-based advisory programs, certain retirement accounts and/or model portfolios that include the fund as an investment option as of the close of business April 28, 2025, may continue to make the fund shares available to new and existing accounts. On or about July 18, 2025 (the Liquidation Date), the fund will distribute pro rata all of its assets to its shareholders, and all outstanding shares will be redeemed and cancelled as of the close of business on the Liquidation Date.

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## Statement of Additional Information Supplement

**John Hancock Funds II**  
**Health Sciences Fund (the fund)**

**Supplement dated February 5, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)**

Effective March 24, 2025 (the Effective Date), Ziad Bakri, the portfolio manager of the fund, will be on sabbatical. Jason Nogueira will be covering in the interim as the portfolio manager of the fund and will be primarily responsible for the day-to-day management of the fund's portfolio until its liquidation on or about March 28, 2025 (the Liquidation Date).

Accordingly, as of the Effective Date, the following information regarding Mr. Nogueira supplements the information presented in Appendix B of the SAI, which provides additional information about the portfolio manager of the subadvisor, T. Rowe Price Associates, Inc.

### PORTFOLIO MANAGER AND OTHER ACCOUNTS MANAGED

The following table provides information regarding other accounts for which the portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance ("performance-based fees"), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is the portfolio manager's investment in the fund and similarly managed accounts.

The following table provides information as of December 31, 2024:

	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
Portfolio Manager	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Jason Nogueira	7	\$ 37,006.9	37	\$ 52,116.4	8	\$ 10,346.3

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
Portfolio Manager	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Jason Nogueira	0	\$0	0	\$0	0	\$0

**Ownership of the Fund and Similarly Managed Accounts**

The following table shows the dollar range of fund shares beneficially owned by the portfolio manager listed above as of December 31, 2024.

Portfolio Manager	Dollar Range of Shares Owned
Health Sciences Fund <sup>1</sup>	
Jason Nogueira	None

<sup>1</sup> As of December 31, 2024, Jason Nogueira beneficially owned \$0 of Health Scences Fund.

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## Statement of Additional Information Supplement

### John Hancock Funds II Floating Rate Income Fund (the fund)

#### Supplement dated January 31, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)

Effective January 31, 2025 (the Effective Date), Dan Shugrue is added as a portfolio manager of the fund. As of the Effective Date, Grayson Allison, Andrew Carlino, Kim Harris, and Nate Whittier will continue as portfolio managers of the fund, and together with Dan Shugrue will be jointly and primarily responsible for the day-to-day management of the fund's portfolio.

Accordingly, as of the Effective Date, the following information regarding Mr. Shugrue supplements the information presented in Appendix B – Portfolio Manager Information, which provides additional information about the portfolio managers of the fund's subadvisor, BCSF Advisors, LP.

#### PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance ("performance-based fees"), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager's investment in the fund and similarly managed accounts.

The following table provides information as of December 31, 2024:

	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
Portfolio Manager	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Dan Shugrue	0	\$0	0	\$0	0	\$0

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
Portfolio Manager	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Dan Shugrue	0	\$0	0	\$0	0	\$0

**Ownership of Fund Shares**

The following table shows the dollar range of fund shares beneficially owned by the portfolio managers listed above as of December 31, 2024.

Portfolio Manager	Dollar Range of Shares Owned
Dan Shugrue	none

In addition, as of December 31, 2025, Andrew Carlino and Kim Harris will no longer serve as portfolio managers for the fund. Accordingly, all references to Mr. Carlino and Ms. Harris will be removed from the SAI as of December 31, 2025.

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# Statement of Additional Information Supplement

**John Hancock Funds II**

**Supplement dated January 30, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)**

**Lifestyle Blend Aggressive Portfolio**

**Lifestyle Blend Balanced Portfolio**

**Lifestyle Blend Conservative Portfolio**

**Lifestyle Blend Growth Portfolio**

**Lifestyle Blend Moderate Portfolio (the Lifestyle funds)**

As of March 28, 2025 (the Effective Date), Geoffrey Kelley, CFA will no longer serve as a portfolio manager of the Lifestyle funds. As of the Effective Date, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA will continue to serve as portfolio managers of the Lifestyle funds and will be jointly and primarily responsible for the day-to-day management of the Lifestyle funds' portfolios. Accordingly, as of the Effective Date, all references to Mr. Kelley will be removed from the SAI.

**International Strategic Equity Allocation Fund**

**U.S. Sector Rotation Fund (the funds)**

As of March 28, 2025 (the Effective Date), Nathan W. Thooft, CFA will no longer serve as a portfolio manager of the funds. As of the Effective Date, Michael J. Comer, CFA and James Robertson, CIM will continue to serve as portfolio managers of the funds and will be jointly and primarily responsible for the day-to-day management of the funds' portfolios. Accordingly, as of the Effective Date, all references to Mr. Thooft will be removed from the SAI.

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## Statement of Additional Information Supplement

**John Hancock Funds II (the Trust)**

**Health Sciences Fund**

**Science & Technology Fund**

**Fundamental Global Franchise Fund (each, a fund, and together, the funds)**

**Supplement dated January 23, 2025 to the current Statement of Additional Information, as may be supplemented (the SAI)**

The Board of Trustees of the Trust (the Board) approved the closing and liquidation of the above-referenced funds pursuant to a Plan of Liquidation for each of the funds approved by the Board. The Board determined that the continuation of each fund is not in the best interests of the fund or its shareholders as a result of factors or events adversely affecting the fund's ability to conduct its business and operations in an economically viable manner. Each fund generally will not accept orders to purchase shares of the fund beginning on or about February 24, 2025, except at the fund's sole discretion. However, discretionary fee-based advisory programs, certain retirement accounts and/or model portfolios that include the funds as an investment option as of the close of business February 24, 2025, may continue to make the fund shares available to new and existing accounts. On or about March 28, 2025 (the Liquidation Date), each fund will distribute pro rata all of its assets to its shareholders, and all outstanding shares will be redeemed and cancelled as of the close of business on the Liquidation Date.

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## Statement of Additional Information

### John Hancock Funds II

January 1, 2025

	<b>A</b>	<b>C</b>	<b>I</b>	<b>R2</b>	<b>R4</b>	<b>R5</b>	<b>R6</b>	<b>NAV</b>	<b>1</b>
Alternative Asset Allocation Fund	JAAAX	JAACX	JAAIX	JAAPX	JAASX	N/A	JAARX	N/A	N/A
Blue Chip Growth Fund	JBGAX	JBGCX	—	N/A	N/A	N/A	N/A	JHBCDX	JIBCX
Capital Appreciation Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	JHCPX	JICPX
Capital Appreciation Value Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	JCAVX	N/A
Core Bond Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	JHCDX	JICDX
Disciplined Value Emerging Markets Equity Fund (formerly Emerging Markets Fund)	JEVAX	JEVCX	JEVIX	N/A	—	—	JEVRX	JEVNX	N/A
Emerging Markets Debt Fund	JMKAX	JMKCX	JMKIX	—	JHMDX	N/A	JEMIX	—	N/A
Equity Income Fund	JHEIX	JHERX	—	N/A	N/A	N/A	N/A	—	JIEMX
Floating Rate Income Fund	JFIAX	JFIGX	JFIIX	N/A	N/A	N/A	JFIRX	JFIDX	JFIHX
Fundamental Global Franchise Fund	JFGAX	N/A	JFGIX	N/A	N/A	N/A	JFGFX	—	N/A
Global Equity Fund	JHGEX	JGECX	JGEFX	JGERX	JGETX	N/A	JGEMX	—	N/A
Health Sciences Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	N/A
High Yield Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	JHHDX	JIHDX
International Small Company Fund	JISAX	JISDX	JSCIX	—	—	—	JHSMX	JHATX	N/A
International Strategic Equity Allocation Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	N/A
Mid Value Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	JMVNX	N/A
Multi-Asset High Income Fund	JIAFX	JIAGX	JIAIX	N/A	N/A	N/A	JIASX	—	N/A
Lifestyle Blend Aggressive Portfolio	JABQX	N/A	—	—	—	—	JIIRX	N/A	JIIOX
Lifestyle Blend Balanced Portfolio	JABMX	N/A	—	—	—	—	JIBRX	N/A	JIBOX
Lifestyle Blend Conservative Portfolio	JABJX	N/A	—	—	—	—	JLCSX	N/A	JLCGX
Lifestyle Blend Growth Portfolio	JABPX	N/A	—	—	—	—	JLGSX	N/A	JLGOX
Lifestyle Blend Moderate Portfolio	JABKX	N/A	—	—	—	—	JLMRX	N/A	JLMOX
2065 Lifetime Blend Portfolio	JHBLX	N/A	N/A	N/A	JAAJX	N/A	JAAKX	N/A	JAAFY
2060 Lifetime Blend Portfolio	JHBKX	N/A	N/A	N/A	JHIKX	N/A	JIEHX	N/A	JRODX
2055 Lifetime Blend Portfolio	JHBJX	N/A	N/A	N/A	JLKWX	N/A	JLKYX	N/A	JLKZX
2050 Lifetime Blend Portfolio	JHBFX	N/A	N/A	N/A	JRTYX	N/A	JRLZX	N/A	JRLWX
2045 Lifetime Blend Portfolio	JHBEX	N/A	N/A	N/A	JRLUX	N/A	JRLVX	N/A	JRLQX
2040 Lifetime Blend Portfolio	JHBAX	N/A	N/A	N/A	JRTVX	N/A	JRTWX	N/A	JRTTX
2035 Lifetime Blend Portfolio	JHAYX	N/A	N/A	N/A	JRTMX	N/A	JRTNX	N/A	JRTKX
2030 Lifetime Blend Portfolio	JHAVX	N/A	N/A	N/A	JRTIX	N/A	JRTJX	N/A	JRTGX
2025 Lifetime Blend Portfolio	JHAUX	N/A	N/A	N/A	JRTDX	N/A	JRTFX	N/A	JRTBX
2020 Lifetime Blend Portfolio	JHAPX	N/A	N/A	N/A	JRLPX	N/A	JRTAX	N/A	JRLOX

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	<b>A</b>	<b>C</b>	<b>I</b>	<b>R2</b>	<b>R4</b>	<b>R5</b>	<b>R6</b>	<b>NAV</b>	<b>1</b>
2015 Lifetime Blend Portfolio	JHAOX	N/A	N/A	N/A	JRLKX	N/A	JRLLX	N/A	JRLIX
2010 Lifetime Blend Portfolio	JHANX	N/A	N/A	N/A	JRLFX	N/A	JRLHX	N/A	JRLDX
Multimanager 2065 Lifetime Portfolio	JAAXW	N/A	JABSX	JAAZX	JABBX	JABDX	JABEX	N/A	JAAXV
Multimanager 2060 Lifetime Portfolio	JJERX	N/A	JMENX	JVIMX	JROUX	JGHTX	JESRX	N/A	JRETX
Multimanager 2055 Lifetime Portfolio	JLKLX	N/A	JHRTX	JLKNX	JLKQX	JLKSX	JLKTX	N/A	JLKUX
Multimanager 2050 Lifetime Portfolio	JLKAX	N/A	JHRPX	JLKEX	JLKGX	JLKHX	JLKRX	N/A	JLKOX
Multimanager 2045 Lifetime Portfolio	JLJAX	N/A	JHROX	JLJEX	JLJGX	JLJHX	JLJIX	N/A	JLJOX
Multimanager 2040 Lifetime Portfolio	JLIAX	N/A	JHRDX	JLIEY	JLIGX	JLIHX	JLIIX	N/A	JLIOX
Multimanager 2035 Lifetime Portfolio	JLHAX	N/A	JHRMX	JLHEX	JLHGX	JLHHX	JLHIX	N/A	JLHOX
Multimanager 2030 Lifetime Portfolio	JLFAX	N/A	JHRGX	JLFEX	JLFGX	JLFHX	JLFIX	N/A	JLFOX
Multimanager 2025 Lifetime Portfolio	JLEAX	N/A	JHRNX	JLEEX	JLEGX	JLEHX	JLEIX	N/A	JLEOX
Multimanager 2020 Lifetime Portfolio	JLDAX	N/A	JHRVX	JLDEX	JLDGX	JLDHX	JLDIX	N/A	JLDOX
Multimanager 2015 Lifetime Portfolio	JLBAX	N/A	JHREX	JLBKX	JLBGX	JLBHX	JLBIX	N/A	JLBOX
Multimanager 2010 Lifetime Portfolio	JLAAX	N/A	JHRLX	JLAEX	—	JLAHX	JLAIX	N/A	JLAOX
New Opportunities Fund	JASOX	JBSOX	JHSOX	JSSOX	JUSOX	N/A	JWSOX	—	JISOX
Opportunistic Fixed Income Fund	JABWX	JABOX	JABTX	N/A	N/A	N/A	JABUX	JHGDY	JIGDY
Real Estate Securities Fund	JYEBX	JABFX	JABGX	N/A	N/A	N/A	JABIX	—	JIREX
Science & Technology Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	N/A
Small Cap Dynamic Growth Fund	JSJAX	JSJCX	JSJIX	N/A	N/A	N/A	JSJFX	—	N/A
Small Cap Value Fund	JSCAX	N/A	JSCBX	N/A	N/A	N/A	JSCCX	JSCNX	N/A
Strategic Income Opportunities Fund	JIPAX	JIPCX	JIPIX	JIPPX	N/A	N/A	JIPRX	JHSEX	N/A
U.S. Sector Rotation Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	—	N/A

This Statement of Additional Information (“SAI”) provides information about each fund listed above (each a “fund” and collectively, the “funds”). Each fund is a series of the Trust indicated above. The information in this SAI is in addition to the information that is contained in each fund’s prospectus dated January 1, 2025, as amended and supplemented from time to time (collectively, the “Prospectus”). The funds may offer other share classes that are described in separate prospectuses and SAIs.

This SAI is not a prospectus. It should be read in conjunction with the Prospectus. This SAI incorporates by reference the financial statements of each fund for the period ended August 31, 2024, as well as the related opinion of the fund’s independent registered public accounting firm, as included in the fund’s most recent Form N-CSR filing. The financial statements of each fund for the fiscal period ended August 31, 2024 are available through the following link(s):

Form N-CSR filed October 23, 2024 for:

Lifestyle Blend Portfolios

<https://www.sec.gov/Archives/edgar/data/1331971/000089843024000759/8dcf2f516f3fdb2.htm>

Form N-CSR filed October 23, 2024 for:

Lifetime Blend Portfolios

<https://www.sec.gov/Archives/edgar/data/1331971/000089843024000868/8dcf9ecc9bd8ea0.htm>

Form N-CSR filed October 23, 2024 for:

Multimanager Lifetime Portfolios

<https://www.sec.gov/Archives/edgar/data/1331971/000089843024000868/8dcf9ecc9bd8ea0.htm>

Form N-CSR filed November 1, 2024 for:

Alternative Asset Allocation Fund

Blue Chip Growth Fund

Real Estate Securities Fund

Small Cap Dynamic Growth Fund

Small Cap Value Fund  
<https://www.sec.gov/Archives/edgar/data/1331971/000168386322006751/f12710d1.htm>

Form N-CSR filed November 1, 2024 for:

Equity Income Fund  
Fundamental Global Franchise Fund  
Global Equity Fund  
International Small Company Fund  
New Opportunities Fund  
<https://www.sec.gov/Archives/edgar/data/1331971/000089843024000868/8dcf9ecc9bd8ea0.htm>

Form N-CSR filed November 7, 2024 for:

Disciplined Value Emerging Markets Equity Fund  
Emerging Markets Debt Fund  
Floating Rate Income Fund  
Multi-Asset High Income Fund  
Opportunistic Fixed Income Fund  
Strategic Income Opportunities Fund  
<https://www.sec.gov/Archives/edgar/data/1331971/000168386323007301/f36524d1.htm>

Form N-CSR filed November 7, 2024 for:

Capital Appreciation Fund  
Capital Appreciation Value Fund  
Core Bond Fund  
Health Sciences Fund  
High Yield Fund  
International Strategic Equity Allocation Fund  
Mid Value Fund  
Science & Technology Fund  
U.S. Sector Rotation Fund  
<https://www.sec.gov/Archives/edgar/data/1331971/000089843024000967/8dcff6eb43b8f7a.htm>

A copy of a Prospectus, Form N-CSR, other information such as fund financial statements that the fund files on Form N-CSR, or an annual report to shareholders (each an "Annual Report") can be obtained free of charge by contacting:

John Hancock Signature Services, Inc.  
P.O. Box 219909  
Kansas City, MO 64121-9909  
800-225-5291  
[jhinvestments.com](http://jhinvestments.com)

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## GLOSSARY

Term	Definition
“1933 Act”	the Securities Act of 1933, as amended
“1940 Act”	the Investment Company Act of 1940, as amended
“Advisers Act”	the Investment Advisers Act of 1940, as amended
“Advisor”	John Hancock Investment Management LLC, 200 Berkeley Street, Boston, Massachusetts 02116
“Advisory Agreement”	an investment advisory agreement or investment management contract between the Trust and the Advisor
“Affiliated Subadvisors”	Manulife Investment Management (North America) Limited and Manulife Investment Management (US) LLC, as applicable
“affiliated underlying funds”	underlying funds that are advised by John Hancock’s investment advisor or its affiliates
“BDCs”	business development companies
“Board”	Board of Trustees of the Trust
“Brown Brothers Harriman”	Brown Brothers Harriman & Co.
“CATS”	Certificates of Accrual on Treasury Securities
“CBOs”	Collateralized Bond Obligations
“CCO”	Chief Compliance Officer
“CDSC”	Contingent Deferred Sales Charge
“CEA”	the Commodity Exchange Act, as amended
“CIBM”	China interbank bond market
“CLOs”	Collateralized Loan Obligations
“CMOs”	Collateralized Mortgage Obligations
“Code”	the Internal Revenue Code of 1986, as amended
“COFI floaters”	Cost of Funds Index
“CPI”	Consumer Price Index
“CPI-U”	Consumer Price Index for Urban Consumers
“CPO”	Commodity Pool Operator
“CFTC”	Commodity Futures Trading Commission
“Citibank”	Citibank, N.A., 388 Greenwich Street, New York, NY 10013
“Distributor”	John Hancock Investment Management Distributors LLC, 200 Berkeley Street, Boston, Massachusetts 02116
“EMU”	Economic and Monetary Union
“ETFs”	Exchange-Traded Funds
“ETNs”	Exchange-Traded Notes
“EU”	European Union
“Fannie Mae”	Federal National Mortgage Association
“FATCA”	Foreign Account Tax Compliance Act
“Fed”	U.S. Federal Reserve
“FHFA”	Federal Housing Finance Agency
“FHLBs”	Federal Home Loan Banks
“FICBs”	Federal Intermediate Credit Banks
“Fitch”	Fitch Ratings
“Freddie Mac”	Federal Home Loan Mortgage Corporation
“funds” or “series”	The John Hancock funds within this SAI as noted on the front cover and as the context may require
“funds of funds”	funds that seek to achieve their investment objectives by investing in underlying funds, as permitted by Section 12(d) of the 1940 Act and the rules thereunder
“GNMA”	Government National Mortgage Association
“HKSCC”	Hong Kong Securities Clearing Company
“IOs”	Interest-Only
“IRA”	Individual Retirement Account
“IRS”	Internal Revenue Service
“JHCT”	John Hancock Collateral Trust

<b>Term</b>	<b>Definition</b>
“JH Distributors”	John Hancock Distributors, LLC
“JHLICO New York”	John Hancock Life Insurance Company of New York
“JHLICO U.S.A.”	John Hancock Life Insurance Company (U.S.A.)
“LOI”	Letter of Intention
“LIBOR”	London Interbank Offered Rate
“MAAP”	Monthly Automatic Accumulation Program
“Manulife Financial” or “MFC”	Manulife Financial, a publicly traded company based in Toronto, Canada
“Manulife IM (NA)”	Manulife Investment Management (North America) Limited
“Manulife IM (US)”	Manulife Investment Management (US) LLC
“MiFID II”	Markets in Financial Instruments Directive
“Moody's”	Moody's Investors Service, Inc
“NAV”	Net Asset Value
“NRSRO”	Nationally Recognized Statistical Rating Organization
“NYSE”	New York Stock Exchange
“OID”	Original Issue Discount
“OTC”	Over-The-Counter
“PAC”	Planned Amortization Class
“PFS”	Personal Financial Services
“POs”	Principal-Only
“PRC”	People's Republic of China
“REITs”	Real Estate Investment Trusts
“RIC”	Regulated Investment Company
“RPS”	John Hancock Retirement Plan Services
“SARSEP”	Salary Reduction Simplified Employee Pension Plan
“SEC”	Securities and Exchange Commission
“SEP”	Simplified Employee Pension
“SIMPLE”	Savings Incentive Match Plan for Employees
“S&P”	S&P Global Ratings
“SLMA”	Student Loan Marketing Association
“SPACs”	Special Purpose Acquisition Companies
“State Street”	State Street Bank and Trust Company, One Congress Street, Suite 1, Boston, MA 02114
“subadvisor”	Any subadvisors employed by John Hancock within this SAI as noted in Appendix B and as the context may require
“TAC”	Target Amortization Class
“TIGRs”	Treasury Receipts, Treasury Investors Growth Receipts
“Trust”	John Hancock Bond Trust John Hancock California Tax-Free Income Fund John Hancock Capital Series John Hancock Current Interest John Hancock Exchange-Traded Fund Trust John Hancock Funds II John Hancock Funds III John Hancock Investment Trust John Hancock Investment Trust II John Hancock Municipal Securities Trust John Hancock Sovereign Bond Fund John Hancock Strategic Series John Hancock Variable Insurance Trust
“TSA”	Tax-Sheltered Annuity
“unaffiliated underlying funds”	underlying funds that are advised by an entity other than John Hancock's investment advisor or its affiliates

<b>Term</b>	<b>Definition</b>
“underlying funds”	funds in which the funds of funds invest
“UK”	United Kingdom

## ORGANIZATION OF THE TRUST

The Trust is organized as a Massachusetts business trust under the laws of The Commonwealth of Massachusetts and is an open-end management investment company registered under the 1940 Act. Each of Blue Chip Growth Fund, Emerging Markets Debt Fund, Fundamental Global Franchise Fund, Real Estate Securities Fund and Science & Technology Fund is a non-diversified series of the Trust and each other fund is a diversified series of the Trust, as those terms are used in the 1940 Act, and as interpreted or modified by regulatory authority having jurisdiction, from time to time. The funds of funds may invest in affiliated and unaffiliated underlying funds. The following table sets forth the date the Trust was organized:

<b>Trust</b>	<b>Date of Organization</b>
John Hancock Funds II	June 28, 2005

The Advisor is a Delaware limited liability company whose principal offices are located at 200 Berkeley Street, Boston, Massachusetts 02116. The Advisor is registered as an investment advisor under the Advisers Act. The Advisor is an indirect principally owned subsidiary of JHLICO U.S.A. JHLICO U.S.A. and its subsidiaries today offer a broad range of financial products, including life insurance, annuities, 401(k) plans, long-term care insurance, college savings, and other forms of business insurance. Additional information about John Hancock may be found on the Internet at [johnhancock.com](http://johnhancock.com). The ultimate controlling parent of the Advisor is MFC, a publicly traded company based in Toronto, Canada. MFC is the holding company of The Manufacturers Life Insurance Company and its subsidiaries, collectively known as Manulife Financial.

The Advisor has retained for each fund a subadvisor that is responsible for providing investment advice to the fund subject to the review of the Board and the overall supervision of the Advisor.

Manulife Financial is a leading international financial services group with principal operations in Asia, Canada, and the United States. Operating primarily as John Hancock in the United States and Manulife elsewhere, it provides financial protection products and advice, insurance, as well as wealth and asset management services through its extensive network of solutions for individuals, groups, and institutions. Its global headquarters are in Toronto, Canada, and it trades as 'MFC' on the Toronto Stock Exchange, NYSE, and the Philippine Stock Exchange, and under '945' in Hong Kong. Manulife Financial can be found on the Internet at [manulife.com](http://manulife.com).

The following table sets forth each fund's inception date:

<b>Fund</b>	<b>Commencement of Operations</b>
Alternative Asset Allocation Fund	January 2, 2009
Blue Chip Growth Fund	October 17, 2005
Capital Appreciation Fund	October 17, 2005
Capital Appreciation Value Fund	January 6, 2011
Core Bond Fund	October 17, 2005
Disciplined Value Emerging Markets Equity Fund	May 1, 2007
Emerging Markets Debt Fund	January 4, 2010
Equity Income Fund	October 17, 2005
Floating Rate Income Fund	January 2, 2008
Fundamental Global Franchise Fund	June 29, 2012
Global Equity Fund	May 16, 2013
Health Sciences Fund	September 30, 2011
High Yield Fund	October 15, 2005
International Small Company Fund	April 28, 2006
International Strategic Equity Allocation Fund	October 17, 2016
Mid Value Fund	January 2, 2009
Multi-Asset High Income Fund	November 14, 2014
Lifestyle Blend Aggressive Portfolio	December 30, 2013
Lifestyle Blend Balanced Portfolio	December 30, 2013
Lifestyle Blend Conservative Portfolio	December 30, 2013
Lifestyle Blend Growth Portfolio	December 30, 2013
Lifestyle Blend Moderate Portfolio	December 30, 2013
2065 Lifetime Blend Portfolio	September 23, 2020
2060 Lifetime Blend Portfolio	March 30, 2016
2055 Lifetime Blend Portfolio	March 26, 2014
2050 Lifetime Blend Portfolio	November 7, 2013

<b>Fund</b>	<b>Commencement of Operations</b>
2045 Lifetime Blend Portfolio	November 7, 2013
2040 Lifetime Blend Portfolio	November 7, 2013
2035 Lifetime Blend Portfolio	November 7, 2013
2030 Lifetime Blend Portfolio	November 7, 2013
2025 Lifetime Blend Portfolio	November 7, 2013
2020 Lifetime Blend Portfolio	November 7, 2013
2015 Lifetime Blend Portfolio	November 7, 2013
2010 Lifetime Blend Portfolio	November 7, 2013
Multimanager 2065 Lifetime Portfolio	September 23, 2020
Multimanager 2060 Lifetime Portfolio	March 30, 2016
Multimanager 2055 Lifetime Portfolio	March 26, 2014
Multimanager 2050 Lifetime Portfolio	April 29, 2011
Multimanager 2045 Lifetime Portfolio	October 30, 2006
Multimanager 2040 Lifetime Portfolio	October 30, 2006
Multimanager 2035 Lifetime Portfolio	October 30, 2006
Multimanager 2030 Lifetime Portfolio	October 30, 2006
Multimanager 2025 Lifetime Portfolio	October 30, 2006
Multimanager 2020 Lifetime Portfolio	October 30, 2006
Multimanager 2015 Lifetime Portfolio	October 30, 2006
Multimanager 2010 Lifetime Portfolio	October 30, 2006
New Opportunities Fund	October 17, 2005
Opportunistic Fixed Income Fund	October 17, 2005
Real Estate Securities Fund	October 15, 2005
Science & Technology Fund	February 14, 2013
Small Cap Dynamic Growth Fund	October 31, 2005
Small Cap Value Fund	December 16, 2008
Strategic Income Opportunities Fund	April 28, 2006
U.S. Sector Rotation Fund	September 26, 2016

If a fund or share class has been in operation for a period that is shorter than the three-year fiscal period covered in this SAI, information is provided for the period the fund or share class, as applicable, was in operation.

## **ADDITIONAL INVESTMENT POLICIES AND OTHER INSTRUMENTS**

The principal strategies and risks of investing in each fund are described in the applicable Prospectus. Unless otherwise stated in the applicable Prospectus or this SAI, the investment objective and policies of each fund may be changed without shareholder approval. Each fund may invest in the instruments below, and such instruments and investment policies apply to each fund, but only if and to the extent that such policies are consistent with and permitted by a fund's investment objective and policies.

Each fund may also have indirect exposure to the instruments described below through derivative contracts, if applicable. By owning shares of the underlying funds, each fund of funds indirectly invests in the securities and instruments held by the underlying funds and bears the same risks of such underlying funds.

### **Asset-Backed Securities**

The securitization techniques used to develop mortgage securities also are being applied to a broad range of other assets. Through the use of trusts and special purpose corporations, automobile and credit card receivables are being securitized in pass-through structures similar to mortgage pass-through structures or in a pay-through structure similar to the CMO structure.

Generally, the issuers of asset-backed bonds, notes or pass-through certificates are special purpose entities and do not have any significant assets other than the receivables securing such obligations. In general, the collateral supporting asset-backed securities is of a shorter maturity than that of mortgage loans. As a result, investment in these securities should be subject to less volatility than mortgage securities. Instruments backed by pools of receivables are similar to mortgage-backed securities in that they are subject to unscheduled prepayments of principal prior to maturity. When the obligations are prepaid, a fund must reinvest the prepaid amounts in securities with the prevailing interest rates at the time. Therefore, a fund's ability to maintain an investment including high-yielding asset-backed securities will be affected adversely to the extent that prepayments of principal must be

reinvested in securities that have lower yields than the prepaid obligations. Moreover, prepayments of securities purchased at a premium could result in a realized loss. Unless otherwise stated in its Prospectus, a fund will only invest in asset-backed securities rated, at the time of purchase, “AA” or better by S&P or Fitch or “Aa” or better by Moody’s.

As with mortgage securities, asset-backed securities are often backed by a pool of assets representing the obligation of a number of different parties and use similar credit enhancement techniques. For a description of the types of credit enhancement that may accompany asset-backed securities, see “Types of Credit Support” below. When a fund invests in asset-backed securities, it will not limit its investments in asset-backed securities to those with credit enhancements. Although asset-backed securities are not generally traded on a national securities exchange, such securities are widely traded by brokers and dealers, and will not be considered illiquid securities for the purposes of the investment restriction on illiquid securities under the sub-section “Illiquid Securities” in this section below.

**Types of Credit Support.** To lessen the impact of an obligor’s failure to make payments on underlying assets, mortgage securities and asset-backed securities may contain elements of credit support. Such credit support falls into two categories:

- liquidity protection; and
- default protection.

Liquidity protection refers to the provision of advances, generally by the entity administering the pool of assets, to ensure that the pass-through of payments due on the underlying pool of assets occurs in a timely fashion. Default protection provides protection against losses resulting from ultimate default and enhances the likelihood of ultimate payment of the obligations on at least a portion of the assets in the pool. This protection may be provided through guarantees, insurance policies or letters of credit obtained by the issuer or sponsor from third parties, through various means of structuring the transaction or through a combination of such approaches. A fund will not pay any additional fees for such credit support, although the existence of credit support may increase the price of a security.

Some examples of credit support include:

- “senior-subordinated securities” (multiple class securities with one or more classes subordinate to other classes as to the payment of principal thereof and interest thereon, with the result that defaults on the underlying assets are borne first by the holders of the subordinated class);
- creation of “reserve funds” (where cash or investments, sometimes funded from a portion of the payments on the underlying assets, are held in reserve against future losses); and
- “over-collateralization” (where the scheduled payments on, or the principal amount of, the underlying assets exceed those required to make payment on the securities and pay any servicing or other fees).

The ratings of mortgage-backed securities and asset-backed securities for which third-party credit enhancement provides liquidity protection or default protection are generally dependent upon the continued creditworthiness of the provider of the credit enhancement. The ratings of these securities could be reduced in the event of deterioration in the creditworthiness of the credit enhancement provider even in cases where the delinquency and loss experienced on the underlying pool of assets is better than expected.

The degree of credit support provided for each issue is generally based on historical information concerning the level of credit risk associated with the underlying assets. Delinquency or loss greater than anticipated could adversely affect the return on an investment in mortgage securities or asset-backed securities.

**Collateralized Debt Obligations.** CBOs, CLOs, other collateralized debt obligations, and other similarly structured securities (collectively, “CDOs”) are types of asset-backed securities. A CBO is a trust that is often backed by a diversified pool of high risk, below investment grade fixed-income securities. The collateral can be from many different types of fixed-income securities such as high yield debt, residential privately issued mortgage-related securities, commercial privately issued mortgage-related securities, trust preferred securities and emerging market debt. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. Other CDOs are trusts backed by other types of assets representing obligations of various parties. CDOs may charge management fees and administrative expenses.

In a CDO structure, the cash flows from the trust are split into two or more portions, called tranches, varying in risk and yield. The riskiest portion is the “equity” tranche which bears the bulk of defaults from the bonds or loans in the trust and serves to protect the other, more senior tranches from default in all but the most severe circumstances. Since it is partially protected from defaults, a senior tranche from a CDO trust typically has a higher rating and lower yield than its underlying securities, and can be rated investment grade. Despite the protection from the equity tranche, CDO tranches can experience substantial losses due to actual defaults, increased sensitivity to defaults due to collateral default and disappearance of protecting tranches, market anticipation of defaults, as well as aversion to CDO securities as a class. In the case of all CDO tranches, the market prices of and yields on tranches with longer terms to maturity tend to be more volatile than those of tranches with shorter terms to maturity due to the greater volatility and uncertainty of cash flows.

## **Borrowing**

Unless otherwise prohibited, a fund may borrow money in an amount that does not exceed 33% of its total assets. Borrowing by a fund involves leverage, which may exaggerate any increase or decrease in a fund’s investment performance and in that respect may be considered a speculative practice. The interest that a fund must pay on any borrowed money, additional fees to maintain a line of credit or any minimum average balances

required to be maintained are additional costs that will reduce or eliminate any potential investment income and may offset any capital gains. Unless the appreciation and income, if any, on the asset acquired with borrowed funds exceed the cost of borrowing, the use of leverage will diminish the investment performance of a fund.

## **Brady Bonds**

Brady Bonds are debt securities issued under the framework of the “Brady Plan,” an initiative announced by former U.S. Treasury Secretary Nicholas F. Brady in 1989 as a mechanism for debtor nations to restructure their outstanding external commercial bank indebtedness. The Brady Plan framework, as it has developed, involves the exchange of external commercial bank debt for newly issued bonds (“Brady Bonds”). Brady Bonds also may be issued in respect of new money being advanced by existing lenders in connection with the debt restructuring. Brady Bonds issued to date generally have maturities between 15 and 30 years from the date of issuance and have traded at a deep discount from their face value. In addition to Brady Bonds, investments in emerging market governmental obligations issued as a result of debt restructuring agreements outside of the scope of the Brady Plan are available.

Agreements implemented under the Brady Plan to date are designed to achieve debt and debt-service reduction through specific options negotiated by a debtor nation with its creditors. As a result, the financial packages offered by each country differ. The types of options have included:

- the exchange of outstanding commercial bank debt for bonds issued at 100% of face value that carry a below-market stated rate of interest (generally known as par bonds);
- bonds issued at a discount from face value (generally known as discount bonds);
- bonds bearing an interest rate which increases over time; and
- bonds issued in exchange for the advancement of new money by existing lenders.

Regardless of the stated face amount and interest rate of the various types of Brady Bonds, when investing in Brady Bonds, a fund will purchase Brady Bonds in secondary markets in which the price and yield to the investor reflect market conditions at the time of purchase.

Certain sovereign bonds are entitled to “value recovery payments” in certain circumstances, which in effect constitute supplemental interest payments but generally are not collateralized. Certain Brady Bonds have been collateralized as to principal due at maturity (typically 15 to 30 years from the date of issuance) by U.S. Treasury zero coupon bonds with a maturity equal to the final maturity of such Brady Bonds, although the collateral is not available to investors until the final maturity of the Brady Bonds. Collateral purchases are financed by the International Monetary Fund (the “IMF”), the World Bank and the debtor nations’ reserves. In addition, interest payments on certain types of Brady Bonds may be collateralized by cash or high-grade securities in amounts that typically represent between 12 and 18 months of interest accruals on these instruments, with the balance of the interest accruals being uncollateralized.

A fund may purchase Brady Bonds with no or limited collateralization, and must rely for payment of interest and (except in the case of principal collateralized Brady Bonds) principal primarily on the willingness and ability of the foreign government to make payment in accordance with the terms of the Brady Bonds.

Brady Bonds issued to date are purchased and sold in secondary markets through U.S. securities dealers and other financial institutions and are generally maintained through European transactional securities depositories. A substantial portion of the Brady Bonds and other sovereign debt securities in which a fund invests are likely to be acquired at a discount.

## **Canadian and Provincial Government and Crown Agency Obligations**

**Canadian Government Obligations.** Canadian government obligations are debt securities issued or guaranteed as to principal or interest by the government of Canada pursuant to authority granted by the Parliament of Canada and approved by the Governor in Council, where necessary. These securities include treasury bills, notes, bonds, debentures and marketable government of Canada loans.

**Canadian Crown Obligations.** Canadian Crown agency obligations are debt securities issued or guaranteed by a Crown corporation, company or agency (“Crown Agencies”) pursuant to authority granted by the Parliament of Canada and approved by the Governor in Council, where necessary. Certain Crown Agencies are by statute agents of Her Majesty in right of Canada, and their obligations, when properly authorized, constitute direct obligations of the government of Canada. These obligations include, but are not limited to, those issued or guaranteed by the:

- Export Development Corporation;
- Farm Credit Corporation;
- Federal Business Development Bank; and
- Canada Post Corporation.

In addition, certain Crown Agencies that are not, by law, agents of Her Majesty may issue obligations that, by statute, the Governor in Council may authorize the Minister of Finance to guarantee on behalf of the government of Canada. Other Crown Agencies that are not, by law, agents of Her Majesty may issue or guarantee obligations not entitled to be guaranteed by the government of Canada. No assurance can be given that the government of Canada will support the obligations of Crown Agencies that are not agents of Her Majesty, which it has not guaranteed, since it is not obligated to do so by law.



**Provincial Government Obligations.** Provincial Government obligations are debt securities issued or guaranteed as to principal or interest by the government of any province of Canada pursuant to authority granted by the provincial Legislature and approved by the Lieutenant Governor in Council of such province, where necessary. These securities include treasury bills, notes, bonds and debentures.

**Provincial Crown Agency Obligations.** Provincial Crown Agency obligations are debt securities issued or guaranteed by a provincial Crown corporation, company or agency (“Provincial Crown Agencies”) pursuant to authority granted by the provincial Legislature and approved by the Lieutenant Governor in Council of such province, where necessary. Certain Provincial Crown Agencies are by statute agents of Her Majesty in right of a particular province of Canada, and their obligations, when properly authorized, constitute direct obligations of such province. Other Provincial Crown Agencies that are not, by law, agents of Her Majesty in right of a particular province of Canada may issue obligations that, by statute, the Lieutenant Governor in Council of such province may guarantee, or may authorize the Treasurer thereof to guarantee, on behalf of the government of such province. Finally, other Provincial Crown Agencies that are not, by law, agencies of Her Majesty may issue or guarantee obligations not entitled to be guaranteed by a provincial government. No assurance can be given that the government of any province of Canada will support the obligations of Provincial Crown Agencies that are not agents of Her Majesty and that it has not guaranteed, as it is not obligated to do so by law. Provincial Crown Agency obligations described above include, but are not limited to, those issued or guaranteed by a:

- provincial railway corporation;
- provincial hydroelectric or power commission or authority;
- provincial municipal financing corporation or agency; and
- provincial telephone commission or authority.

### **Certificates of Deposit, Time Deposits, and Bankers’ Acceptances**

**Certificates of Deposit.** Certificates of deposit are certificates issued against funds deposited in a bank or a savings and loan. They are issued for a definite period of time and earn a specified rate of return.

**Time Deposits.** Time deposits are non-negotiable deposits maintained in banking institutions for specified periods of time at stated interest rates.

**Bankers’ Acceptances.** Bankers’ acceptances are short-term credit instruments evidencing the obligation of a bank to pay a draft which has been drawn on it by a customer. These instruments reflect the obligations both of the bank and of the drawer to pay the face amount of the instrument upon maturity. They are primarily used to finance the import, export, transfer or storage of goods. They are “accepted” when a bank guarantees their payment at maturity.

These obligations are not insured by the Federal Deposit Insurance Corporation.

### **Commercial Paper and Short-Term Notes**

Commercial paper consists of unsecured promissory notes issued by corporations. Issues of commercial paper and short-term notes will normally have maturities of less than nine months and fixed rates of return, although such instruments may have maturities of up to one year.

**Variable Amount Master Demand Notes.** Commercial paper obligations may include variable amount master demand notes. Variable amount master demand notes are obligations that permit the investment of fluctuating amounts at varying rates of interest pursuant to direct arrangements between a fund, as lender, and the borrower. These notes permit daily changes in the amounts borrowed. The investing (i.e., “lending”) fund has the right to increase the amount under the note at any time up to the full amount provided by the note agreement, or to decrease the amount, and the borrower may prepay up to the full amount of the note without penalty. Because variable amount master demand notes are direct lending arrangements between the lender and borrower, it is not generally contemplated that such instruments will be traded. There is no secondary market for these notes, although they are redeemable (and thus immediately repayable by the borrower) at face value, plus accrued interest, at any time.

Except in the case of Opportunistic Fixed Income Fund, an affiliated underlying fund, a subadvisor will only invest in variable amount master demand notes issued by companies that, at the date of investment, have an outstanding debt issue rated “Aaa” or “Aa” by Moody’s or “AAA” or “AA” by S&P or Fitch, and that the subadvisor has determined present minimal risk of loss. A subadvisor will look generally at the financial strength of the issuing company as “backing” for the note and not to any security interest or supplemental source, such as a bank letter of credit. A variable amount master demand note will be valued on each day a NAV is determined. The NAV generally will be equal to the face value of the note plus accrued interest unless the financial position of the issuer is such that its ability to repay the note when due is in question.

### **Conversion of Debt Securities**

In the event debt securities held by a fund are converted to or exchanged for equity securities, the fund may continue to hold such equity securities, but only if and to the extent consistent with and permitted by its investment objective and policies.

### **Convertible Securities**

Convertible securities may include corporate notes or preferred securities. Investments in convertible securities are not subject to the rating criteria with respect to non-convertible debt obligations. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. The market value of convertible securities can also be heavily dependent upon the changing value of the equity securities into which such securities are convertible, depending on whether the market price of the underlying security exceeds the conversion price. Convertible securities generally rank senior to common stocks in an issuer’s capital structure and consequently entail



less risk than the issuer's common stock. However, the extent to which such risk is reduced depends upon the degree to which the convertible security sells above its value as a fixed-income security.

### **Corporate Obligations**

Corporate obligations are bonds and notes issued by corporations to finance long-term credit needs.

### **Depository Receipts**

Securities of foreign issuers may include American Depositary Receipts, European Depositary Receipts, Global Depositary Receipts, International Depositary Receipts, and Non-Voting Depositary Receipts ("ADRs," "EDRs," "GDRs," "IDRs," and "NVDRs," respectively, and collectively, "Depository Receipts"). Depository Receipts 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 corporation.

ADRs are U.S. dollar-denominated securities backed by foreign securities deposited in a U.S. securities depository. ADRs are created for trading in the U.S. markets. The value of an ADR will fluctuate with the value of the underlying security and will reflect any changes in exchange rates. An investment in ADRs involves risks associated with investing in foreign securities. Issuers of unsponsored ADRs are not contractually obligated to disclose material information in the United States, and, therefore, there may not be a correlation between that information and the market value of an unsponsored ADR.

EDRs, GDRs, IDRs, and NVDRs are receipts evidencing an arrangement with a foreign bank or exchange affiliate similar to that for ADRs and are designed for use in foreign securities markets. EDRs, GDRs, IDRs, and NVDRs are not necessarily quoted in the same currency as the underlying security. NVDRs do not have voting rights.

### **Exchange-Traded Notes**

ETNs are senior, unsecured, unsubordinated debt securities the returns of which are linked to the performance of a particular market benchmark or strategy, minus applicable fees. ETNs are traded on an exchange (e.g., the NYSE) during normal trading hours; however, investors also can hold ETNs until they mature. At maturity, the issuer pays to the investor a cash amount equal to the principal amount, subject to the day's market benchmark or strategy factor. ETNs do not make periodic coupon payments or provide principal protection. ETNs are subject to credit risk, including the credit risk of the issuer, and the value of the ETN may drop due to a downgrade in the issuer's credit rating, despite the underlying market benchmark or strategy remaining unchanged. The value of an ETN also may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying assets, changes in the applicable interest rates, changes in the issuer's credit rating, and economic, legal, political, or geographic events that affect the referenced underlying asset. When a fund invests in ETNs, it will bear its proportionate share of any fees and expenses borne by the ETN. A decision by a fund to sell ETN holdings may be limited by the availability of a secondary market. In addition, although an ETN may be listed on an exchange, the issuer may not be required to maintain the listing, and there can be no assurance that a secondary market will exist for an ETN.

ETNs also are subject to tax risk. No assurance can be given that the IRS will accept, or a court will uphold, how a fund characterizes and treats ETNs for tax purposes.

An ETN that is tied to a specific market benchmark or strategy may not be able to replicate and maintain exactly the composition and relative weighting of securities, commodities or other components in the applicable market benchmark or strategy. Some ETNs that use leverage can, at times, be relatively illiquid, and thus they may be difficult to purchase or sell at a fair price. Leveraged ETNs are subject to the same risk as other instruments that use leverage in any form. The market value of ETNs may differ from their market benchmark or strategy. This difference in price may be due to the fact that the supply and demand in the market for ETNs at any point in time is not always identical to the supply and demand in the market for the securities, commodities or other components underlying the market benchmark or strategy that the ETN seeks to track. As a result, there may be times when an ETN trades at a premium or discount to its market benchmark or strategy.

### **Fixed-Income Securities**

Investment grade bonds are rated at the time of purchase in the four highest rating categories by a NRSRO, such as those rated "Aaa," "Aa," "A" and "Baa" by Moody's, or "AAA," "AA," "A" and "BBB" by S&P or Fitch. Obligations rated in the lowest of the top four rating categories (such as "Baa" by Moody's or "BBB" by S&P or Fitch) may have speculative characteristics and changes in economic conditions or other circumstances are more likely to lead to a weakened capacity to make principal and interest payments, including a greater possibility of default or bankruptcy of the issuer, than is the case with higher grade bonds. Subsequent to its purchase by a fund, an issue of securities may cease to be rated or its rating may be reduced below the minimum required for purchase by a fund. In addition, it is possible that Moody's, S&P, Fitch and other NRSROs might not timely change their ratings of a particular issue to reflect subsequent events. None of these events will require the sale of the securities by a fund, although a subadvisor will consider these events in determining whether it should continue to hold the securities.

In general, the ratings of Moody's, S&P, and Fitch represent the opinions of these agencies as to the quality of the securities that they rate. It should be emphasized however, that ratings are relative and subjective and are not absolute standards of quality. These ratings will be used by a fund as initial criteria for the selection of portfolio securities. Among the factors that will be considered are the long-term ability of the issuer to pay principal and interest and general economic trends. Appendix A contains further information concerning the ratings of Moody's, S&P, and Fitch and their significance.

## Foreign Government Securities

Foreign government securities include securities issued or guaranteed by foreign governments (including political subdivisions) or their authorities, agencies, or instrumentalities or by supra-national agencies. Different kinds of foreign government securities have different kinds of government support. For example, some foreign government securities are supported by the full faith and credit of a foreign national government or political subdivision and some are not. Foreign government securities of some countries may involve varying degrees of credit risk as a result of financial or political instability in those countries and the possible inability of a fund to enforce its rights against the foreign government issuer. As with other fixed income securities, sovereign issuers may be unable or unwilling to make timely principal or interest payments. Supra-national agencies are agencies whose member nations make capital contributions to support the agencies' activities.

## High Yield (High Risk) Domestic Corporate Debt Securities

High yield corporate debt securities (also known as "junk bonds") include bonds, debentures, notes, bank loans, credit-linked notes and commercial paper. Most of these debt securities will bear interest at fixed rates, except bank loans, which usually have floating rates. Bonds also may have variable rates of interest, and debt securities may involve equity features, such as equity warrants or convertible outright and participation features (i.e., interest or other payments, often in addition to a fixed rate of return, that are based on the borrower's attainment of specified levels of revenues, sales or profits and thus enable the holder of the security to share in the potential success of the venture). Today, much high yield debt is used for general corporate purposes, such as financing capital needs or consolidating and paying down bank lines of credit.

The secondary market for high yield U.S. corporate debt securities is concentrated in relatively few market makers and is dominated by institutional investors, including funds, insurance companies and other financial institutions. Accordingly, the secondary market for such securities is not as liquid as, and is more volatile than, the secondary market for higher-rated securities. In addition, market trading volume for high yield U.S. corporate debt securities is generally lower and the secondary market for such securities could shrink or disappear suddenly and without warning as a result of adverse market or economic conditions, independent of any specific adverse changes in the condition of a particular issuer. The lack of sufficient market liquidity may cause a fund to incur losses because it will be required to effect sales at a disadvantageous time and then only at a substantial drop in price. These factors may have an adverse effect on the market price and a fund's ability to dispose of particular portfolio investments. A less liquid secondary market also may make it more difficult for a fund to obtain precise valuations of the high yield securities in its portfolio.

A fund is not obligated to dispose of securities whose issuers subsequently are in default or that are downgraded below the rating requirements that the fund imposes at the time of purchase.

## Hybrid Instruments

Hybrid instruments (a type of potentially high-risk derivative) combine the elements of futures contracts or options with those of debt, preferred equity or a depository instrument.

**Characteristics of Hybrid Instruments.** Generally, a hybrid instrument is a debt security, preferred stock, depository share, trust certificate, certificate of deposit or other evidence of indebtedness on which a portion of or all interest payments, and/or the principal or stated amount payable at maturity, redemption or retirement, is determined by reference to the following:

- prices, changes in prices, or differences between prices of securities, currencies, intangibles, goods, articles or commodities (collectively, "underlying assets"); or
- an objective index, economic factor or other measure, such as interest rates, currency exchange rates, commodity indices, and securities indices (collectively, "benchmarks").

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.

**Uses of Hybrid Instruments.** 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. For example, a fund may wish to take advantage of expected declines in interest rates in several European countries, but avoid the transaction costs associated with buying and currency-hedging the foreign bond positions.

One approach is to purchase a U.S. dollar-denominated hybrid instrument whose redemption price is linked to the average three-year interest rate in a designated group of countries. The redemption price formula would provide for payoffs of greater than par if the average interest rate was lower than a specified level, and payoffs of less than par if rates were above the specified level. Furthermore, the investing fund could limit the downside risk of the security by establishing a minimum redemption price so that the principal paid at maturity could not be below a predetermined minimum level if interest rates were to rise significantly.

The purpose of this type of arrangement, known as a structured security with an embedded put option, is to give a fund the desired European bond exposure while avoiding currency risk, limiting downside market risk, and lowering transactions costs. Of course, there is no guarantee that such a strategy will be successful and the value of a fund may decline if, for example, interest rates do not move as anticipated or credit problems develop with the issuer of the hybrid instrument.

**Structured Notes.** Structured notes include investments in an entity, such as a trust, organized and operated solely for the purpose of restructuring the investment characteristics of various securities. This type of restructuring involves the deposit or purchase of specified instruments and the issuance of one or more classes of securities backed by, or representing interests, in the underlying instruments. The cash flow on the underlying instruments may be apportioned among the newly issued structured notes to create securities with different investment characteristics, such as varying maturities, payment priorities or interest rate provisions. The extent of the income paid by the structured notes is dependent on the cash flow of the underlying instruments.

### **Illiquid Securities**

A fund may not invest more than 15% of its net assets in securities that cannot be sold or disposed of in seven calendar days or less without the sale or disposition significantly changing the market value of the investment (“illiquid securities”). 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. To the extent that an investment is deemed to be an illiquid investment or a less liquid investment, a fund can expect to be exposed to greater liquidity risk.

Illiquid securities may include, but are not limited to: (a) securities (except for Section 4(a)(2) Commercial Paper, discussed below) that are not eligible for resale pursuant to Rule 144A under the 1933 Act; (b) repurchase agreements maturing in more than seven days (except for those that can be terminated after a notice period of seven days or less); (c) IOs and POs of non-governmental issuers; (d) time deposits maturing in more than seven days; (e) federal fund loans maturing in more than seven days; (f) bank loan participation interests; (g) foreign government loan participations; (h) municipal leases and participations therein; and (i) any other securities or other investments for which a liquid secondary market does not exist.

The Trust has implemented a written liquidity risk management program (the “LRM Program”) and related procedures to manage the liquidity risk of a fund in accordance with Rule 22e-4 under the 1940 Act (“Rule 22e-4”). Rule 22e-4 defines “liquidity risk” as the risk that a fund could not meet requests to redeem shares issued by the fund without significant dilution of the remaining investors’ interests in the fund. The Board has designated the Advisor to serve as the administrator of the LRM Program and the related procedures. As a part of the LRM Program, the Advisor is responsible to identify illiquid investments and categorize the relative liquidity of a fund’s investments in accordance with Rule 22e-4. Under the LRM Program, the Advisor assesses, manages, and periodically reviews a fund’s liquidity risk, and is responsible to make periodic reports to the Board and the SEC regarding the liquidity of a fund’s investments, and to notify the Board and the SEC of certain liquidity events specified in Rule 22e-4. The liquidity of a fund’s portfolio investments is determined based on relevant market, trading and investment-specific considerations under the LRM Program.

Commercial paper issued in reliance on Section 4(a)(2) of the 1933 Act (“Section 4(a)(2) Commercial Paper”) is restricted as to its disposition under federal securities law, and generally is sold to institutional investors, such as the funds, who agree that they are purchasing the paper for investment purposes and not with a view to public distribution. Any resale by the purchaser must be made in an exempt transaction. Section 4(a)(2) Commercial Paper normally is resold to other institutional investors, like the funds, through or with the assistance of the issuer or investment dealers who make a market in Section 4(a)(2) Commercial Paper, thus providing liquidity.

If the Advisor determines, pursuant to the LRM Program and related procedures, that specific Section 4(a)(2) Commercial Paper or securities that are restricted as to resale but for which a ready market is available pursuant to an exemption provided by Rule 144A under the 1933 Act or other exemptions from the registration requirements of the 1933 Act are liquid, they will not be subject to a fund’s limitation on investments in illiquid securities. Investing in Section 4(a)(2) Commercial Paper could have the effect of increasing the level of illiquidity in a fund if qualified institutional buyers become for a time uninterested in purchasing these restricted securities.

### **Indexed Securities**

Indexed securities are instruments whose prices are indexed to the prices of other securities, securities indices, currencies, or other financial indicators. Indexed securities typically, but not always, are debt securities or deposits whose value at maturity or coupon rate is determined by reference to a specific instrument or statistic.

Currency-indexed securities typically are short-term to intermediate-term debt securities whose maturity values or interest rates are determined by reference to the values of one or more specified foreign currencies, and may offer higher yields than U.S. dollar-denominated securities. Currency-indexed securities may be positively or negatively indexed; that is, their maturity value may increase when the specified currency value increases, resulting in a security that performs similarly to a foreign denominated instrument, or their maturity value may decline when foreign currencies increase, resulting in a security whose price characteristics are similar to a put on the underlying currency. Currency-indexed securities also may have prices that depend on the values of a number of different foreign currencies relative to each other.

The performance of indexed securities depends to a great extent on the performance of the security, currency, or other instrument to which they are indexed, and also may be influenced by interest rate changes in the United States and abroad. Indexed securities may be more volatile than the underlying instruments. Indexed securities also are subject to the credit risks associated with the issuer of the security, and their values may decline substantially if the issuer’s creditworthiness deteriorates. Issuers of indexed securities have included banks, corporations, and certain U.S. government agencies. An indexed security may be leveraged to the extent that the magnitude of any change in the interest rate or principal payable on an indexed security is a multiple of the change in the reference price.

### **Index-Related Securities (“Equity Equivalents”)**

A fund may invest in certain types of securities that enable investors to purchase or sell shares in a basket of securities that seeks to track the performance of an underlying index or a portion of an index. Such Equity Equivalents include, among others DIAMONDS (interests in a basket of securities that seeks to track the performance of the Dow Jones Industrial Average), SPDRs or S&P Depositary Receipts (an ETF that tracks the S&P 500 Index). Such securities are similar to index mutual funds, but they are traded on various stock exchanges or secondary markets. The value of these securities is dependent upon the performance of the underlying index on which they are based. Thus, these securities are subject to the same risks as their underlying indices as well as the securities that make up those indices. For example, if the securities comprising an index that an index-related security seeks to track perform poorly, the index-related security will lose value.

Equity Equivalents may be used for several purposes, including to simulate full investment in the underlying index while retaining a cash balance for portfolio management purposes, to facilitate trading, to reduce transaction costs or to seek higher investment returns where an Equity Equivalent is priced more attractively than securities in the underlying index. Because the expense associated with an investment in Equity Equivalents may be substantially lower than the expense of small investments directly in the securities comprising the indices they seek to track, investments in Equity Equivalents may provide a cost-effective means of diversifying a fund’s assets across a broad range of securities.

To the extent a fund invests in securities of other investment companies, including Equity Equivalents, fund shareholders would indirectly pay a portion of the operating costs of such companies in addition to the expenses of its own operations. These costs include management, brokerage, shareholder servicing and other operational expenses. Indirectly, if a fund invests in Equity Equivalents, shareholders may pay higher operational costs than if they owned the underlying investment companies directly. Additionally, a fund’s investments in such investment companies are subject to limitations under the 1940 Act and market availability.

The prices of Equity Equivalents are derived and based upon the securities held by the particular investment company. Accordingly, the level of risk involved in the purchase or sale of an Equity Equivalent is similar to the risk involved in the purchase or sale of traditional common stock, with the exception that the pricing mechanism for such instruments is based on a basket of stocks. The market prices of Equity Equivalents are expected to fluctuate in accordance with both changes in the NAVs of their underlying indices and the supply and demand for the instruments on the exchanges on which they are traded. Substantial market or other disruptions affecting Equity Equivalents could adversely affect the liquidity and value of the shares of a fund.

### **Inflation-Indexed Bonds**

Inflation-indexed bonds are debt instruments whose principal and/or interest value are adjusted periodically according to a rate of inflation (usually a CPI). Two structures are most common. The U.S. Treasury and some other issuers use a structure that accrues inflation into the principal value of the bond. Most other issuers pay out the inflation accruals as part of a semiannual coupon.

U.S. Treasury Inflation Protected Securities (“TIPS”) currently are issued with maturities of five, ten, or thirty years, although it is possible that securities with other maturities will be issued in the future. The principal amount of TIPS adjusts for inflation, although the inflation-adjusted principal is not paid until maturity. Semiannual coupon payments are determined as a fixed percentage of the inflation-adjusted principal at the time the payment is made.

If the rate measuring inflation falls, the principal value of inflation-indexed bonds will be adjusted downward, and consequently the interest payable on these securities (calculated with respect to a smaller principal amount) will be reduced. At maturity, TIPS are redeemed at the greater of their inflation-adjusted principal or at the par amount at original issue. If an inflation-indexed bond does not provide a guarantee of principal at maturity, the adjusted principal value of the bond repaid at maturity may be less than the original principal.

The value of inflation-indexed bonds is expected to change in response to changes in real interest rates. Real interest rates in turn are tied to the relationship between nominal interest rates and the rate of inflation. For example, if inflation were to rise at a faster rate than nominal interest rates, real interest rates would likely decline, leading to an increase in value of inflation-indexed bonds. In contrast, if nominal interest rates increase at a faster rate than inflation, real interest rates would likely rise, leading to a decrease in value of inflation-indexed bonds.

While these securities, if held to maturity, are expected to be protected from long-term inflationary trends, short-term increases in inflation may lead to a decline in value. If nominal interest rates rise due to reasons other than inflation (for example, due to an expansion of non-inflationary economic activity), investors in these securities may not be protected to the extent that the increase in rates is not reflected in the bond’s inflation measure.

The inflation adjustment of TIPS is tied to the CPI-U, which is calculated monthly by the U.S. Bureau of Labor Statistics. The CPI-U is a measurement of price changes in the cost of living, made up of components such as housing, food, transportation, and energy. There can be no assurance that the CPI-U will accurately measure the real rate of inflation in the prices of goods and services.

### **Interfund Lending**

Pursuant to an exemptive order issued by the SEC, a fund may lend money to, and borrow money from, other funds advised by the Advisor or any other investment advisor under common control with the Advisor, subject to the fundamental restrictions on borrowing and lending applicable to the fund. Each fund is authorized to participate fully in this program.

A fund will borrow through the program only when the costs are equal to or lower than the cost of bank loans, and a fund will lend through the program only when the returns are higher than those available from an investment in overnight repurchase agreements. Interfund loans and borrowings normally extend overnight, but can have a maximum duration of seven days. Loans may be called on one day’s notice. A fund may have to borrow from a bank at a

higher interest rate if an interfund loan is called or not renewed. Any delay in repayment to a lending fund or from a borrowing fund could result in a lost investment opportunity or additional borrowing costs.

### **Investment in Other Investment Companies**

A fund may invest in other investment companies (including closed-end investment companies, unit investment trusts, open-end investment companies, investment companies exempted from registration under the 1940 Act pursuant to the rules thereunder and other pooled vehicles) to the extent permitted by federal securities laws, including Section 12 of the 1940 Act, and the rules, regulations and interpretations thereunder. A fund may invest in other investment companies beyond the statutory limits set forth in Section 12 of the 1940 Act ("statutory limits") to the extent permitted by an exemptive rule adopted by the SEC or pursuant to an exemptive order obtained from the SEC.

Investing in other investment companies involves substantially the same risks as investing directly in the underlying instruments, but the total return on such investments at the investment company-level may be reduced by the operating expenses and fees of such other investment companies, including advisory fees. Certain types of investment companies, such as closed-end investment companies, issue a fixed number of shares that trade on a stock exchange or may involve the payment of substantial premiums above the value of such investment companies' portfolio securities when traded OTC or at discounts to their NAVs. Others are continuously offered at NAV, but also may be traded in the secondary market.

Blue Chip Growth Fund, Capital Appreciation Value Fund, Health Sciences Fund, and Equity Income Fund also may invest in shares of certain internal T. Rowe Price funds (collectively, the "T. Rowe Funds"), consistent with each such fund's investment objective and policies. In order to prevent these funds from paying duplicate management fees, the value of shares of the T. Rowe Funds held in a T. Rowe Price-subadvised fund's portfolio will be excluded from the fund's total assets in calculating the subadvisory fees payable to T. Rowe Price.

### **Investments in Creditors' Claims**

Creditors' claims in bankruptcy ("Creditors' Claims") are rights to payment from a debtor under the U.S. bankruptcy laws. Creditors' Claims may be secured or unsecured. A secured claim generally receives priority in payment over unsecured claims.

Sellers of Creditors' Claims can either be: (i) creditors that have extended unsecured credit to the debtor company (most commonly trade suppliers of materials or services); or (ii) secured creditors (most commonly financial institutions) that have obtained collateral to secure an advance of credit to the debtor. Selling a Creditors' Claim offers the creditor an opportunity to turn a claim that otherwise might not be satisfied for many years into liquid assets.

A Creditors' Claim may be purchased directly from a creditor although most are purchased through brokers. A Creditors' Claim can be sold as a single claim or as part of a package of claims from several different bankruptcy filings. Purchasers of Creditors' Claims may take an active role in the reorganization process of the bankrupt company and, in certain situations in which a Creditors' Claim is not paid in full, the claim may be converted into stock of the reorganized debtor.

Although Creditors' Claims can be sold to other investors, the market for Creditors' Claims is not liquid and, as a result, a purchaser of a Creditors' Claim may be unable to sell the claim or may have to sell it at a drastically reduced price. There is no guarantee that any payment will be received from a Creditors' Claim, especially in the case of unsecured claims.

### **Lending of Securities**

A fund may lend its securities so long as such loans do not represent more than 33⅓% of its 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 will consist of cash (including U.S. dollars and foreign currency), 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. If the market value of the loaned securities declines, the borrower may request that some collateral be returned.

During the existence of the loan, a fund will receive from the borrower amounts equivalent to any dividends, interest or other distributions on the loaned securities, as well as interest on such amounts. If the fund receives a payment in lieu of dividends (a "substitute payment") with respect to securities on loan pursuant to a securities lending transaction, such income will not be eligible for the dividends-received deduction (the "DRD") for corporate shareholders or for treatment as qualified dividend income for individual shareholders. The DRD and qualified dividend income are discussed more fully in this SAI under "Additional Information Concerning Taxes."

Because Class 1 shares of the funds are held directly by insurance companies affiliated with the Advisor, such insurance companies, rather than individuals who select the funds as investment options under variable insurance contracts, would receive the benefit of any DRD. As a result, a decision by the Advisor or an affiliated subadvisor for a particular fund to refrain from securities lending could benefit the affiliated insurance companies (which would receive the DRD) to the detriment of contract holders who have selected that fund (as they would not receive the benefit of securities lending income, including substitute payments). However, the Advisor and the affiliated subadvisors have a fiduciary duty to independently assess whether engaging in securities lending is in the best interests of a fund, which should act to limit this conflict of interest.

As with other extensions of credit, there are risks that collateral could be inadequate in the event of the borrower failing financially, which could result in actual financial loss, and risks that recovery of loaned securities could be delayed, which could result in interference with portfolio management decisions or exercise of ownership rights. The collateral is managed by an affiliate of the Advisor, which may incentivize the Advisor to lend fund



securities to benefit this affiliate. The Advisor maintains robust oversight of securities lending activity and seeks to ensure that all lending activity undertaken by a fund is in the fund's best interests. A fund will be responsible for the risks associated with the investment of cash collateral, including the risk that the fund may lose money on the investment or may fail to earn sufficient income to meet its obligations to the borrower. In addition, a fund may lose its right to vote its shares of the loaned securities at a shareholder meeting if the subadvisor does not recall or does not timely recall the loaned securities, or if the borrower fails to return the recalled securities in advance of the record date for the meeting.

The Trust, on behalf of its funds, may enter into an agency agreement for securities lending transactions ("Securities Lending Agreement") with one or more of the following: Brown Brothers Harriman; National Financial Services LLC; Goldman Sachs Bank USA; and State Street Bank (each, a "Securities Lending Agent"). Pursuant to each Securities Lending Agreement, the Securities Lending Agent acts as securities lending agent for a fund and administers the fund's securities lending program. During the fiscal year, each Securities Lending Agent performed various services for the applicable funds, including the following: (i) lending portfolio securities, previously identified by the fund as available for loan, and held by the fund's custodian ("Custodian") on behalf of the fund, to borrowers identified by the fund in the Securities Lending Agreement; (ii) instructing the Custodian to receive and deliver securities, as applicable, to effect such loans; (iii) locating borrowers; (iv) monitoring daily the market value of loaned securities; (v) ensuring daily movement of collateral associated with loan transactions; (vi) marking to market loaned securities and non-cash collateral; (vii) monitoring dividend activity with respect to loaned securities; (viii) negotiating loan terms with the borrowers; (ix) recordkeeping and account servicing related to securities lending activities; and (x) arranging for the return of loaned securities at the termination of the loan. Under each Securities Lending Agreement, the Securities Lending Agent generally will bear the risk that a borrower may default on its obligation to return loaned securities.

Securities lending involves counterparty risk, including the risk that the loaned securities may not be returned or returned in a timely manner and/or a loss of rights in the collateral if the borrower or the lending agent defaults or fails financially. This risk is increased when the fund's loans are concentrated with a single or limited number of borrowers. There are no limits on the number of borrowers to which the fund may lend securities and the fund may lend securities to only one or a small group of borrowers. In addition, under each Securities Lending Agreement, loans may be made to affiliates of the Securities Lending Agent as identified in the applicable Securities Lending Agreement.

Cash collateral may be invested by a fund in JHCT, a privately offered 1940 Act registered institutional money market fund. Investment of cash collateral offers the opportunity for a fund to profit from income earned by this collateral pool, but also the risk of loss, should the value of the fund's shares in the collateral pool decrease below the NAV at which such shares were purchased.

For each fund that engaged in securities lending activities during the fiscal period ended August 31, 2024, the following tables detail the amounts of income and fees/compensation related to such activities during the period. Any fund not listed below did not engage in securities lending activities during the fiscal period ended August 31, 2024.

<b>Fund Name</b>	<b>Alternative Asset Allocation Fund</b>	<b>Blue Chip Growth Fund</b>	<b>Capital Appreciation Fund</b>	<b>Capital Appreciation Value Fund</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>285,931</b>	<b>416,063</b>	<b>248,790</b>	<b>325,606</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	5,525	2,323	3,267	1,451
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	4,886	7,503	4,552	6,030
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	225,481	384,225	201,074	304,006
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>235,892</b>	<b>394,051</b>	<b>208,893</b>	<b>311,487</b>
<b>Net Income from securities lending activities (\$)</b>	<b>50,039</b>	<b>22,012</b>	<b>39,897</b>	<b>14,119</b>

<b>Fund Name</b>	<b>Core Bond Fund</b>	<b>Disciplined Value Emerging Markets Equity Fund</b>	<b>Emerging Markets Debt Fund</b>	<b>Equity Income Fund</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>28,876</b>	<b>27,005</b>	<b>1,376,331</b>	<b>1,418,298</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	222	707	35,924	16,664

<b>Fund Name</b>	<b>Core Bond Fund</b>	<b>Disciplined Value Emerging Markets Equity Fund</b>	<b>Emerging Markets Debt Fund</b>	<b>Equity Income Fund</b>
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	532	214	24,877	25,159
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	26,244	8,240	995,377	1,224,146
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>26,998</b>	<b>9,161</b>	<b>1,056,178</b>	<b>1,265,969</b>
<b>Net Income from securities lending activities (\$)</b>	<b>1,878</b>	<b>17,844</b>	<b>320,153</b>	<b>152,329</b>

<b>Fund Name</b>	<b>Floating Rate Income Fund</b>	<b>High Yield Fund</b>	<b>International Small Company Fund</b>	<b>International Strategic Equity Allocation Fund</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>377,688</b>	<b>79,273</b>	<b>1,177,383</b>	<b>2,377,690</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	17,000	2,212	41,493	78,173
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	6,487	1,353	18,654	36,582
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	198,808	55,851	740,358	1,577,687
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>222,295</b>	<b>59,416</b>	<b>800,505</b>	<b>1,692,442</b>
<b>Net Income from securities lending activities (\$)</b>	<b>155,393</b>	<b>19,857</b>	<b>376,878</b>	<b>685,248</b>

<b>Fund Name</b>	<b>Lifestyle Blend Aggressive Portfolio</b>	<b>Lifestyle Blend Balanced Portfolio</b>	<b>Lifestyle Blend Conservative Portfolio</b>	<b>Lifestyle Blend Growth Portfolio</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>63,637</b>	<b>1,815,689</b>	<b>822,323</b>	<b>587,943</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	265	27,610	20,066	7,406
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	1,115	32,873	14,116	10,902
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	58,376	1,511,122	608,748	498,988
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>59,756</b>	<b>1,571,605</b>	<b>642,930</b>	<b>517,296</b>
<b>Net Income from securities lending activities (\$)</b>	<b>3,881</b>	<b>244,084</b>	<b>179,393</b>	<b>70,647</b>

<b>Fund Name</b>	<b>Lifestyle Blend Moderate Portfolio</b>	<b>Mid Value Fund</b>	<b>Multi-Asset High Income Fund</b>	<b>Opportunistic Fixed Income Fund</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>788,608</b>	<b>1,479,703</b>	<b>72,820</b>	<b>3,876</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	13,284	47,323	2,521	86
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	14,112	25,266	1,190	66
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	634,550	977,848	46,212	2,940
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>661,946</b>	<b>1,050,437</b>	<b>49,923</b>	<b>3,092</b>
<b>Net Income from securities lending activities (\$)</b>	<b>126,662</b>	<b>429,266</b>	<b>22,897</b>	<b>784</b>

<b>Fund Name</b>	<b>Real Estate Securities Fund</b>	<b>Strategic Income Opportunities Fund</b>	<b>2010 Lifetime Blend Portfolio</b>	<b>2015 Lifetime Blend Portfolio</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>9,158</b>	<b>1,973,266</b>	<b>172,347</b>	<b>200,083</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	628	23,152	2,043	2,813
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	127	34,667	3,240	3,475
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	3,479	1,678,082	149,411	168,523
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>4,234</b>	<b>1,735,901</b>	<b>154,694</b>	<b>174,811</b>
<b>Net Income from securities lending activities (\$)</b>	<b>4,924</b>	<b>237,365</b>	<b>17,653</b>	<b>25,272</b>

<b>Fund Name</b>	<b>2020 Lifetime Blend Portfolio</b>	<b>2025 Lifetime Blend Portfolio</b>	<b>2030 Lifetime Blend Portfolio</b>	<b>2035 Lifetime Blend Portfolio</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>584,415</b>	<b>1,054,306</b>	<b>1,176,081</b>	<b>639,269</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	6,355	7,768	8,138	4,375
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	10,697	19,426	21,495	11,402
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	511,209	959,353	1,067,836	562,801
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>528,261</b>	<b>986,547</b>	<b>1,097,469</b>	<b>578,578</b>
<b>Net Income from securities lending activities (\$)</b>	<b>56,154</b>	<b>67,759</b>	<b>78,612</b>	<b>60,691</b>



<b>Fund Name</b>	<b>2040 Lifetime Blend Portfolio</b>	<b>2045 Lifetime Blend Portfolio</b>	<b>2050 Lifetime Blend Portfolio</b>	<b>2055 Lifetime Blend Portfolio</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>458,960</b>	<b>93,289</b>	<b>181,454</b>	<b>33,406</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	3,058	461	1,304	188
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	8,240	1,685	3,213	627
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	418,280	86,634	164,713	31,592
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>429,578</b>	<b>88,780</b>	<b>169,230</b>	<b>32,407</b>
<b>Net Income from securities lending activities (\$)</b>	<b>29,382</b>	<b>4,509</b>	<b>12,224</b>	<b>999</b>

<b>Fund Name</b>	<b>2060 Lifetime Blend Portfolio</b>	<b>2065 Lifetime Blend Portfolio</b>	<b>Science &amp; Technology Fund</b>	<b>Small Cap Value Fund</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>100,557</b>	<b>3,862</b>	<b>41,557</b>	<b>158,665</b>
Fees and/or compensation for securities lending activities and related service:				
Fees paid to securities lending agent from a revenue split (\$)	991	23	2,546	954
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	1,780	69	676	2,829
Administrative fees not included in revenue split (\$)				
Indemnification fee not included in revenue split (\$)				
Rebate (paid to borrower) (\$)	89,326	3,558	15,397	147,576
Other fees not included in revenue split (specify) (\$)				
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>92,097</b>	<b>3,650</b>	<b>18,619</b>	<b>151,359</b>
<b>Net Income from securities lending activities (\$)</b>	<b>8,460</b>	<b>212</b>	<b>22,938</b>	<b>7,306</b>

<b>Fund Name</b>	<b>U.S. Sector Rotation Fund</b>
<b>Gross Income from securities lending activities (\$)</b>	<b>143,962</b>
Fees and/or compensation for securities lending activities and related service:	
Fees paid to securities lending agent from a revenue split (\$)	398
Fees paid for any cash collateral management service (including fees deducted from a pooled cash collateral reinvestment vehicle) that are not included in the revenue split (\$)	2,352
Administrative fees not included in revenue split (\$)	
Indemnification fee not included in revenue split (\$)	
Rebate (paid to borrower) (\$)	120,260
Other fees not included in revenue split (specify) (\$)	
<b>Aggregate fees/compensation for securities lending activities (\$)</b>	<b>123,010</b>
<b>Net Income from securities lending activities (\$)</b>	<b>20,952</b>

### Loan Participations and Assignments; Term Loans

Loan participations are loans or other direct debt instruments that are interests in amounts owned by a corporate, governmental or other borrower to another party. They may represent amounts owed to lenders or lending syndicates to suppliers of goods or services, or to other parties. A fund will have the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the participation and only upon receipt by the lender of the payments from the borrower. In connection with purchasing participations, a fund generally will have no right to enforce compliance

by the borrower with the term of the loan agreement relating to loan, nor any rights of set-off against the borrower, and a fund may not directly benefit from any collateral supporting the loan in which it has purchased the participation. As a result, the fund will assume the credit risk of both the borrower and the lender that is selling the participation. In the event of the insolvency of the lender selling a participation, a fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower.

When a fund purchases assignments from lenders it will acquire direct rights against the borrower on the loan. However, because assignments are arranged through private negotiations between potential assignees and potential assignors, the rights and obligation acquired by a fund as the purchaser of an assignment may differ from, and be more limited than, those held by the assigning 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. In addition, if the loan is foreclosed, a fund could be part owner of any collateral and could bear the costs and liabilities of owning and disposing of the collateral. It is anticipated that such securities could be sold only to a limited number of institutional investors. In addition, some loan participations and assignments may not be rated by major rating agencies and may not be protected by the securities laws.

A term loan is typically a loan in a fixed amount that borrowers repay in a scheduled series of repayments or a lump-sum payment at maturity. A delayed draw loan is a special feature in a term loan that permits the borrower to withdraw predetermined portions of the total amount borrowed at certain times. If a fund enters into a commitment with a borrower regarding a delayed draw term loan or bridge loan, the fund will be obligated on one or more dates in the future to lend the borrower monies (up to an aggregate stated amount) if called upon to do so by the borrower. Once repaid, a term loan cannot be drawn upon again.

Investments in loans and loan participations will subject a fund to liquidity risk. Loans and loan participations may be transferable among financial institutions, but may not have the liquidity of conventional debt securities and are often subject to restrictions on resale, thereby making them potentially illiquid. For example, the purchase or sale of loans requires, in many cases, the consent of either a third party (such as the lead or agent bank for the loan) or of the borrower, and although such consent is, in practice, infrequently withheld, the consent requirement can delay a purchase or hinder a fund's ability to dispose of its investments in loans in a timely fashion. In addition, in some cases, negotiations involved in disposing of indebtedness may require weeks to complete. Consequently, some indebtedness may be difficult or impossible to dispose of readily at what a subadvisor believes to be a fair price.

Corporate loans that a fund may acquire or in which a fund may purchase a loan participation are made generally to finance internal growth, mergers, acquisitions, stock repurchases, leveraged buy-outs, leverage recapitalizations and other corporate activities. The highly leveraged capital structure of the borrowers in certain of these transactions may make such loans especially vulnerable to adverse changes in economic or market conditions and greater credit risk than other investments.

Certain of the loan participations or assignments acquired by a fund may involve unfunded commitments of the lenders or revolving credit facilities under which a borrower may from time to time borrow and repay amounts up to the maximum amount of the facility. In such cases, a fund would have an obligation to advance its portion of such additional borrowings upon the terms specified in the loan documentation. Such an obligation may have the effect of requiring a fund to increase its investment in a company at a time when it might not be desirable to do so (including at a time when the company's financial condition makes it unlikely that such amounts will be repaid).

The borrower of a loan in which a fund holds an interest (including through a loan participation) may, either at its own election or pursuant to the terms of the loan documentation, prepay amounts of the loan from time to time. The degree to which borrowers prepay loans, whether as a contractual requirement or at their election, may be affected by general business conditions, the financial condition of the borrower and competitive conditions among lenders, among other things. As such, prepayments cannot be predicted with accuracy. Upon a prepayment, either in part or in full, the actual outstanding debt on which a fund derives interest income will be reduced. The effect of prepayments on a fund's performance may be mitigated by the receipt of prepayment fees, and the fund's ability to reinvest prepayments in other loans that have similar or identical yields. However, there is no assurance that a fund will be able to reinvest the proceeds of any loan prepayment at the same interest rate or on the same terms as those of the prepaid loan.

A fund may invest in loans that pay interest at fixed rates and loans 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 interest rate that banks charge their most creditworthy customers) or another generally recognized base lending rate. Most floating rate loans are senior in rank in the event of bankruptcy to most other securities of the borrower such as common stock or public bonds. In addition, floating rate loans also are normally secured by specific collateral or assets of the borrower so that the holders of the loans will have a priority claim on those assets in the event of default or bankruptcy of the issuer. While the seniority in rank and the security interest are helpful in reducing credit risk, such risk is not eliminated. Securities with floating interest rates can be less sensitive to interest rate changes, but may decline in value if their interest rates do not rise as much as interest rates in general, or if interest rates decline. While, because of this interest rate reset feature, loans with resetting interest rates provide a considerable degree of protection against rising interest rates, there is still potential for interest rates on such loans to lag changes in interest rates in general for some period of time. In addition, changes in interest rates will affect the amount of interest income paid to a fund as the floating rate instruments adjust to the new levels of interest rates. In a rising base rate environment, income generation generally will increase. Conversely, during periods when the base rate is declining, the income generating ability of the loan instruments will be adversely affected.

Investments in many loans have additional risks that result from the use of agents and other interposed financial institutions. Many loans are structured and administered by a financial institution (e.g., a commercial bank) that acts as the agent of the lending syndicate. The agent typically administers and

enforces the loan on behalf of the other lenders in the lending syndicate. In addition, an institution, typically but not always the agent, holds the collateral, if any, on behalf of the lenders. A financial institution's employment as an agent might be terminated in the event that it fails to observe a requisite standard of care or becomes insolvent. A successor agent would generally be appointed to replace the terminated agent, and assets held by the agent under the loan agreement would likely remain available to holders of such indebtedness. However, if assets held by the agent for the benefit of a fund were determined to be subject to the claims of the agent's general creditors, the fund might incur certain costs and delays in realizing payment on a loan or loan participation and could suffer a loss of principal and/or interest. In situations involving other interposed financial institutions (e.g., an insurance company or government agency) similar risks may arise.

### **Loans and Other Direct Debt Instruments**

Direct debt instruments are interests in amounts owed by a corporate, governmental, or other borrower to lenders or lending syndicates (loans and loan participations), to suppliers of goods or services (trade claims or other receivables), or to other parties. Direct debt instruments involve a risk of loss in case of default or insolvency of the borrower and may offer less legal protection to the purchaser in the event of fraud or misrepresentation, or there may be a requirement that a fund supply additional cash to a borrower on demand. U.S. federal securities laws afford certain protections against fraud and misrepresentation in connection with the offering or sale of a security, as well as against manipulation of trading markets for securities. It is unclear whether these protections are available to investments in loans and other forms of direct indebtedness under certain circumstances, in which case such risks may be increased.

A fund 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.

### **Market Capitalization Weighted Approach**

A fund's structure may involve 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 may be adjusted by a subadvisor, for a variety of reasons. A fund may deviate from market capitalization weighting to limit or fix the exposure to a particular country or issuer to a maximum portion of the assets of the fund. Additionally, a subadvisor may consider such factors as free float, price momentum, short-run reversals, trading strategies, size, relative price, liquidity, profitability, investment characteristics and other factors determined to be appropriate by a subadvisor given market conditions. In assessing relative price, a subadvisor may consider additional factors such as price to cash flow or price to earnings ratios. In assessing profitability, a subadvisor may consider different ratios, such as that of earnings or profits from operations relative to book value or assets. The criteria a subadvisor uses for assessing relative price and profitability are subject to change from time to time. A subadvisor may exclude the eligible security of a company that meets applicable market capitalization criterion if it 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. A further deviation may occur due to holdings in securities received in connection with corporate actions. A subadvisor may consider a small capitalization company's investment characteristics as compared to other eligible companies when making investment decisions and may exclude a small capitalization company with high asset growth. In assessing a company's investment characteristics, a subadvisor may consider ratios such as recent changes in assets divided by total assets. A fund will generally not exclude more than 5% of the eligible small capitalization company universe within each eligible country based on such investment characteristics. The criteria a subadvisor uses for assessing a company's investment characteristics is subject to change from time to time.

Adjustment for free float modifies market capitalization weighting to exclude the share capital of a company that is not freely available for trading in the public equity markets. For example, the following types of shares may be excluded: (i) those held by strategic investors (such as governments, controlling shareholders and management); (ii) treasury shares; or (iii) shares subject to foreign ownership restrictions.

Furthermore, a subadvisor may reduce the relative amount of any security held in order to retain sufficient portfolio liquidity. A portion, but generally not in excess of 20% of a fund's assets, may be invested in interest-bearing obligations, such as money market instruments, thereby causing further deviation from market capitalization weighting. A further deviation may occur due to holdings in securities received in connection with corporate actions.

Block purchases of eligible securities may be made at opportune prices, even though such purchases exceed the number of shares that, at the time of purchase, would be purchased under a market capitalization weighted approach. Generally, changes in the composition and relative ranking (in terms of market capitalization) of the stocks that are eligible for purchase take place with every trade when the securities markets are open for trading due, primarily, to price changes of such securities. On at least a semiannual basis, a subadvisor will identify companies whose stock is eligible for investment by the fund. Additional investments generally will not be made in securities that have changed in value sufficiently to be excluded from a subadvisor's then-current market capitalization requirement for eligible portfolio securities. This may result in further deviation from market capitalization weighting. Such deviation could be substantial if a significant amount of holdings of a fund change in value sufficiently to be excluded from the requirement for eligible securities but not by a sufficient amount to warrant their sale.

Country weights may be based on the total market capitalization of companies within each country. The country weights 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, a subadvisor may limit or fix the exposure to a particular country or region to a maximum proportion of the assets of

that vehicle. Country weights may also vary due to general day-to-day trading patterns and price movements. The weighting of countries may vary from their weighting in published international indices.

### **Money Market Instruments**

Money market instruments (and other securities as noted under each fund description) may be purchased for temporary defensive purposes or for short-term investment purposes. General overnight cash held in a fund's portfolio may also be invested in JHCT, a privately offered 1940 Act registered institutional money market fund subadvised by Manulife IM (US), an affiliate of the Advisor, that is part of the same group of investment companies as the fund and that is offered exclusively to funds in the same group of investment companies.

### **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 securities (of the same type, coupon and maturity) on a specified future date. During the roll period, a fund forgoes principal and interest paid on the mortgage-backed securities. A fund is compensated by the difference between the current sale price and the lower forward price for the future purchase (often referred to as the “drop”), as well as by the interest earned on the cash proceeds of the initial sale. A fund also may be compensated by receipt of a commitment fee. Dollar roll transactions involve the risk that the market value of the securities sold by a fund may decline below the repurchase price of those securities. A mortgage dollar roll may be considered a form of leveraging, and may, therefore, increase fluctuations in a fund's NAV per share. Please see “Government Regulation of Derivatives” section for additional information. For financial reporting and tax purposes, the funds treat mortgage dollar rolls as two separate transactions; one involving the purchase of a security and a separate transaction involving a sale.

### **Mortgage Securities**

**Prepayment of Mortgages.** Mortgage securities differ from conventional bonds in that principal is paid over the life of the securities rather than at maturity. As a result, when a fund invests in mortgage securities, it receives monthly scheduled payments of principal and interest, and may receive unscheduled principal payments representing prepayments on the underlying mortgages. When a fund reinvests the payments and any unscheduled prepayments of principal it receives, it may receive a rate of interest that is higher or lower than the rate on the existing mortgage securities. For this reason, mortgage securities may be less effective than other types of debt securities as a means of locking in long term interest rates.

In addition, because the underlying mortgage loans and assets may be prepaid at any time, if a fund purchases mortgage securities at a premium, a prepayment rate that is faster than expected will reduce yield to maturity, while a prepayment rate that is slower than expected will increase yield to maturity. Conversely, if a fund purchases these securities at a discount, faster than expected prepayments will increase yield to maturity, while slower than expected payments will reduce yield to maturity.

**Adjustable Rate Mortgage Securities.** Adjustable rate mortgage securities are similar to the fixed rate mortgage securities discussed above, except that, unlike fixed rate mortgage securities, adjustable rate mortgage securities are collateralized by or represent interests in mortgage loans with variable rates of interest. These variable rates of interest reset periodically to align themselves with market rates. Most adjustable rate mortgage securities provide for an initial mortgage rate that is in effect for a fixed period, typically ranging from three to twelve months. Thereafter, the mortgage interest rate will reset periodically in accordance with movements in a specified published interest rate index. The amount of interest due to an adjustable rate mortgage holder is determined in accordance with movements in a specified published interest rate index by adding a pre-determined increment or “margin” to the specified interest rate index. Many adjustable rate mortgage securities reset their interest rates based on changes in:

- one-year, three-year and five-year constant maturity Treasury Bill rates;
- three-month or six-month Treasury Bill rates;
- 11th District Federal Home Loan Bank Cost of Funds;
- National Median Cost of Funds; or
- one-month, three-month, six-month or one-year LIBOR or SOFR and other market rates.

During periods of increasing rates, a fund will not benefit from such increase to the extent that interest rates rise to the point where they cause the current coupon of adjustable rate mortgages held as investments to exceed any maximum allowable annual or lifetime reset limits or “cap rates” for a particular mortgage. In this event, the value of the mortgage securities held by a fund would likely decrease. During periods of declining interest rates, income to a fund derived from adjustable rate mortgages that remain in a mortgage pool may decrease in contrast to the income on fixed rate mortgages, which will remain constant. Adjustable rate mortgages also have less potential for appreciation in value as interest rates decline than do fixed rate investments. Also, a fund's NAV could vary to the extent that current yields on adjustable rate mortgage securities held as investments are different than market yields during interim periods between coupon reset dates.

**Privately Issued Mortgage Securities.** Privately issued mortgage securities provide for the monthly principal and interest payments made by individual borrowers to pass through to investors on a corporate basis, and in privately issued CMOs, as further described below. Privately issued mortgage securities are issued by private originators of, or investors in, mortgage loans, including:

- mortgage bankers;
- commercial banks;
- investment banks;

- savings and loan associations; and
- special purpose subsidiaries of the foregoing.

Since privately issued mortgage certificates are not guaranteed by an entity having the credit status of GNMA or Freddie Mac, such securities generally are structured with one or more types of credit enhancement. For a description of the types of credit enhancements that may accompany privately issued mortgage securities, see “Types of Credit Support” below. To the extent that a fund invests in mortgage securities, it will not limit its investments in mortgage securities to those with credit enhancements.

**Collateralized Mortgage Obligations.** CMOs generally are bonds or certificates issued in multiple classes that are collateralized by or represent an interest in mortgages. CMOs may be issued by single-purpose, stand-alone finance subsidiaries or trusts of financial institutions, government agencies, investment banks or other similar institutions. Each class of CMOs, often referred to as a “tranche,” may be issued with a specific fixed coupon rate (which may be zero) or a floating coupon rate. Each class of CMOs also has a stated maturity or final distribution date. Principal prepayments on the underlying mortgages may cause the CMOs to be retired substantially earlier than their stated maturities or final distribution dates. Interest is paid or accrued on CMOs on a monthly, quarterly or semiannual basis.

The principal of and interest on the underlying mortgages may be allocated among the several classes of a series of a CMO in many ways. The general goal sought to be achieved in allocating cash flows on the underlying mortgages to the various classes of a series of CMOs is to create tranches on which the expected cash flows have a higher degree of predictability than the underlying mortgages. In creating such tranches, other tranches may be subordinated to the interests of these tranches and receive payments only after the obligations of the more senior tranches have been satisfied. As a general matter, the more predictable the cash flow is on a CMO tranche, the lower the anticipated yield will be on that tranche at the time of issuance. As part of the process of creating more predictable cash flows on most of the tranches in a series of CMOs, one or more tranches generally must be created that absorb most of the volatility in the cash flows on the underlying mortgages. The yields on these tranches are relatively higher than on tranches with more predictable cash flows. Because of the uncertainty of the cash flows on these tranches, and the sensitivity of these transactions to changes in prepayment rates on the underlying mortgages, the market prices of and yields on these tranches tend to be highly volatile. The market prices of and yields on tranches with longer terms to maturity also tend to be more volatile than tranches with shorter terms to maturity due to these same factors. To the extent the mortgages underlying a series of a CMO are so-called “subprime mortgages” (mortgages granted to borrowers whose credit history is not sufficient to obtain a conventional mortgage), the risk of default is higher, which increases the risk that one or more tranches of a CMO will not receive its predicted cash flows.

CMOs purchased by a fund may be:

- 1 collateralized by pools of mortgages in which each mortgage is guaranteed as to payment of principal and interest by an agency or instrumentality of the U.S. government;
- 2 collateralized by pools of mortgages in which payment of principal and interest is guaranteed by the issuer and the guarantee is collateralized by U.S. government securities; or
- 3 securities for which the proceeds of the issuance are invested in mortgage securities and payment of the principal and interest is supported by the credit of an agency or instrumentality of the U.S. government.

**Separate Trading of Registered Interest and Principal of Securities.** Separately traded interest components of securities may be issued or guaranteed by the U.S. Treasury. The interest components of selected securities are traded independently under the Separate Trading of Registered Interest and Principal of Securities program. Under the Separate Trading of Registered Interest and Principal of Securities program, the interest components are individually numbered and separately issued by the U.S. Treasury at the request of depository financial institutions, which then trade the component parts independently.

**Stripped Mortgage Securities.** Stripped mortgage securities are derivative multi-class mortgage securities. Stripped mortgage securities may be issued by agencies or instrumentalities of the U.S. government, or by private issuers, including savings and loan associations, mortgage banks, commercial banks, investment banks and special purpose subsidiaries of the foregoing. Stripped mortgage securities have greater volatility than other types of mortgage securities in which a fund invests. Although stripped mortgage securities are purchased and sold by institutional investors through several investment banking firms acting as brokers or dealers, the market for such securities has not yet been fully developed. Accordingly, stripped mortgage securities may be illiquid and, together with any other illiquid investments, will not exceed a fund's limitation on investments in illiquid securities.

Stripped mortgage securities are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. A common type of stripped mortgage security will have one class receiving some of the interest and most of the principal from the mortgage assets, while the other class will receive most of the interest and the remainder of the principal. In the most extreme case, one class will receive all of the interest (the interest only or “IO” class), while the other class will receive all of the principal (the principal only or “PO” class). The yield to maturity on an IO class is extremely sensitive to changes in prevailing interest rates and the rate of principal payments (including prepayments) on the related underlying mortgage assets. A rapid rate of principal payments may have a material adverse effect on an investing fund's yield to maturity. If the underlying mortgage assets experience greater than anticipated prepayments of principal, the fund may fail to fully recoup its initial investment in these securities even if the securities are rated highly.



As interest rates rise and fall, the value of IOs tends to move in the same direction as interest rates. The value of the other mortgage securities described in the Prospectus and this SAI, like other debt instruments, will tend to move in the opposite direction to interest rates. Accordingly, investing in IOs, in conjunction with the other mortgage securities described in the Prospectus and this SAI, is expected to contribute to the relative stability of a fund's NAV.

In addition to the stripped mortgage securities described above, the affiliated underlying fund, High Yield Fund, may invest in similar securities such as Super Principal Only ("SPO") and Levered Interest Only ("LIO") are more volatile than POs and IOs. Risks associated with instruments such as SPOs are similar in nature to those risks related to investments in POs. Risks associated with LIOs and IOettes (a.k.a. "high coupon bonds") are similar in nature to those associated with IOs. Other similar instruments may develop in the future.

Under the Code, POs may generate taxable income from the current accrual of OID, without a corresponding distribution of cash to a fund.

**Inverse Floaters.** Inverse floaters may be issued by agencies or instrumentalities of the U.S. government, or by private issuers, including savings and loan associations, mortgage banks, commercial banks, investment banks and special purpose subsidiaries of the foregoing. Inverse floaters have greater volatility than other types of mortgage securities in which a fund invests (with the exception of stripped mortgage securities and there is a risk that the market value will vary from the amortized cost). Although inverse floaters are purchased and sold by institutional investors through several investment banking firms acting as brokers or dealers, the market for such securities has not yet been fully developed. Accordingly, inverse floaters may be illiquid. Any illiquid inverse floaters, together with any other illiquid investments, will not exceed a fund's limitation on investments in illiquid securities.

Inverse floaters are derivative mortgage securities that are structured as a class of security that receives distributions on a pool of mortgage assets. Yields on inverse floaters move in the opposite direction of short-term interest rates and at an accelerated rate.

**Types of Credit Support.** Mortgage securities are often backed by a pool of assets representing the obligations of a number of different parties. To lessen the impact of an obligor's failure to make payments on underlying assets, mortgage securities may contain elements of credit support. A discussion of credit support is included in "Asset-Backed Securities."

### **Municipal Obligations**

The two principal classifications of municipal obligations are general obligations and revenue obligations. General obligations are secured by the issuer's pledge of its full faith, credit and taxing power for the payment of principal and interest. Revenue obligations are payable only from the revenues derived from a particular facility or class of facilities or in some cases from the proceeds of a special excise or other tax. For example, industrial development and pollution control bonds are in most cases revenue obligations since payment of principal and interest is dependent solely on the ability of the user of the facilities financed or the guarantor to meet its financial obligations, and in certain cases, the pledge of real and personal property as security for payment.

Issuers of municipal obligations are subject to the provisions of bankruptcy, insolvency and other laws affecting the rights and remedies of creditors, such as the Federal Bankruptcy Act, and laws, if any, that may be enacted by Congress or state legislatures extending the time for payment of principal or interest or both, or imposing other constraints upon enforcement of such obligations. There also is the possibility that as a result of litigation or other conditions, the power or ability of any one or more issuers to pay when due the principal of and interest on their municipal obligations may be affected.

**Municipal Bonds.** Municipal bonds are issued to obtain funding for various public purposes, including the construction of a wide range of public facilities such as airports, highways, bridges, schools, hospitals, housing, mass transportation, streets and water and sewer works. Other public purposes for which municipal bonds may be issued include refunding outstanding obligations, obtaining funds for general operating expenses and obtaining funds to lend to other public institutions and facilities. In addition, certain types of industrial development bonds are issued by or on behalf of public authorities to obtain funds for many types of local, privately operated facilities. Such debt instruments are considered municipal obligations if the interest paid on them is exempt from federal income tax. The payment of principal and interest by issuers of certain obligations purchased may be guaranteed by a letter of credit, note repurchase agreement, insurance or other credit facility agreement offered by a bank or other financial institution. Such guarantees and the creditworthiness of guarantors will be considered by a subadvisor in determining whether a municipal obligation meets investment quality requirements. No assurance can be given that a municipality or guarantor will be able to satisfy the payment of principal or interest on a municipal obligation.

The yields or returns of municipal bonds depend on a variety of factors, including general market conditions, effective marginal tax rates, the financial condition of the issuer, general conditions of the municipal bond market, the size of a particular offering, the maturity of the obligation, and the rating (if any) of the issue. The ratings of S&P, Moody's and Fitch represent their opinions as to the quality of various municipal bonds that they undertake to rate. It should be emphasized, however, that ratings are not absolute standards of quality. For example, depending on market conditions, municipal bonds with the same maturity and stated interest rate, but with different ratings, may nevertheless have the same yield. See Appendix A for a description of ratings. Many issuers of securities choose not to have their obligations rated. Although unrated securities eligible for purchase must be determined to be comparable in quality to securities having certain specified ratings, the market for unrated securities may not be as broad as for rated securities since many investors rely on rating organizations for credit appraisal. Yield disparities may occur for reasons not directly related to the investment quality of particular issues or the general movement of interest rates, due to such factors as changes in the overall demand or supply of various types of municipal bonds.

The effects of a widespread health crisis such as a global pandemic could affect the ability of states and their political subdivisions to make payments on debt obligations when due and could adversely impact the value of their bonds, which could negatively impact the performance of the fund.

***Municipal Bonds Issued by the Commonwealth of Puerto Rico.*** Municipal obligations issued by the Commonwealth of Puerto Rico and its agencies, or other U.S. territories, generally are tax-exempt.

Adverse economic, market, political, or other conditions within Puerto Rico may negatively affect the value of a fund's holdings in municipal obligations issued by the Commonwealth of Puerto Rico and its agencies.

Puerto Rico has faced and continues to face significant fiscal challenges, including persistent government budget deficits, underfunded public pension benefit obligations, underfunded government retirement systems, sizable debt service obligations and a high unemployment rate. In recent years, several rating organizations have downgraded a number of securities issued in Puerto Rico to below investment-grade or placed them on "negative watch." Puerto Rico has previously missed payments on its general obligation debt. As a result of Puerto Rico's fiscal challenges, it entered into a process analogous to a bankruptcy proceeding in U.S. courts. Recently, Puerto Rico received court approval to be released from bankruptcy through a large restructuring of its U.S. municipal debt. The restructuring was recommended by an oversight board, an unelected body that shares power with elected officials, that is federally mandated to oversee Puerto Rico's finances. Pursuant to federal law, the oversight board will remain intact and can only disband after Puerto Rico experiences four consecutive years of balanced budgets. Any future defaults, or actions by the oversight board, among other factors, could have a negative impact on the marketability, liquidity, or value of certain investments held by a fund and could reduce a fund's performance.

**Municipal Notes.** Municipal notes are short-term obligations of municipalities, generally with a maturity ranging from six months to three years. The principal types of such notes include tax, bond and revenue anticipation notes, project notes and construction loan notes.

***Tax-Anticipation Notes.*** Tax anticipation notes are issued to finance working capital needs of municipalities. Generally, they are issued in anticipation of various tax revenues, such as income, sales, use and business taxes, and are specifically payable from these particular future tax revenues.

***Bond Anticipation Notes.*** Bond anticipation notes are issued to provide interim financing until long-term bond financing can be arranged. In most cases, the long-term bonds then provide the funds for the repayment of the notes.

***Revenue Anticipation Notes.*** Revenue anticipation notes are issued in expectation of receipt of specific types of revenue, other than taxes, such as federal revenues available under Federal Revenue Sharing Programs.

***Project Notes.*** Project notes are backed by an agreement between a local issuing agency and the Federal Department of Housing and Urban Development ("HUD") and carry a U.S. government guarantee. These notes provide financing for a wide range of financial assistance programs for housing, redevelopment and related needs (such as low-income housing programs and urban renewal programs). Although they are the primary obligations of the local public housing agencies or local urban renewal agencies, the HUD agreement provides for the additional security of the full faith and credit of the U.S. government. Payment by the United States pursuant to its full faith and credit obligation does not impair the tax-exempt character of the income from project notes.

***Construction Loan Notes.*** Construction loan notes are sold to provide construction financing. Permanent financing, the proceeds of which are applied to the payment of construction loan notes, is sometimes provided by a commitment by GNMA to purchase the loan, accompanied by a commitment by the Federal Housing Administration to insure mortgage advances thereunder. In other instances, permanent financing is provided by the commitments of banks to purchase the loan.

**Municipal Commercial Paper.** Municipal commercial paper is a short-term obligation of a municipality, generally issued at a discount with a maturity of less than one year. Such paper is likely to be issued to meet seasonal working capital needs of a municipality or interim construction financing. Municipal commercial paper is backed in many cases by letters of credit, lending agreements, note repurchase agreements or other credit facility agreements offered by banks and other institutions.

**High Yield (High Risk) Municipal Debt Obligations.** Municipal bonds rated "BBB" or "BB" by S&P or Fitch, or "Baa" or "Ba" by Moody's, or lower (and their unrated equivalents) are considered to have some speculative characteristics and, to varying degrees, can pose special risks generally involving the ability of the issuer to make payment of principal and interest to a greater extent than higher rated securities.

A subadvisor may be authorized to purchase lower-rated municipal bonds when, based upon price, yield and its assessment of quality, investment in these bonds is determined to be consistent with a fund's investment objectives. The subadvisor will evaluate and monitor the quality of all investments, including lower-rated bonds, and will dispose of these bonds as determined to be necessary to assure that the fund's portfolio is constituted in a manner consistent with these objectives. To the extent that a fund's investments in lower-rated municipal bonds emphasize obligations believed to be consistent with the goal of preserving capital, these obligations may not provide yields as high as those of other obligations having these ratings, and the differential in yields between these bonds and obligations with higher quality ratings may not be as significant as might otherwise be generally available. The Prospectus for certain funds includes additional information regarding a fund's ability to invest in lower-rated debt obligations under "Principal investment strategies."

## Preferred Stocks

Preferred stock generally has a preference to dividends and, upon liquidation, over an issuer's common stock but ranks junior to debt securities in an issuer's capital structure. Preferred stock generally pays dividends in cash (or additional shares of preferred stock) at a defined rate but, unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer's common stock until all unpaid preferred stock dividends have been paid. Preferred stock also may be subject to optional or mandatory redemption provisions.

## Repurchase Agreements, Reverse Repurchase Agreements, and Sale-Buybacks

Repurchase agreements are arrangements involving the purchase of an obligation and the simultaneous agreement to resell the same obligation on demand or at a specified future date and at an agreed-upon price. A repurchase agreement can be viewed as a loan made by a fund to the seller of the obligation with such obligation serving as collateral for the seller's agreement to repay the amount borrowed with interest. Repurchase agreements provide the opportunity to earn a return on cash that is only temporarily available. Repurchase agreements may be entered with banks, brokers, or dealers. However, a repurchase agreement will only be entered with a broker or dealer if the broker or dealer agrees to deposit additional collateral should the value of the obligation purchased decrease below the resale price.

Generally, repurchase agreements are of a short duration, often less than one week but on occasion for longer periods. 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 repurchase obligation, including the interest accrued thereon.

A subadvisor shall engage in a repurchase agreement transaction only with those banks or broker dealers who meet the subadvisor's quantitative and qualitative criteria regarding creditworthiness, asset size and collateralization requirements. The Advisor also may engage in repurchase agreement transactions on behalf of the funds. The counterparties to a repurchase agreement transaction are limited to a:

- Federal Reserve System member bank;
- primary government securities dealer reporting to the Federal Reserve Bank of New York's Market Reports Division; or
- broker dealer that reports U.S. government securities positions to the Federal Reserve Board.

A fund also may participate in repurchase agreement transactions utilizing the settlement services of clearing firms that meet the subadvisors' creditworthiness requirements.

The Advisor and the subadvisors will continuously monitor repurchase agreement transactions to ensure that the collateral held with respect to a repurchase agreement equals or exceeds the amount of the obligation.

The risk of a repurchase agreement 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 difficulties and delays in obtaining collateral and delays and expense in liquidating the instrument. If an issuer of a repurchase agreement fails to repurchase the underlying obligation, the loss, if any, would be the difference between the repurchase price and the underlying obligation's market value. A fund also might incur certain costs in liquidating the underlying obligation. Moreover, if bankruptcy or other insolvency proceedings are commenced with respect to the seller, realization upon the underlying obligation might be delayed or limited.

Under a reverse repurchase agreement, a fund sells a debt security and agrees to repurchase it at an agreed-upon time and at an agreed-upon price. The fund retains record ownership of the security and the right to receive interest and principal payments thereon. At an agreed-upon future date, the fund repurchases the security by remitting the proceeds previously received, plus interest. The difference between the amount the fund receives for the security and the amount it pays on repurchase is payment of interest. In certain types of agreements, there is no agreed-upon repurchase date and interest payments are calculated daily, often based on the prevailing overnight repurchase rate. A reverse repurchase agreement may be considered a form of leveraging and may, therefore, increase fluctuations in a fund's NAV per share.

A fund may effect simultaneous purchase and sale transactions that are known as "sale-buybacks." A sale-buyback is similar to a reverse repurchase agreement, except that in a sale-buyback, the counterparty that purchases the security is entitled to receive any principal or interest payments made on the underlying security pending settlement of the fund's repurchase of the underlying security.

Subject to the requirements noted under "Government Regulation of Derivatives", a fund will either treat reverse repurchase agreements and similar financings, including sale-buybacks, as derivatives subject to the Derivatives Rule limitations or not as derivatives and treat reverse repurchase agreements and similar financings transactions as senior securities equivalent to bank borrowings subject to asset coverage requirements of Section 18 of the 1940 Act. A fund will ensure that its repurchase agreement transactions are "fully collateralized" by maintaining in a custodial account cash, Treasury bills, other U.S. government securities, or certain other liquid assets having an aggregate value at least equal to the amount of such commitment to repurchase including accrued interest, until payment is made.

**Foreign Repurchase Agreements.** Foreign repurchase agreements involve an agreement to purchase a foreign security and to sell that security back to the original seller at an agreed-upon price in either U.S. dollars or foreign currency. Unlike typical U.S. repurchase agreements, foreign repurchase agreements may not be fully collateralized at all times. The value of a security purchased may be more or less than the price at which the counterparty has agreed to repurchase the security. In the event of default by the counterparty, a fund may suffer a loss if the value of the security purchased is less



than the agreed-upon repurchase price, or if it is unable to successfully assert a claim to the collateral under foreign laws. As a result, foreign repurchase agreements may involve higher credit risks than repurchase agreements in U.S. markets, as well as risks associated with currency fluctuations. In addition, as with other emerging market investments, repurchase agreements with counterparties located in emerging markets, or relating to emerging markets, may involve issuers or counterparties with lower credit ratings than typical U.S. repurchase agreements.

### **Restricted Securities**

A fund may invest in “restricted securities,” which generally are securities that may be resold to the public only pursuant to an effective registration statement under the 1933 Act or an exemption from registration. Regulation S under the 1933 Act is an exemption from registration that permits, under certain circumstances, the resale of restricted securities in offshore transactions, subject to certain conditions, and Rule 144A under the 1933 Act is an exemption that permits the resale of certain restricted securities to qualified institutional buyers.

Since its adoption by the SEC in 1990, Rule 144A has facilitated trading of restricted securities among qualified institutional investors. To the extent restricted securities held by a fund qualify under Rule 144A and an institutional market develops for those securities, the fund expects that it will be able to dispose of the securities without registering the resale of such securities under the 1933 Act. However, to the extent that a robust market for such 144A securities does not develop, or a market develops but experiences periods of illiquidity, investments in Rule 144A securities could increase the level of a fund's illiquidity. A fund might have to register restricted securities in order to dispose of them, resulting in additional expense and delay. Adverse market conditions could impede such a public offering of securities.

There is a large institutional market for certain securities that are not registered under the 1933 Act, which may include markets for repurchase agreements, commercial paper, foreign securities, municipal securities, loans and corporate bonds and notes. Institutional investors depend on an efficient institutional market in which the unregistered security can be readily resold or on an issuer's ability to honor a demand for repayment. The fact that there are contractual or legal restrictions on resale to the general public or to certain institutions may not be indicative of the liquidity of such investments.

### **Short Sales**

A fund may engage in short sales and short sales “against the box.” In a short sale against the box, a fund borrows securities from a broker-dealer and sells the borrowed securities, and at all times during the transaction, a fund either owns or has the right to acquire the same securities at no extra cost. If the price of the security has declined at the time a fund is required to deliver the security, a fund will benefit from the difference in the price. If the price of a security has increased, the funds will be required to pay the difference.

In addition, a fund may sell a security it does not own in anticipation of a decline in the market value of that security (a “short sale”). To complete such a transaction, a fund must borrow the security to make delivery to the buyer. The fund is then obligated to replace the security borrowed by purchasing it at market price at the time of replacement. The price at such time may be more or less than the price at which the security was sold by the fund. Until the security is replaced, the fund is required to pay the lender any dividends or interest which accrues during the period of the loan. To borrow the security, the fund also may be required to pay a premium, which would increase the cost of the security sold. The proceeds of the short sale are typically retained by the broker to meet margin requirements until the short position is closed out. Please see “Government Regulation of Derivatives” section for additional information.

A fund will incur a loss as a result of the short sale if the price of the security increases between the date of the short sale and the date on which the fund replaced the borrowed security and theoretically the fund's loss could be unlimited. A fund will generally realize a gain if the security declines in price between those dates. This result is the opposite of what one would expect from a cash purchase of a long position in a security. The amount of any gain will be decreased, and the amount of any loss increased, by the amount of any premium, dividends or interest the fund may be required to pay in connection with a short sale. Short selling may amplify changes in a fund's NAV. Short selling also may produce higher than normal portfolio turnover, which may result in increased transaction costs to a fund.

### **Short-Term Trading**

Short-term trading means the purchase and subsequent sale of a security after it has been held for a relatively brief period of time. If and to the extent consistent with and permitted by its investment objective and policies, a fund may engage in short-term trading in response to stock market conditions, changes in interest rates or other economic trends and developments, or to take advantage of yield disparities between various fixed-income securities in order to realize capital gains or improve income. Short-term trading may have the effect of increasing portfolio turnover rate. A high rate of portfolio turnover (100% or greater) involves correspondingly greater brokerage transaction expenses and may make it more difficult for a fund to qualify as a RIC for federal income tax purposes (for additional information about qualification as a RIC under the Code, see “Additional Information Concerning Taxes” in this SAI). See specific fund details in the “Portfolio Turnover” section of this SAI.

### **Sovereign Debt Obligations**

Sovereign debt obligations are issued or guaranteed by foreign governments or their agencies. Sovereign debt may be in the form of conventional securities or other types of debt instruments such as loan or loan participations. Typically, sovereign debt of developing countries may involve a high degree of risk and may be in default or present the risk of default, however, sovereign debt of developed countries also may involve a high degree of risk and may be in default or present the risk of default. Governments rely on taxes and other revenue sources to pay interest and principal on their debt obligations, and governmental entities responsible for repayment of the debt may be unable or unwilling to repay principal and pay interest when due and may require renegotiation or rescheduling of debt payments. The payment of principal and interest on these obligations may be adversely affected

by a variety of factors, including economic results, changes in interest and exchange rates, changes in debt ratings, a limited tax base or limited revenue sources, natural disasters, or other economic or credit problems. In addition, prospects for repayment and payment of interest may depend on political as well as economic factors. Defaults in sovereign debt obligations, or the perceived risk of default, also may impair the market for other securities and debt instruments, including securities issued by banks and other entities holding such sovereign debt, and negatively impact the funds.

### **U.S. Government and Government Agency Obligations**

**U.S. Government Obligations.** U.S. government obligations are debt securities issued or guaranteed as to principal or interest by the U.S. Treasury. These securities include treasury bills, notes and bonds.

**GNMA Obligations.** GNMA obligations are mortgage-backed securities guaranteed by the GNMA, which guarantee is supported by the full faith and credit of the U.S. government.

**U.S. Agency Obligations.** U.S. government agency obligations are debt securities issued or guaranteed as to principal or interest by an agency or instrumentality of the U.S. government pursuant to authority granted by Congress. U.S. government agency obligations include, but are not limited to:

- SLMA;
- FHLBs;
- FICBs; and
- Fannie Mae.

**U.S. Instrumentality Obligations.** U.S. instrumentality obligations include, but are not limited to, those issued by the Export-Import Bank and Farmers Home Administration.

Some obligations issued or guaranteed by U.S. government agencies or instrumentalities are supported by the right of the issuer to borrow from the U.S. Treasury or the Federal Reserve Banks, such as those issued by FICBs. Others, such as those issued by Fannie Mae, FHLBs and Freddie Mac, are supported by discretionary authority of the U.S. government to purchase certain obligations of the agency or instrumentality. In addition, other obligations, such as those issued by the SLMA, are supported only by the credit of the agency or instrumentality. There also are separately traded interest components of securities issued or guaranteed by the U.S. Treasury.

No assurance can be given that the U.S. government will provide financial support for the obligations of such U.S. government-sponsored agencies or instrumentalities in the future, since it is not obligated to do so by law. In this SAI, “U.S. government securities” refers not only to securities issued or guaranteed as to principal or interest by the U.S. Treasury but also to securities that are backed only by their own credit and not the full faith and credit of the U.S. government.

It is possible that the availability and the marketability (liquidity) of the securities discussed in this section could be adversely affected by actions of the U.S. government to tighten the availability of its credit. In 2008, FHFA, an agency of the U.S. government, placed Fannie Mae and Freddie Mac into conservatorship, a statutory process with the objective of returning the entities to normal business operations. The FHFA will act as the conservator to operate Fannie Mae and Freddie Mac until they are stabilized. It is unclear what effect this conservatorship will have on the securities issued or guaranteed by Fannie Mae or Freddie Mac.

### **Variable and Floating Rate Obligations**

Investments in floating or variable rate securities normally will involve industrial development or revenue bonds, which provide that the rate of interest is set as a specific percentage of a designated base rate, such as rates of Treasury Bonds or Bills or the prime rate at a major commercial bank. In addition, a bondholder can demand payment of the obligations on behalf of the investing fund on short notice at par plus accrued interest, which amount may be more or less than the amount the bondholder paid for them. The maturity of floating or variable rate obligations (including participation interests therein) is deemed to be the longer of: (i) the notice period required before a fund is entitled to receive payment of the obligation upon demand; or (ii) the period remaining until the obligation's next interest rate adjustment. If not redeemed by the investor through the demand feature, the obligations mature on a specified date, which may range up to thirty years from the date of issuance.

### **Warrants**

Warrants may trade independently of the underlying securities. 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.

### **When-Issued/Delayed Delivery/Forward Commitment Securities**

A fund may purchase or sell securities on a “when-issued,” “delayed-delivery” or “forward commitment” basis. When-issued, delayed-delivery or forward-commitment transactions involve a commitment to purchase or sell securities at a predetermined price or yield in which payment and delivery take place after the customary settlement for such securities (which is typically one month or more after trade date). When purchasing securities in one of these types of transactions, payment for the securities is not required until the delivery date, however, the purchaser assumes the rights and risks of

ownership, including the risks of price and yield fluctuations and the risk that the security will not be delivered. When a fund has sold securities pursuant to one of these transactions, it will not participate in further gains or losses with respect to that security. At the time of delivery, the value of when-issued, delayed-delivery or forward commitment securities may be more or less than the transaction price, and the yields then available in the market may be higher or lower than those obtained in the transaction.

Under normal circumstances, when a fund purchases securities on a when-issued or forward commitment basis, it will take delivery of the securities, but a fund may, if deemed advisable, sell the securities before the settlement date. Forward contracts may settle in cash between the counterparty and the fund or by physical settlement of the underlying securities, and a fund may renegotiate or roll over a forward commitment transaction. In general, a fund does not pay for the securities, or start earning interest on them, or deliver or take possession of securities until the obligations are scheduled to be settled. In such transactions, no cash changes hands on the trade date, however, if the transaction is collateralized, the exchange of margin may take place between the fund and the counterparty according to an agreed-upon schedule. A fund does, however, record the transaction and reflect the value each day of the securities in determining its NAV.

When-issued or forward settling securities transactions physically settling within 35-days are deemed not to involve a senior security. When-issued or forward settling securities transactions that do not physically settle within 35-days are required to be treated as derivatives transactions in compliance with the Derivatives Rule as outlined in the “Government Regulation of Derivatives” section.

### **Yield Curve Notes**

Inverse floating rate securities include, but are not limited to, an inverse floating rate class of a government agency-issued yield curve note. A yield curve note is a fixed-income security that bears interest at a floating rate that is reset periodically based on an interest rate benchmark. The interest rate resets on a yield curve note in the opposite direction from the interest rate benchmark.

### **Zero Coupon Securities, Deferred Interest Bonds and Pay-In-Kind Bonds**

Zero coupon securities, deferred interest bonds and pay-in-kind bonds involve special risk considerations. Zero coupon securities and deferred interest bonds are debt securities that pay no cash income but are sold at substantial discounts from their value at maturity. While zero coupon bonds do not require the periodic payment of interest, deferred interest bonds provide for a period of delay before the regular payment of interest begins. When a zero coupon security or a deferred interest bond is held to maturity, its entire return, which consists of the amortization of discount, comes from the difference between its purchase price and its maturity value. This difference is known at the time of purchase, so that investors holding these securities until maturity know at the time of their investment what the return on their investment will be. Pay-in-kind bonds are bonds that pay all or a portion of their interest in the form of debt or equity securities.

Zero coupon securities, deferred interest bonds and pay-in-kind bonds are subject to greater price fluctuations in response to changes in interest rates than ordinary interest-paying debt securities with similar maturities. The value of zero coupon securities and deferred interest bonds usually appreciates during periods of declining interest rates and usually depreciates during periods of rising interest rates.

**Issuers of Zero Coupon Securities and Pay-In-Kind Bonds.** Zero coupon securities and pay-in-kind bonds may be issued by a wide variety of corporate and governmental issuers. Although zero coupon securities and pay-in-kind bonds are generally not traded on a national securities exchange, these securities are widely traded by brokers and dealers and, to the extent they are widely traded, will not be considered illiquid for the purposes of the investment restriction under “Illiquid Securities.”

**Tax Considerations.** Current federal income tax law requires the holder of a zero coupon security or certain pay-in-kind bonds to accrue income with respect to these securities prior to the receipt of cash payments. To maintain its qualification as a RIC under the Code and avoid liability for federal income and excise taxes, a fund may be required to distribute income accrued with respect to these securities and may have to dispose of portfolio securities under disadvantageous circumstances in order to generate cash to satisfy these distribution requirements.

## **RISK FACTORS**

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The risks of investing in certain types of securities are described below. Risks are only applicable to a fund if and to the extent that corresponding investments, or indirect exposures to such investments through derivative contracts, are consistent with and permitted by the fund's investment objectives and policies. The value of an individual security or a particular type of security can be more volatile than the market as a whole and can perform differently than the value of the market as a whole. By owning shares of the underlying funds, each fund of funds indirectly invests in the securities and instruments held by the underlying funds and bears the same risks of such underlying funds.

### **Cash Holdings Risk**

A fund may be subject to delays in making investments when significant purchases or redemptions of fund shares cause the fund to have an unusually large cash position. When the fund has a higher than normal cash position, it may incur “cash drag,” which is the opportunity cost of holding a significant cash position. This significant cash position might cause the fund to miss investment opportunities it otherwise would have benefited from if fully invested, or might cause the fund to pay more for investments in a rising market, potentially reducing fund performance.

### **Collateralized Debt Obligations**

The risks of an investment in a CDO depend largely on the quality of the collateral securities and the class of the instrument in which a fund invests. Normally, CDOs are privately offered and sold, and thus, are not registered under the securities laws. As a result, investments in CDOs may be

characterized by a fund as illiquid, however an active dealer market may exist for CDOs allowing them to qualify for treatment as liquid under Rule 144A transactions. In addition to the normal risks associated with fixed-income securities discussed elsewhere in this SAI and the Prospectus (e.g., interest rate risk and default risk), CDOs carry risks including, but are not limited to the possibility that: (i) distributions from collateral securities will not be adequate to make interest or other payments; (ii) the quality of the collateral may decline in value or default; (iii) a fund may invest in CDO classes that are subordinate to other classes of the CDO; and (iv) the complex structure of the CDO may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

### **Equity Securities**

Equity securities include common, preferred and convertible preferred stocks and securities the values of which are tied to the price of stocks, such as rights, warrants and convertible debt securities. 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's investment 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 issuers of these securities declines or if overall market and economic conditions deteriorate. Even funds that invest 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 also may have less growth potential than smaller companies and may be able to react less quickly to change in the marketplace.

### **ESG Integration Risk**

Certain subadvisors may integrate research on environmental, social and governance ("ESG") factors into a fund's investment process. Such subadvisors may consider ESG factors that it deems relevant or additive, along with other material factors and analysis, when managing a fund. ESG factors may include, but are not limited to, matters regarding board diversity, climate change policies, and supply chain and human rights policies. Incorporating ESG criteria and making investment decisions based on certain ESG characteristics, as determined by a subadvisor, carries the risk that a fund may perform differently, including underperforming, funds that do not utilize ESG criteria, or funds that utilize different ESG criteria. Integration of ESG factors into a fund's investment process may result in a subadvisor making different investment decisions for a fund than for a fund with a similar investment universe and/or investment style that does not incorporate such considerations in its investment strategy or processes, and a fund's investment performance may be affected. Integration of ESG factors into a fund's investment process does not preclude a fund from including companies with low ESG characteristics or excluding companies with high ESG characteristics in a fund's investments.

The ESG characteristics utilized in a fund's investment process may change over time, and different ESG characteristics may be relevant to different investments. Successful integration of ESG factors will depend on a subadvisor's skill in researching, identifying, and applying these factors, as well as on the availability of relevant data. The method of evaluating ESG factors and subsequent impact on portfolio composition, performance, proxy voting decisions and other factors, is subject to the interpretation of a subadvisor in accordance with the fund's investment objective and strategies. ESG factors may be evaluated differently by different subadvisors, and may not carry the same meaning to all investors and subadvisors. The regulatory landscape with respect to ESG investing in the United States is evolving and any future rules or regulations may require a fund to change its investment process with respect to ESG integration.

### **European Risk**

Countries in Europe may be significantly affected by fiscal and monetary controls implemented by the EU and EMU, which require member countries to comply with restrictions on inflation rates, deficits, interest rates, debt levels and fiscal and monetary controls. Decreasing imports or exports, changes in governmental or other regulations on trade, changes in the exchange rate or dissolution of the Euro, the default or threat of default by one or more EU member countries on its sovereign debt, and/or an economic recession in one or more EU member countries may have a significant adverse effect on other European economies and major trading partners outside Europe.

In recent years, the European financial markets have experienced volatility and adverse trends due to concerns about economic downturns, rising government debt levels and the possible default of government debt in several European countries. The European Central Bank and IMF have previously bailed-out several European countries. There is no guarantee that these institutions will continue to provide financial support, and markets may react adversely to any reduction in financial support. A default or debt restructuring by any European country can adversely impact holders of that country's debt and sellers of credit default swaps linked to that country's creditworthiness, which may be located in countries other than those listed above, and can affect exposures to other EU countries and their financial companies as well.

Uncertainties surrounding the sovereign debt of a number of 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 global securities markets likely will be significantly disrupted. On January 31, 2020, the UK left the EU, commonly referred to as "Brexit," the UK ceased to be a member of the EU, and the UK and EU entered into a Trade and Cooperation Agreement. While the full impact of Brexit is unknown, Brexit has already resulted in volatility in European and global markets. There remains 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. It is also possible that various countries within the UK, such as Scotland or Northern Ireland, could seek to separate and remain a part of the EU. Other secessionist movements including countries seeking to abandon the Euro or withdraw from the EU may cause volatility and uncertainty in the EU.

The UK has one of the largest economies in Europe and is a major trading partner with the EU countries and the United States. Brexit might negatively affect The City of London's economy, which is heavily dominated by financial services, as banks might be forced to move staff and comply with two separate sets of rules or lose business to banks in Continental Europe.

Investing in the securities of Eastern European issuers is highly speculative and involves risks not usually associated with investing in the more developed markets of Western Europe. Securities markets of Eastern European countries typically are less efficient and have lower trading volume, lower liquidity, and higher volatility than more developed markets. Eastern European economies also may be particularly susceptible to disruption in the international credit market due to their reliance on bank related inflows of capital.

To the extent that a fund invests in European securities, it may be exposed to these risks through its direct investments in such securities, including sovereign debt, or indirectly through investments in money market funds and financial institutions with significant investments in such securities. In addition, Russia's increasing international assertiveness could negatively impact EU and Eastern European economic activity. Please see "Market Events" for additional information regarding risks related to sanctions imposed on Russia.

### **Fixed-Income Securities**

Fixed-income securities are generally subject to two principal types of risk: (1) interest-rate risk; and (2) credit quality risk. Fixed-income securities are also subject to liquidity risk.

**Interest Rate Risk.** Fixed-income securities are affected by changes in interest rates. When interest rates decline, the market value of the 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 a fixed-income security's duration, the more sensitive it will be to changes in interest rates. Similarly, a fund with a longer average portfolio duration will be more sensitive to changes in interest rates than a fund with a shorter average portfolio duration. Duration is a measure used to determine the sensitivity of a security's price to changes in interest rates that incorporates a security's yield, coupon, final maturity, and call features, among other characteristics. All other things remaining equal, for each one percentage point increase in interest rates, the value of a portfolio of fixed-income investments would generally be expected to decline by one percent for every year of the portfolio's average duration above zero. For example, the price of a bond fund with an average duration of eight years would be expected to fall approximately 8% if interest rates rose by one percentage point. The maturity of a security, another commonly used measure of price sensitivity, measures only the time until final payment is due, whereas duration takes into account the pattern of all payments of interest and principal on a security over time, including how these payments are affected by prepayments and by changes in interest rates, as well as the time until an interest rate is reset (in the case of variable-rate securities).

In response to certain economic conditions, including periods of high inflation, governmental authorities and regulators may respond with significant fiscal and monetary policy changes such as raising interest rates. The fund may be subject to heightened interest rate risk when the Federal Reserve Board (Fed) raises interest rates. Recent and potential future changes in government monetary policy may affect interest rates. It is difficult to accurately predict the timing, frequency or magnitude of potential interest rate increases or decreases by the Fed and the evaluation of macro-economic and other conditions that could cause a change in approach in the future. If the Fed and other central banks increase the federal funds rate and equivalent rates, such increases generally will cause market interest rates to rise, and could cause the value of a fund's investments, and the fund's NAV, to decline, potentially suddenly and significantly. As a result, the fund may experience high redemptions and, as a result, increased portfolio turnover, which could increase the costs that the fund incurs and may negatively impact the fund's performance.

In certain market conditions, governmental authorities and regulators may considerably lower interest rates, which, in some cases could result in negative interest rates. These actions, including their reversal or potential ineffectiveness, could further increase volatility in securities and other financial markets and reduce market liquidity. To the extent the fund has a bank deposit or holds a debt instrument with a negative interest rate to maturity, the fund would generate a negative return on that investment. Similarly, negative rates on investments by money market funds and similar cash management products could lead to losses on investments, including on investments of the fund's uninvested cash.

**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. Funds that may invest in lower rated fixed-income securities are riskier than funds that may invest in higher rated fixed-income securities.

**Liquidity Risk.** Liquidity risk may result from the lack of an active market, the reduced number of traditional market participants, or the reduced capacity of traditional market participants to make a market in fixed-income securities. 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. In addition, liquidity risk may be magnified in a rising interest rate environment in which investor redemptions from fixed-income funds may be higher than normal; the selling of fixed-income securities to satisfy shareholder redemptions may result in an increased supply of such securities during periods of reduced investor demand due to a lack of buyers, thereby impairing the fund's ability to sell such securities. The secondary market for certain tax-exempt securities tends to be less well-developed or liquid than many other securities markets, which may adversely affect a fund's ability to sell such securities at attractive prices.



## **Floating Rate Loans Risk**

Floating rate loans are generally rated below investment-grade, or if unrated, determined by the manager to be of comparable quality. They are generally considered speculative because they present a greater risk of loss, including default, than higher quality debt instruments. Such investments may, under certain circumstances, be particularly susceptible to liquidity and valuation risks. Although certain floating rate loans are collateralized, there is no guarantee that the value of the collateral will be sufficient or available to satisfy the borrower's obligation. In times of unusual or adverse market, economic or political conditions, floating rate loans may experience higher than normal default rates. In the event of a serious credit event the value of the fund's investments in floating rate loans are more likely to decline. The secondary market for floating rate loans is limited and, therefore, the fund's ability to sell or realize the full value of its investment in these loans to reinvest sale proceeds or to meet redemption obligations may be impaired. In addition, floating rate loans generally are subject to extended settlement periods that may be longer than seven days. As a result, the fund may be adversely affected by selling other investments at an unfavorable time and/or under unfavorable conditions to meet redemption requests or pursue other investment opportunities. In addition, certain floating rate loans may be "covenant-lite" loans that may contain fewer or less restrictive covenants on the borrower or may contain other borrower-friendly characteristics. The fund may experience relatively greater difficulty or delays in enforcing its rights on its holdings of certain covenant-lite loans and debt securities than its holdings of loans or securities with the usual covenants.

In certain circumstances, floating rate loans may not be deemed to be securities. As a result, the fund may not have the protection of the anti-fraud provisions of the federal securities laws. In such cases, the fund generally must rely on the contractual provisions in the loan agreement and common-law fraud protections under applicable state law.

## **Foreign Securities**

**Currency Fluctuations.** Investments in foreign securities may cause a fund to lose money when converting investments from foreign currencies into U.S. dollars. A fund may attempt to lock in an exchange rate by purchasing a foreign currency exchange contract prior to the settlement of an investment in a foreign security. However, the fund may not always be successful in doing so, and it could still lose money.

**Political and Economic Conditions.** Investments in foreign securities subject a fund to the political or economic conditions of the foreign country. These conditions could cause a fund's investments to lose value if these conditions deteriorate for any reason. This risk increases in the case of emerging market countries which are more likely to be politically unstable. Political instability could cause the value of any investment in the securities of an issuer based in a foreign country to decrease or could prevent or delay a fund from selling its investment and taking the money out of the country.

**Removal of Proceeds of Investments from a Foreign Country.** Foreign countries, especially emerging market countries, often have currency controls or restrictions that may prevent or delay a fund from taking money out of the country or may impose additional taxes on money removed from the country. Therefore, a fund could lose money if it is not permitted to remove capital from the country or if there is a delay in taking the assets out of the country, since the value of the assets could decline during this period, or the exchange rate to convert the assets into U.S. dollars could worsen.

**Nationalization of Assets.** Investments in foreign securities subject a fund to the risk that the company issuing the security may be nationalized. If the company is nationalized, the value of the company's securities could decrease in value or even become worthless.

**Settlement of Sales.** Foreign countries, especially emerging market countries, also may have problems associated with settlement of sales. Such problems could cause a fund to suffer a loss if a security to be sold declines in value while settlement of the sale is delayed.

**Investor Protection Standards.** Foreign countries, especially emerging market countries, may have less stringent investor protection and disclosure standards than the U.S. Therefore, when making a decision to purchase a security for a fund, a subadvisor may not be aware of problems associated with the company issuing the security and may not enjoy the same legal rights as those provided in the U.S.

**Securities of Emerging Market Issuers or Countries.** The risks described above apply to an even greater extent to investments in emerging markets. The securities markets of emerging countries are generally smaller, less developed, less liquid, and more volatile than the securities markets of the United States and developed foreign countries. In addition, the securities markets of emerging countries may be subject to a lower level of monitoring and regulation. Government enforcement of existing securities regulations also has been extremely limited, and any such enforcement may be arbitrary and the results difficult to predict with any degree of certainty. Many emerging countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets of some emerging countries. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the countries with which they trade. Economies in emerging markets also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. The economies of countries with emerging markets also may be predominantly based on only a few industries or dependent on revenues from particular commodities. In many cases, governments of emerging market countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may affect the capacity of issuers of debt instruments to make payments on their debt obligations, regardless of their financial condition.

**Restrictions on Investments.** There may be unexpected restrictions on investments in companies located in certain foreign countries. For example, on November 12, 2020, the President of the United States signed an Executive Order prohibiting U.S. persons from purchasing or investing in publicly-traded securities of companies identified by the U.S. government as "Communist Chinese military companies," or in instruments that are derivative of, or are designed to provide investment exposure to, such securities. In addition, to the extent that a fund holds such a security, one or more fund intermediaries may decline to process customer orders with respect to such fund unless and until certain representations are made by the fund or

the prohibited holdings are divested. As a result of forced sales of a security, or inability to participate in an investment the manager otherwise believes is attractive, a fund may incur losses.

### **Gaming-Tribal Authority Investments**

The value of a fund's investments in securities issued by gaming companies, including gaming facilities operated by Indian (Native American) tribal authorities, is subject to legislative or regulatory changes, adverse market conditions, and/or increased competition affecting the gaming sector. Securities of gaming companies may be considered speculative, and generally exhibit greater volatility than the overall market. The market value of gaming company securities may fluctuate widely due to unpredictable earnings, due in part to changing consumer tastes and intense competition, strong reaction to technological developments, and the threat of increased government regulation.

Securities issued by Indian tribal authorities are subject to particular risks. Indian tribes enjoy sovereign immunity, which is the legal privilege by which the United States federal, state, and tribal governments cannot be sued without their consent. In order to sue an Indian tribe (or an agency or instrumentality thereof), the tribe must have effectively waived its sovereign immunity with respect to the matter in dispute. Certain Indian tribal authorities have agreed to waive their sovereign immunity in connection with their outstanding debt obligations. Generally, waivers of sovereign immunity have been held to be enforceable against Indian tribes. Nevertheless, if a waiver of sovereign immunity is held to be ineffective, claimants, including investors in Indian tribal authority securities (such as a fund), could be precluded from judicially enforcing their rights and remedies.

Further, in most commercial disputes with Indian tribes, it may be difficult or impossible to obtain federal court jurisdiction. A commercial dispute may not present a federal question, and an Indian tribe may not be considered a citizen of any state for purposes of establishing diversity jurisdiction. The U.S. Supreme Court has held that jurisdiction in a tribal court must be exhausted before any dispute can be heard in an appropriate federal court. In cases where the jurisdiction of the tribal forum is disputed, the tribal court first must rule as to the limits of its own jurisdiction. Such jurisdictional issues, as well as the general view that Indian tribes are not considered to be subject to ordinary bankruptcy proceedings, may be disadvantageous to holders of obligations issued by Indian tribal authorities, including a fund.

### **Greater China Region Risk**

Investments in the Greater China region are subject to special risks, such as less developed or less efficient trading markets, restrictions on monetary repatriation and possible seizure, nationalization or expropriation of assets. Taiwan's history of political contention with China has resulted in ongoing tensions between the two countries and, at times, threats of military conflict. Investments in Taiwan could be adversely affected by its political and economic relationship with China. In addition, the willingness of the government of the PRC to support the Mainland China and Hong Kong economies and markets is uncertain, and changes in government policy could significantly affect the markets in both Hong Kong and China. 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. The PRC also maintains strict currency controls and imposes repatriation restrictions in order to achieve economic, trade and political objectives and regularly intervenes in the currency market. The imposition of currency controls and repatriation restrictions may negatively impact the performance and liquidity of a fund as capital may become trapped in the PRC. Chinese yuan currency exchange rates can be very volatile and can change quickly and unpredictably. A small number of companies and industries may generally represent a relatively large portion of the Greater China market. Consequently, a fund may experience greater price volatility and significantly lower liquidity than a portfolio invested solely in equity securities of U.S. issuers. These companies and industries also may be subject to greater sensitivity to adverse political, economic or regulatory developments generally affecting the market (see "Risk Factors – Foreign Securities").

To the extent a fund invests in securities of Chinese issuers, it may be subject to certain risks associated with variable interest entities ("VIEs"). VIEs are widely used by China-based companies where China restricts or prohibits foreign ownership in certain sectors, including telecommunications, technology, media, and education. In a typical VIE structure, a shell company is set up in an offshore jurisdiction and enters into contractual arrangements with a China-based operating company. The VIE lists on a U.S. exchange and investors then purchase the stock issued by the VIE. The VIE structure is designed to provide investors with economic exposure to the Chinese company that replicates equity ownership, without providing actual equity ownership.

VIE structures do not offer the same level of investor protections as direct ownership and investors may experience losses if VIE structures are altered, contractual disputes emerge, or the legal status of the VIE structure is prohibited under Chinese law. Additionally, significant portions of the Chinese securities markets may also become rapidly illiquid, as Chinese issuers have the ability to suspend the trading of their equity securities, and have shown a willingness to exercise that option in response to market volatility and other events.

The legal status of the VIE structure remains uncertain under Chinese law. There is risk that the Chinese government may cease to tolerate such VIE structures at any time or impose new restrictions on the structure, in each case either generally or with respect to specific issuers. If new laws, rules or regulations relating to VIE structures are adopted, investors, including a fund, could suffer substantial, detrimental, and possibly permanent losses with little or no recourse available.

In addition, VIEs may be delisted if they do not meet U.S. accounting standards and auditor oversight requirements. Delisting would significantly decrease the liquidity and value of the securities of these companies, decrease the ability of a fund to invest in such securities and may increase the expenses of a fund if it is required to seek alternative markets in which to invest in such securities.

## High Yield (High Risk) Securities

**General.** A fund may invest in high yield (high risk) securities, consistent with its investment objectives and policies. High yield (high risk) securities (also known as “junk bonds”) are those rated below investment grade and comparable unrated securities. These securities offer yields that fluctuate over time, but generally are superior to the yields offered by higher-rated securities. However, securities rated below investment grade also have greater risks than higher-rated securities as described below.

**Interest Rate Risk.** To the extent that a fund invests in fixed-income securities, the NAV of the fund's shares can be expected to change as general levels of interest rates fluctuate. However, the market values of securities rated below investment grade (and comparable unrated securities) tend to react less to fluctuations in interest rate levels than do those of higher-rated securities. Except to the extent that values are affected independently by other factors (such as developments relating to a specific issuer) when interest rates decline, the value of a fixed-income fund generally rise. Conversely, when interest rates rise, the value of a fixed-income fund will decline.

**Liquidity.** The secondary markets for high yield corporate and sovereign debt securities are not as liquid as the secondary markets for investment grade securities. The secondary markets for high yield debt securities are concentrated in relatively few market makers and participants are mostly institutional investors. In addition, the trading volume for high yield debt securities is generally lower than for investment grade securities. Furthermore, the secondary markets could contract under adverse market or economic conditions independent of any specific adverse changes in the condition of a particular issuer.

These factors may have an adverse effect on the ability of funds investing in high yield securities to dispose of particular portfolio investments. These factors also may limit funds that invest in high yield securities from obtaining accurate market quotations to value securities and calculate NAV. If a fund investing in high yield debt securities is not able to obtain precise or accurate market quotations for a particular security, it will be more difficult for the subadvisor to value the fund's investments.

Less liquid secondary markets also may affect a fund's ability to sell securities at their fair value. Each fund may invest in illiquid securities, subject to certain restrictions (see “Additional Investment Policies and Other Instruments”). These securities may be more difficult to value and to sell at fair value. If the secondary markets for high yield debt securities are affected by adverse economic conditions, the proportion of a fund's assets invested in illiquid securities may increase.

**Below-Investment Grade Corporate Debt Securities.** While the market values of securities rated below investment grade (and comparable unrated securities) tend to react less to fluctuations in interest rate levels than do those of higher-rated securities, the market values of below-investment grade corporate debt securities tend to be more sensitive to individual corporate developments and changes in economic conditions than higher-rated securities.

In addition, these securities generally present a higher degree of credit risk. Issuers of these securities are often highly leveraged and may not have more traditional methods of financing available to them. Therefore, their ability to service their debt obligations during an economic downturn or during sustained periods of rising interest rates may be impaired. The risk of loss due to default by such issuers is significantly greater than with investment grade securities because such securities generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness.

**Below-Investment Grade Foreign Sovereign Debt Securities.** Investing in below-investment grade foreign sovereign debt securities will expose a fund to the consequences of political, social or economic changes in the developing and emerging market countries that issue the securities. The ability and willingness of sovereign obligors in these countries to pay principal and interest on such debt when due may depend on general economic and political conditions within the relevant country. Developing and emerging market countries have historically experienced (and may continue to experience) high inflation and interest rates, exchange rate trade difficulties, extreme poverty and unemployment. Many of these countries also are characterized by political uncertainty or instability.

The ability of a foreign sovereign obligor to make timely payments on its external debt obligations also will be strongly influenced by:

- the obligor's balance of payments, including export performance;
- the obligor's access to international credits and investments;
- fluctuations in interest rates; and
- the extent of the obligor's foreign reserves.

**Defaulted Securities.** The risk of loss due to default may be considerably greater with lower-quality securities because they are generally unsecured and are often subordinated to other debt of the issuer. The purchase of defaulted debt securities involves risks such as the possibility of complete loss of the investment where the issuer does not restructure to enable it to resume principal and interest payments. If the issuer of a security in a fund's portfolio defaults, the fund may have unrealized losses on the security, which may lower the fund's NAV. Defaulted securities tend to lose much of their value before they default. Thus, a fund's NAV may be adversely affected before an issuer defaults. In addition, a fund may incur additional expenses if it must try to recover principal or interest payments on a defaulted security.

Defaulted debt securities may be illiquid and, as such, will be part of the percentage limits on investments in illiquid securities discussed under “Illiquid Securities.”



**Obligor's Balance of Payments.** A country whose exports are concentrated in a few commodities or whose economy depends on certain strategic imports could be vulnerable to fluctuations in international prices of these commodities or imports. To the extent that a country receives payment for its exports in currencies other than dollars, its ability to make debt payments denominated in dollars could be adversely affected.

**Obligor's Access to International Credits and Investments.** If a foreign sovereign obligor cannot generate sufficient earnings from foreign trade to service its external debt, it may need to depend on continuing loans and aid from foreign governments, commercial banks, and multilateral organizations, and inflows of foreign investment. The commitment on the part of these entities to make such disbursements may be conditioned on the government's implementation of economic reforms and/or economic performance and the timely service of its obligations. Failure in any of these efforts may result in the cancellation of these third parties' lending commitments, thereby further impairing the obligor's ability or willingness to service its debts on time.

**Obligor's Fluctuations in Interest Rates.** The cost of servicing external debt is generally adversely affected by rising international interest rates since many external debt obligations bear interest at rates that are adjusted based upon international interest rates.

**Obligor's Foreign Reserves.** The ability to service external debt also will depend on the level of the relevant government's international currency reserves and its access to foreign exchange. Currency devaluations may affect the ability of a sovereign obligor to obtain sufficient foreign exchange to service its external debt.

**The Consequences of a Default.** As a result of the previously listed factors, a governmental obligor may default on its obligations. If a default occurs, a fund holding foreign sovereign debt securities may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of the foreign sovereign debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial bank debt will not contest payments to the holders of other foreign sovereign debt obligations in the event of default under their commercial bank loan agreements.

Sovereign obligors in developing and emerging countries are among the world's largest debtors to commercial banks, other governments, international financial organizations and other financial institutions. These obligors have in the past experienced substantial difficulties in servicing their external debt obligations. This difficulty has led to defaults on certain obligations and the restructuring of certain indebtedness. Restructuring arrangements have included, among other things:

- reducing and rescheduling interest and principal payments by negotiating new or amended credit agreements or converting outstanding principal and unpaid interest to Brady Bonds; and
- obtaining new credit to finance interest payments.

Holders of certain foreign sovereign debt securities may be requested to participate in the restructuring of such obligations and to extend further loans to their issuers. There can be no assurance that the Brady Bonds and other foreign sovereign debt securities in which a fund may invest will not be subject to similar restructuring arrangements or to requests for new credit that may adversely affect the fund's holdings. Furthermore, certain participants in the secondary market for such debt may be directly involved in negotiating the terms of these arrangements and may therefore have access to information not available to other market participants.

**Securities in the Lowest Rating Categories.** Certain debt securities in which a fund may invest may have (or be considered comparable to securities having) the lowest ratings for non-subordinated debt instruments (e.g., securities rated "Caa" or lower by Moody's, "CCC" or lower by S&P or Fitch). These securities are considered to have the following characteristics:

- extremely poor prospects of ever attaining any real investment standing;
- current identifiable vulnerability to default;
- unlikely to have the capacity to pay interest and repay principal when due in the event of adverse business, financial or economic conditions;
- are speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations; and/or
- are in default or not current in the payment of interest or principal.

Accordingly, it is possible that these types of characteristics could, in certain instances, reduce the value of securities held by a fund with a commensurate effect on the value of the fund's shares.

### **Hong Kong Stock Connect Program and Bond Connect Program Risk**

A fund may invest in eligible renminbi-denominated class A shares of equity securities that are listed and traded on certain Chinese stock exchanges ("China A-Shares") through the Hong Kong Stock Connect Program ("Stock Connect"), a mutual market access program designed to, among others, enable foreign investment in the PRC; and in renminbi-denominated bonds issued in the PRC by Chinese credit, government and quasi-governmental issuers ("RMB Bonds"), which are available on the CIBM to eligible foreign investors through, among others, the "Mutual Bond Market Access between Mainland China and Hong Kong" ("Bond Connect") program.

Trading in China A-Shares through Stock Connect and bonds through Bond Connect is subject to certain restrictions and risks. A fund's investment in China A-Shares may only be traded through Stock Connect and is not otherwise transferable. The list of securities eligible to be traded on either program may change from time to time. Securities listed on either program may lose purchase eligibility, which could adversely affect a fund's performance.

While Stock Connect is not subject to individual investment quotas, daily and aggregate investment quotas apply to all Stock Connect participants, which may restrict or preclude a fund's ability to invest in China A-Shares. For example, these quota limitations require that buy orders for China A-Shares be rejected once the remaining balance of the relevant quota drops to zero or the daily quota is exceeded (although a fund will be permitted to sell China A-Shares regardless of the quota balance). These limitations may restrict a fund from investing in China A-Shares on a timely basis, which could affect a fund's ability to effectively pursue its investment strategy. Investment quotas are also subject to change. Bond Connect is not subject to investment quotas.

Chinese regulations prohibit over-selling of China A-Shares. If a fund intends to sell China A-shares it holds, it must transfer those securities to the accounts of a fund's participant broker before the market opens. As a result, a fund may not be able to dispose of its holdings of China A-Shares in a timely manner.

Stock Connect also is generally available only on business days when both the exchange on which China A-Shares are offered and the Stock Exchange of Hong Kong are open and when banks in both markets are open on the corresponding settlement days. Therefore, an investment in China A-Shares through Stock Connect may subject a fund to a risk of price fluctuations on days where Chinese stock markets are open, but Stock Connect is not operating. Similarly, Bond Connect is only available on days when markets in both China and Hong Kong are open, which may limit a fund's ability to trade when it would be otherwise attractive to do so.

Stock Connect launched in November 2014 and Bond Connect launched in July 2017. Therefore, trading through Stock Connect and Bond Connect is subject to trading, clearance, and settlement procedures that may continue to develop as the programs mature, which could pose risks to a fund. Bond Connect is relatively new and its effects on the CIBM are uncertain. In addition, the trading, settlement and information technology systems required for non-Chinese investors in Bond Connect are relatively new. In the event of systems malfunctions or extreme market conditions, trading via Bond Connect could be disrupted. In addition, the rules governing the operation of Stock Connect and Bond Connect may be subject to further interpretation and guidance. There can be no assurance as to the programs' continued existence or whether future developments regarding the programs may restrict or adversely affect a fund's investments or returns. Additionally, the withholding tax treatment of dividends, interest, and capital gains payable to overseas investors may be subject to change. Furthermore, there is currently no specific formal guidance by the PRC tax authorities on the treatment of income tax and other tax categories payable in respect of trading in CIBM by eligible foreign institutional investors via Bond Connect. Any changes in PRC tax law, future clarifications thereof, and/or subsequent retroactive enforcement by the PRC tax authorities of any tax may result in a material loss to a fund.

Stock Connect and Bond Connect regulations provide that investors, such as a fund, enjoy the rights and benefits of equities purchased through Stock Connect and bonds purchased through Bond Connect. However, the nominee structure under Stock Connect requires that China A-Shares be held through the HKSCC as nominee on behalf of investors. For investments via Bond Connect, the relevant filings, registration with People's Bank of China, and account opening have to be carried out via an onshore settlement agent, offshore custody agent, registration agent, or other third parties (as the case may be). As such, a fund is subject to the risks of default or errors on the part of such third parties.

While a fund's ownership of China A-Shares will be reflected on the books of the custodian's records, a fund will only have beneficial rights in such A-Shares. The precise nature and rights of a fund as the beneficial owner of the equities through the HKSCC as nominee is not well defined under the law of the PRC. Although the China Securities Regulatory Commission has issued guidance indicating that participants in Stock Connect will be able to exercise rights of beneficial owners in the PRC, the exact nature and methods of enforcement of the rights and interests of a fund under PRC law is uncertain. In particular, the courts may consider that the nominee or custodian as registered holder of China A-Shares, has full ownership over the securities rather than a fund as the underlying beneficial owner. The HKSCC, as nominee holder, does not guarantee the title to China A-Shares held through it and is under no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners. Consequently, title to these securities, or the rights associated with them, such as participation in corporate actions or shareholder meetings, cannot be assured.

While certain aspects of the Stock Connect trading process are subject to Hong Kong law, PRC rules applicable to share ownership will apply. In addition, transactions using Stock Connect are not subject to the Hong Kong investor compensation fund, which means that a fund will be unable to make monetary claims on the investor compensation fund that it might otherwise be entitled to with respect to investments in Hong Kong securities. Other risks associated with investments in PRC securities apply fully to China A-Shares purchased through Stock Connect.

Similarly, in China, the Hong Kong Monetary Authority Central Money Markets Unit holds Bond Connect securities on behalf of ultimate investors (such as a fund) in accounts maintained with a China-based custodian (either the China Central Depository & Clearing Co. or the Shanghai Clearing House). This recordkeeping system subjects a fund to various risks, including the risk that a fund may have a limited ability to enforce rights as a bondholder and the risks of settlement delays and counterparty default of the Hong Kong sub-custodian. In addition, enforcing the ownership rights of a beneficial holder of Bond Connect securities is untested and courts in China have limited experience in applying the concept of beneficial ownership.

China A-Shares traded via Stock Connect and bonds trading through Bond Connect are subject to various risks associated with the legal and technical framework of Stock Connect and Bond Connect, respectively. In the event that the relevant systems fail to function properly, trading through Stock Connect or Bond Connect could be disrupted. In the event of high trade volume or unexpected market conditions, Stock Connect and Bond Connect may be available only on a limited basis, if at all. Both the PRC and Hong Kong regulators are permitted, independently of each other, to suspend Stock Connect in response to certain market conditions. Similarly, in the event that the relevant Mainland Chinese authorities suspend account opening or trading on the CIBM via Bond Connect, a fund's ability to invest in Chinese bonds will be adversely affected and limited. In such event, a fund's ability to achieve its investment objective will be negatively affected and, after exhausting other trading alternatives, a fund may suffer substantial losses as a result.

## Hybrid Instruments

The risks of investing in hybrid instruments are a combination of the risks of investing in securities, options, futures, swaps, and currencies. Therefore, an investment in a hybrid instrument may include significant risks not associated with a similar investment in a traditional debt instrument with a fixed principal amount, is denominated in U.S. dollars, or that bears interest either at a fixed rate or a floating rate determined by reference to a common, nationally published benchmark. 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 benchmarks 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. See “Hedging and Other Strategic Transactions” for a description of certain risks associated with investments in futures, options, and forward contracts. The principal risks of investing in hybrid instruments are as follows:

**Volatility.** Hybrid instruments are potentially more volatile and carry greater market risks than traditional debt instruments. Depending on the structure of the particular hybrid instrument, changes in a benchmark may be magnified by the terms of the hybrid instrument and have an even more dramatic and substantial effect upon the value of the hybrid instrument. Also, the prices of the hybrid instrument and the benchmark or underlying asset may not move in the same direction or at the same time.

**Leverage Risk.** Hybrid instruments may bear interest or pay preferred dividends at below market (or even relatively nominal) rates. Alternatively, hybrid instruments may bear interest at above market rates, but bear an increased risk of principal loss (or gain). For example, an increased risk of principal loss (or gain) may result if “leverage” is used to structure a hybrid instrument. Leverage risk occurs when the hybrid instrument is structured so that a change in a benchmark or underlying asset is multiplied to produce a greater value change in the hybrid instrument, thereby magnifying the risk of loss, as well as the potential for gain.

**Liquidity Risk.** Hybrid instruments also may 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. In addition, because the purchase and sale of hybrid instruments could take place in an OTC market without the guarantee of a central clearing organization or in a transaction between a fund and the issuer of the hybrid instrument, the creditworthiness of the counterparty or issuer of the hybrid instrument would be an additional risk factor, which the fund would have to consider and monitor.

**Lack of U.S. Regulation.** Hybrid instruments may not be subject to regulation of the CFTC, which generally regulates the trading of swaps and commodity futures by U.S. persons, the SEC, which regulates the offer and sale of securities by and to U.S. persons, or any other governmental regulatory authority.

**Credit and Counterparty Risk.** The issuer or guarantor of a hybrid instrument may be unable or unwilling to make timely principal, interest or settlement payments, or otherwise honor its obligations. Funds that invest in hybrid instruments are subject to varying degrees of risk that the issuers of the securities will have their credit rating downgraded or will default, potentially reducing a fund's share price and income level.

The various risks discussed above with respect to hybrid instruments particularly the market risk of such instruments, may cause significant fluctuations in the NAV of a fund that invests in such instruments.

## Industry or Sector Investing

When a fund invests a substantial portion of its assets in a particular industry or sector of the economy, the fund's investments are not as varied as the investments of most funds and are far less varied than the broad securities markets. As a result, the fund's performance tends to be more volatile than other funds, and the values of the fund's investments tend to go up and down more rapidly. In addition, to the extent that a fund invests significantly in a particular industry or sector, it is particularly susceptible to the impact of market, economic, regulatory and other factors affecting that industry or sector. The principal risks of investing in certain sectors are described below.

**Communication.** Companies in the communication sector are subject to the additional risks of rapid obsolescence due to technological advancement or development, 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 communication 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 communication companies in their primary markets.

**Consumer Discretionary.** The consumer discretionary sector may be affected by fluctuations in supply and demand and may also be adversely affected by changes in consumer spending as a result of world events, political and economic conditions, commodity price volatility, changes in exchange rates, imposition of import controls, increased competition, depletion of resources and labor relations.

**Consumer Staples.** Companies in the consumer staples sector may be affected by general economic conditions, commodity production and pricing, consumer confidence and spending, consumer preferences, interest rates, product cycles, marketing, competition, and government regulation. Other risks include changes in global economic, environmental and political events, and the depletion of resources. Companies in the consumer staples sector may also be negatively impacted by government regulations affecting their products. For example, government regulations may affect the permissibility of using various food additives and production methods of companies that make food products, which could affect

company profitability. Tobacco companies, in particular, may be adversely affected by new laws, regulations and litigation. Companies in the consumer staples sector may also be subject to risks relating to the supply of, demand for, and prices of raw materials. The prices of raw materials fluctuate in response to a number of factors, including, changes in exchange rates, import and export controls, changes in international agricultural and trading policies, and seasonal and weather conditions, among others. In addition, the success of food, beverage, household and personal product companies, in particular, may be strongly affected by unpredictable factors, such as, demographics, consumer spending, and product trends.

**Energy.** Companies in the energy sector may be affected by energy prices, supply and demand fluctuations including in energy fuels, energy conservation, liabilities arising from government or civil actions, environmental and other government regulations, and geopolitical events including political instability and war. The market value of companies in the local energy sector is heavily impacted by the levels and stability of global energy prices, energy conservation efforts, the success of exploration projects, exchange rates, interest rates, economic conditions, tax and other government regulations, increased competition and technological advances, as well as other factors. Companies in this sector may be subject to extensive government regulation and contractual fixed pricing, which may increase the cost of doing business and limit these companies' profits. A large part of the returns of these companies depends on few customers, including governmental entities and utilities. As a result, governmental budget constraints may have a significant negative effect on the stock prices of energy sector companies. Energy companies may also operate in, or engage in, transactions involving countries with less developed regulatory regimes or a history of expropriation, nationalization or other adverse policies. As a result, securities of companies in the energy field are subject to quick price and supply fluctuations caused by events relating to international politics. Other risks include liability from accidents resulting in injury or loss of life or property, pollution or other environmental problems, equipment malfunctions or mishandling of materials and a risk of loss from terrorism, political strife and natural disasters. Energy companies can also be heavily affected by the supply of, and demand for, their specific product or service and for energy products in general, and government subsidization. Energy companies may have high levels of debt and may be more likely to restructure their businesses if there are downturns in energy markets or the economy as a whole.

Global oil prices declined significantly at the beginning of 2020 and have experienced significant price volatility, including a period where an oil-price futures contract fell into negative territory for the first time in history, as demand for oil slowed and oil storage facilities had reached their storage capacities. The impact on such commodities markets from varying levels of demand may continue to be volatile for an extended period of time.

**Financial Services.** To the extent that a fund invests principally in securities of financial services companies, it is particularly vulnerable to events affecting that industry. Financial services companies 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, 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.

**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. 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. Late in the first quarter of 2023, a number of U.S. domestic banks and foreign banks experienced financial difficulties and, in some cases, failures. Given the interconnectedness of the banking system, bank regulators took actions, including the Federal Reserve, which invoked the systemic risk exception, temporarily transferred all deposits-both insured and uninsured-and substantially all the assets of two failed banks into respective bridge banks and guaranteed depositors' full access to their funds. Despite such response, there can be no certainty that the actions taken by banking regulators to limit the effect of those difficulties and failures on other banks or other financial institutions or on the U.S. or foreign economies generally will be effective. It is possible that more banks or other financial institutions will experience financial difficulties or fail, or other adverse developments may occur, which may affect adversely other U.S. or foreign financial institutions and economies.

**Insurance.** 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 also may 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.

**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, product liability or other litigation 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.

**Industrials.** Companies in the industrials sector may be affected by general economic conditions, commodity production and pricing, supply and demand fluctuations, environmental and other government regulations, geopolitical events, interest rates, insurance costs, technological developments, liabilities arising from governmental or civil actions, labor relations, import controls and government spending. The value of securities issued by companies in the industrials sector may also be adversely affected by supply and demand related to their specific products or services and industrials sector products in general, as well as liability for environmental damage and product liability claims and government regulations. For example, the products of manufacturing companies may face obsolescence due to rapid technological developments and frequent new product introduction. Certain companies within this sector, particularly aerospace and defense companies, may be heavily affected by government spending policies because companies involved in this industry rely, to a significant extent, on government demand for their products and services, and, therefore, the financial condition of, and investor interest in, these companies are significantly influenced by governmental defense spending policies, which are typically under pressure from efforts to control the U.S. (and other) government budgets. In addition, securities of industrials companies in transportation may be cyclical and have occasional sharp price movements which may result from economic changes, fuel prices, labor relations and insurance costs, and transportation companies in certain countries may also be subject to significant government regulation and oversight, which may adversely affect their businesses.

**Internet-Related Investments.** The value of companies engaged in Internet-related activities, which is a developing industry, is particularly vulnerable to: (a) rapidly changing technology; (b) extensive government regulation; and (c) relatively high risk of obsolescence caused by scientific and technological advances. In addition, companies engaged in Internet-related activities are difficult to value and many have high share prices relative to their earnings which they may not be able to maintain over the long-term. Moreover, many Internet companies are not yet profitable and will need additional financing to continue their operations. There is no guarantee that such financing will be available when needed. Since many Internet companies are start-up companies, the risks associated with investing in small companies are heightened for these companies. A fund that invests a significant portion of its assets in Internet-related companies should be considered extremely risky even as compared to other funds that invest primarily in small company securities.

**Materials.** Companies in the materials sector may be affected by general economic conditions, commodity production and prices, consumer preferences, interest rates, exchange rates, product cycles, marketing, competition, resource depletion, and environmental, import/export and other government regulations. Other risks may include liabilities for environmental damage and general civil liabilities, and mandated expenditures for safety and pollution control. The materials sector may also be affected by economic cycles, technological progress, and labor relations. At times, worldwide production of industrial materials has been greater than demand as a result of over-building or economic downturns, leading to poor investment returns or losses. These risks are heightened for companies in the materials sector located in foreign markets.

**Natural Resources.** A fund's investments in natural resources companies are especially affected by variations in the commodities markets (which may be due to market events, regulatory developments or other factors that such fund cannot control) and such companies may lack the resources and the broad business lines to weather hard times. Natural resources companies can be significantly affected by events relating to domestic or international political and economic developments, energy conservation efforts, the success of exploration projects, reduced availability of transporting, processing, storing or delivering natural resources, extreme weather or other natural disasters, and threats of attack by terrorists on energy assets. Additionally, natural resource companies are subject to substantial government regulation, including environmental regulation and liability for environmental damage, and changes in the regulatory environment for energy companies may adversely impact their profitability. At times, the performance of these investments may lag the performance of other sectors or the market as a whole.

Investments in certain commodity-linked instruments, such as crude oil and crude oil products, can be susceptible to negative prices due to a surplus in production caused by global events, including restrictions or reductions in global travel. Exposure to such commodity-linked instruments may adversely affect an issuer's returns or the performance of the fund.

Global oil prices are susceptible to and have experienced significant volatility, including a period where an oil-price futures contract fell into negative territory for the first time in history in early 2020 as demand for oil slowed and oil storage facilities reached their storage capacities. The impact on the natural resources sector from varying levels of demand may continue to be volatile for an extended period of time.

**Technology.** 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.

**Utilities.** Companies in the utilities sector may be affected by general economic conditions, supply and demand, financing and operating costs, rate caps, interest rates, liabilities arising from governmental or civil actions, consumer confidence and spending, competition, technological progress, energy prices, resource conservation and depletion, man-made or natural disasters, geopolitical events, and environmental and other government regulations. The value of securities issued by companies in the utilities sector may be negatively impacted by variations in exchange rates, domestic and international competition, energy conservation and governmental limitations on rates charged to customers. Although rate changes of a regulated utility usually vary in approximate correlation with financing costs, due to political and regulatory factors rate changes usually happen only after a delay after the changes in financing costs. Deregulation may subject utility companies to increased competition and can negatively affect their profitability as it permits utility companies to diversify outside of their original geographic regions and customary lines of business, causing them to engage in more uncertain ventures. Deregulation can also eliminate restrictions on the profits of certain utility companies, but can simultaneously expose these companies to an increased risk of loss. Although opportunities may permit certain utility companies to earn more than their traditional regulated rates of return, companies in the utilities industry may have difficulty obtaining an adequate return on invested capital, raising capital, or financing large construction projects during periods of inflation or unsettled capital markets. Utility companies may also be subject to increased costs because of the effects of man-made or natural disasters. Current and future regulations or legislation can make it more difficult for utility companies to operate profitably. Government regulators monitor and control utility revenues and costs, and thus may restrict utility profits. There is no assurance that regulatory authorities will grant rate increases in the future, or that those increases will be adequate to permit the payment of dividends on stocks issued by a utility company. 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.

### **Initial Public Offerings (“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 likely will 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 investment, particularly as the fund's asset base grows. IPO shares frequently are 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 Companies**

The funds may invest in shares of other investment companies, including both open- and closed-end investment companies (including single country funds, ETFs, and BDCs). When making such an investment, a fund will be indirectly exposed to all the risks of such investment companies. In general, the investing funds will bear a pro rata portion of the other investment company's fees and expenses, which will reduce the total return in the investing funds. Certain types of investment companies, such as closed-end investment companies, issue a fixed number of shares that trade on a stock exchange and may involve the payment of substantial premiums above the value of such investment companies' portfolio securities when traded OTC or at discounts to their NAVs. Others are continuously offered at NAV, but also may be traded in the secondary market.

In addition, the funds may invest in private investment funds, vehicles, or structures. A fund also may invest in debt-equity conversion funds, which are funds established to exchange foreign bank debt of countries whose principal repayments are in arrears into a portfolio of listed and unlisted equities, subject to certain repatriation restrictions.

*Exchange-Traded Funds.* A fund may invest in ETFs, which are a type of security bought and sold on a securities exchange. A fund could purchase shares of an ETF to gain exposure to a portion of the U.S. or a foreign market. The risks of owning shares of an ETF include the risks of directly owning the underlying securities and other instruments the ETF holds. A lack of liquidity in an ETF (e.g., absence of an active trading market) could result in the ETF being more volatile than its underlying securities. The existence of extreme market volatility or potential lack of an active trading market for an ETF's shares could result in the ETF's shares trading at a significant premium or discount to its NAV. An ETF has its own fees and expenses, which are indirectly borne by the fund. A fund may also incur brokerage and other related costs when it purchases and sells ETFs. Also, in the case of passively-managed ETFs, there is a risk that an ETF may fail to closely track the index or market segment that it is designed to track due to delays in the ETF's implementation of changes to the composition of the index or other factors.

*Business Development Companies.* A BDC is a less-common type of closed-end investment company that more closely resembles an operating company than a typical investment company. BDCs typically invest in and lend to small- and medium-sized private and certain public companies that may not have access to public equity markets to raise capital. BDCs invest in such diverse industries as health care, chemical and manufacturing, technology and service companies. BDCs generally invest in less mature private companies, which involve greater risk than well-established, publicly traded companies. BDCs are unique in that at least 70% of their investments must be made in private and certain public U.S. businesses, and BDCs are required to make available significant managerial assistance to their portfolio companies. Generally, little public information exists for private and thinly traded companies, and there is a risk that investors may not be able to make a fully informed investment decision. With investments in debt instruments issued by such portfolio companies, there is a risk that the issuer may default on its payments or declare bankruptcy.

### **Investment Grade Fixed-Income Securities in the Lowest Rating Category**

Investment grade fixed-income securities in the lowest rating category (i.e., rated “Baa” by Moody’s and “BBB” by S&P or Fitch, 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.

### **LIBOR Discontinuation Risk**

Certain debt securities, derivatives and other financial instruments have traditionally utilized LIBOR as the reference or benchmark rate for interest rate calculations. However, following allegations of manipulation and concerns regarding liquidity, the U.K. Financial Conduct Authority (“UK FCA”) announced that LIBOR would be discontinued on June 30, 2023. The UK FCA elected to require the ICE Benchmark Administration Limited, the administrator of LIBOR, to continue publishing a subset of LIBOR settings on a “synthetic” basis until September 30, 2024.

Although the transition process away from LIBOR has become increasingly well-defined in advance of the discontinuation dates, the impact on certain debt securities, derivatives and other financial instruments remains uncertain. Market participants have adopted alternative rates such as Secured Overnight Financing Rate (“SOFR”) or otherwise amended financial instruments referencing LIBOR to include fallback provisions and other measures that contemplated the discontinuation of LIBOR or other similar market disruption events, but neither the effect of the transition process nor the viability of such measures is known. To facilitate the transition of legacy derivatives contracts referencing LIBOR, the International Swaps and Derivatives Association, Inc. launched a protocol to incorporate fallback provisions. However, there are obstacles to converting certain longer term securities and transactions to a new benchmark or benchmarks and the effectiveness of one alternative reference rate versus multiple alternative reference rates in new or existing financial instruments and products has not been determined. Certain replacement rates to LIBOR, such as SOFR, which is a broad measure of secured overnight U.S. Treasury repo rates, are materially different from LIBOR, necessitating changes in the applicable spread for financial instruments transitioning away from LIBOR to accommodate the differences.

The utilization of an alternative reference rate, or the transition process to an alternative reference rate, may adversely affect the fund’s performance.

Alteration of the terms of a debt instrument or a modification of the terms of other types of contracts to replace LIBOR or another interbank offered rate (“IBOR”) with a new reference rate could result in a taxable exchange and the realization of income and gain/loss for U.S. federal income tax purposes. The IRS has issued final regulations regarding the tax consequences of the transition from IBOR to a new reference rate in debt instruments and non-debt contracts. Under the final regulations, alteration or modification of the terms of a debt instrument to replace an operative rate that uses a discontinued IBOR with a qualified rate (as defined in the final regulations) including true up payments equalizing the fair market value of contracts before and after such IBOR transition, to add a qualified rate as a fallback rate to a contract whose operative rate uses a discontinued IBOR or to replace a fallback rate that uses a discontinued IBOR with a qualified rate would not be taxable. The IRS may provide additional guidance, with potential retroactive effect.

### **Lower Rated Fixed-Income Securities**

Lower rated fixed-income securities are defined as securities rated below-investment grade (e.g., rated “Ba” and below by Moody’s, or “BB” and below by S&P or Fitch). The principal 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 rating 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 an increase 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 Subadvisor’s Own Credit Analysis.** While a subadvisor to a fund may rely on ratings by established credit rating agencies, it also will 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 a subadvisor’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 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 also may 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 emerging market countries described under “Risk Factors—Foreign Securities.” 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 that adversely affect trade and political uncertainty or instability. These factors increase the risk that a foreign government will not make payments when due.

## **Market Events**

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 similar events; bank failures; 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; dramatic changes in energy prices and 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. Financial institutions could suffer losses as interest rates 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 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 response to certain economic conditions, including periods of high inflation, governmental authorities and regulators may respond with significant fiscal and monetary policy changes such as raising interest rates. The fund may be subject to heightened interest rate risk when the Fed raises interest rates. Recent and potential future changes in government monetary policy may affect interest rates. It is difficult to accurately predict the timing, frequency or magnitude of potential interest rate increases, or decreases by the Fed and the evaluation of macro-economic and other conditions that could cause a change in approach in the future. If the Fed and other central banks increase the federal funds rate and equivalent rates, such increases generally will cause market interest rates to rise and could cause the value of a fund’s investments, and the fund’s NAV, to decline, potentially suddenly and significantly. As a result, the fund may experience high redemptions and, as a result, increased portfolio turnover, which could increase the costs that the fund incurs and may negatively impact the fund’s performance.

In addition, as the Fed increases the target Fed funds rate, any 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. These events and the possible resulting market volatility may have an adverse effect on a fund.

Political turmoil within the United States and abroad may also impact a 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 a 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. In recent years, the U.S. renegotiated many of its global trade relationships and imposed or threatened to impose significant import tariffs. These actions could lead to price volatility and overall declines in U.S. and global investment markets.

Uncertainties surrounding the sovereign debt of a number of 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 global securities markets likely will be significantly disrupted. On January 31, 2020, the UK left the EU, commonly referred to as “Brexit,” the UK ceased to be a member of the EU, and the UK and EU entered into a Trade and Cooperation Agreement. While the full impact of Brexit is unknown, Brexit has already resulted in volatility in European and global markets. There remains 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.

A widespread health crisis such as a global pandemic could cause substantial market volatility, exchange trading suspensions and closures, which may lead to less liquidity in certain instruments, industries, sectors or the markets generally, and may ultimately affect fund performance. For example, the coronavirus (COVID-19) pandemic has resulted and may continue to result in significant disruptions to global business activity and market volatility due to disruptions in market access, resource availability, facilities operations, imposition of tariffs, export controls and supply chain disruption, among others. While many countries have lifted some or all restrictions related to the coronavirus (COVID-19) and the United States ended the public health emergency and national emergency declarations relating to the coronavirus (COVID-19) pandemic on May 11, 2023, the continued impact of coronavirus (COVID-19) and related variants is uncertain. The impact of a health crisis and other epidemics and pandemics that may arise in the future, could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other pre-existing political, social and economic risks. Any such impact could adversely affect the fund’s performance, resulting in losses to your investment.



Political and military events, including in Ukraine, North Korea, Russia, Venezuela, Iran, Syria, and other areas of the Middle East, and nationalist unrest in Europe and South America, also may cause market disruptions.

As a result of continued political tensions and armed conflicts, including the Russian invasion of Ukraine commencing in February of 2022, the extent and ultimate result of which are unknown at this time, the United States and the EU, along with the regulatory bodies of a number of countries, have imposed economic sanctions on certain Russian corporate entities and individuals, and certain sectors of Russia's economy, which may result in, among other things, the continued devaluation of Russian currency, a downgrade in the country's credit rating, and/or a decline in the value and liquidity of Russian securities, property or interests. These sanctions could also result in the immediate freeze of Russian securities and/or funds invested in prohibited assets, impairing the ability of a fund to buy, sell, receive or deliver those securities and/or assets. These sanctions or the threat of additional sanctions could also result in Russia taking counter measures or retaliatory actions, which may further impair the value and liquidity of Russian securities. The United States and other nations or international organizations may also impose additional economic sanctions or take other actions that may adversely affect Russia-exposed issuers and companies in various sectors of the Russian economy. Any or all of these potential results could lead Russia's economy into a recession. Economic sanctions and other actions against Russian institutions, companies, and individuals resulting from the ongoing conflict may also have a substantial negative impact on other economies and securities markets both regionally and globally, as well as on companies with operations in the conflict region, the extent to which is unknown at this time. The United States and the EU have also imposed similar sanctions on Belarus for its support of Russia's invasion of Ukraine. Additional sanctions may be imposed on Belarus and other countries that support Russia. Any such sanctions could present substantially similar risks as those resulting from the sanctions imposed on Russia, including substantial negative impacts on the regional and global economies and securities markets.

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. Further, there is a risk that the present value of assets or income from investments will be less in the future, known as inflation. Inflation rates may change frequently and drastically as a result of various factors, including unexpected shifts in the domestic or global economy, and a fund's investments may be affected, which may reduce a fund's performance. Further, inflation may lead to the rise in interest rates, which may negatively affect the value of debt instruments held by the fund, resulting in a negative impact on a fund's performance. Generally, securities issued in emerging markets are subject to a greater risk of inflationary or deflationary forces, and more developed markets are better able to use monetary policy to normalize markets.

#### **Master Limited Partnership (MLP) Risk**

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. A 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 a 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 a 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 a 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 a fund.

MLPs in which a fund may invest operate oil, natural gas, petroleum, or other facilities within the energy sector. As a result, a 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.

Global oil prices declined significantly at the beginning of 2020 and have experienced significant price volatility, including a period where an oil-price futures contract fell into negative territory for the first time in history, as demand for oil slowed and oil storage facilities reached their storage capacities. Varying levels of demand and production and continued oil price volatility may continue to adversely impact MLPs and energy infrastructure companies.

To the extent a distribution received by a fund from an MLP is treated as a return of capital, the fund's adjusted tax basis in the interests of the MLP may be reduced, which will result in an increase in an amount of income or gain (or decrease in the amount of loss) that will be recognized by the fund for tax purposes upon the sale of any such interests or upon subsequent distributions in respect of such interests. After a fund's tax basis in an MLP has been reduced to zero, subsequent distributions from the MLP will be treated as ordinary income. Changes in the tax character of MLP distributions, as well as late or corrected tax reporting by MLPs, may result in a fund issuing corrected 1099s to its shareholders.

## **Mortgage-Backed and Asset-Backed Securities**

**Mortgage-Backed Securities.** Mortgage-backed securities represent participating interests in pools of residential mortgage loans that are guaranteed by the U.S. government, its agencies or instrumentalities. However, the guarantee of these types of securities relates to the principal and interest payments and not the market value of such securities. In addition, the guarantee only relates to the mortgage-backed securities held by a 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 that 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 a 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 a fund to differ from the yield calculated on the basis of the average life of the pool. In addition, if a 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 and decline during periods of rising interest rates. Monthly interest payments received by a fund have a compounding effect, which will increase the yield to shareholders as compared to 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 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 type of securities may not increase as much due to their prepayment feature.

**Collateralized Mortgage Obligations.** CMOs are mortgage-backed securities 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.

## **Multinational Companies Risk**

To the extent that a fund invests in the securities of companies with foreign business operations, it may be riskier than funds that focus on companies with primarily U.S. operations. Multinational companies may face certain political and economic risks, such as foreign controls over currency exchange; restrictions on monetary repatriation; possible seizure, nationalization or expropriation of assets; and political, economic or social instability. These risks are greater for companies with significant operations in developing countries.

## **Natural Disasters, Adverse Weather Conditions, and Climate Change**

Certain areas of the world may be exposed to adverse weather conditions, such as major natural disasters and other extreme weather events, including hurricanes, earthquakes, typhoons, floods, tidal waves, tsunamis, volcanic eruptions, wildfires, droughts, windstorms, coastal storm surges, heat waves, and rising sea levels, among others. Some countries and regions may not have the infrastructure or resources to respond to natural disasters, making them more economically sensitive to environmental events. Such disasters, and the resulting damage, could have a severe and negative impact on a fund's investment portfolio and, in the longer term, could impair the ability of issuers in which a fund invests to conduct their businesses in the manner normally conducted. Adverse weather conditions also may have a particularly significant negative effect on issuers in the agricultural sector and on insurance companies that insure against the impact of natural disasters.

Climate change, which is the result of a change in global or regional climate patterns, may increase the frequency and intensity of such adverse weather conditions, resulting in increased economic impact, and may pose long-term risks to a fund's investments. The future impact of climate change is

difficult to predict but may include changes in demand for certain goods and services, supply chain disruption, changes in production costs, increased legislation, regulation, international accords and compliance-related costs, changes in property and security values, availability of natural resources and displacement of peoples.

Legal, technological, political and scientific developments regarding climate change may create new opportunities or risks for issuers in which a fund invests. These developments may create demand for new products or services, including, but not limited to, increased demand for goods that result in lower emissions, increased demand for generation and transmission of energy from alternative energy sources and increased competition to develop innovative new products and technologies. These developments may also decrease demand for existing products or services, including, but not limited to, decreased demand for goods that produce significant greenhouse gas emissions and decreased demand for services related to carbon based energy sources, such as drilling services or equipment maintenance services.

### **Negative Interest Rates**

Certain countries have recently experienced negative interest rates on deposits and debt instruments have traded at negative yields. A negative interest rate policy is an unconventional central bank monetary policy tool where nominal target interest rates are set with a negative value (i.e., below zero percent) intended to help create self-sustaining growth in the local economy. Negative interest rates may become more prevalent among non-U.S. issuers, and potentially within the U.S. For example, if a bank charges negative interest, instead of receiving interest on deposits, a depositor must pay the bank fees to keep money with the bank.

These market conditions may increase a fund's exposures to interest rate risk. To the extent a fund has a bank deposit or holds a debt instrument with a negative interest rate to maturity, the fund would generate a negative return on that investment. While negative yields can be expected to reduce demand for fixed-income investments trading at a negative interest rate, investors may be willing to continue to purchase such investments for a number of reasons including, but not limited to, price insensitivity, arbitrage opportunities across fixed-income markets or rules-based investment strategies. If negative interest rates become more prevalent in the market, it is expected that investors will seek to reallocate assets to other income-producing assets such as investment grade and high-yield debt instruments, or equity investments that pay a dividend. This increased demand for higher yielding assets may cause the price of such instruments to rise while triggering a corresponding decrease in yield and the value of debt instruments over time.

### **Non-Diversification**

A fund that is non-diversified is not limited as to the percentage of its assets that may be invested in any one issuer, or as to the percentage of the outstanding voting securities of such issuer that may be owned, except by the fund's own investment restrictions. In contrast, a diversified fund, as to at least 75% of the value of its total assets, generally may not, except with respect to government securities and securities of other investment companies, invest more than five percent of its total assets in the securities, or own more than ten percent of the outstanding voting securities, of any one issuer. In determining the issuer of a municipal security, each state, each political subdivision, agency, and instrumentality of each state and each multi-state agency of which such state is a member is considered a separate issuer. In the event that securities are backed only by assets and revenues of a particular instrumentality, facility or subdivision, such entity is considered the issuer.

A fund that is non-diversified may invest a high percentage of its assets in the securities of a small number of issuers, may invest more of its assets in the securities of a single issuer, and may be affected more than a diversified fund by a change in the financial condition of any of these issuers or by the financial markets' assessment of any of these issuers.

### **Operational and Cybersecurity Risk**

With the increased use of technologies, such as mobile devices and "cloud"-based service offerings and the dependence on the internet and computer systems to perform necessary business functions, a fund's service providers are susceptible to operational and information or cybersecurity risks that could result in losses to the fund and its shareholders. Cybersecurity breaches are either intentional or unintentional events that allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or fund service provider to suffer data corruption or lose operational functionality. Intentional cybersecurity incidents include: unauthorized access to systems, networks, or devices (such as through "hacking" activity or "phishing"); 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. Cyberattacks can also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on the service providers' systems or websites rendering them unavailable to intended users or via "ransomware" that renders the systems inoperable until appropriate actions are taken. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information.

A cybersecurity breach could result in the loss or theft of customer data or funds, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs, any of which could have a substantial impact on a fund. For example, in a denial of service, fund shareholders could lose access to their electronic accounts indefinitely, and employees of the Advisor, each subadvisor, or the funds' other service providers may not be able to access electronic systems to perform critical duties for the funds, such as trading, NAV calculation, shareholder accounting, or fulfillment of fund share purchases and redemptions. Cybersecurity incidents could cause a fund, the Advisor, each subadvisor, or other service provider to incur regulatory penalties, reputational damage, compliance costs associated with corrective measures, litigation costs, or financial loss. They may also result in violations of applicable privacy and other laws. In addition, such incidents could affect issuers in which a fund invests, thereby causing the fund's investments to lose value.

Cyber-events have the potential to affect materially the funds and the advisor's relationships with accounts, shareholders, clients, customers, employees, products, and service providers. The funds have established risk management systems reasonably designed to seek to reduce the risks associated with cyber-events. There is no guarantee that the funds will be able to prevent or mitigate the impact of any or all cyber-events.

The funds are exposed to operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the funds' service providers, counterparties, or other third parties, failed or inadequate processes, and technology or system failures.

The Advisor, each subadvisor, and their affiliates have established risk management systems that seek to reduce cybersecurity and operational risks, and business continuity plans in the event of a cybersecurity breach or operational failure. However, there are inherent limitations in such plans, including that certain risks have not been identified, and there is no guarantee that such efforts will succeed, especially since none of the Advisor, each subadvisor, or their affiliates controls the cybersecurity or operations systems of the funds' third-party service providers (including the funds' custodian), or those of the issuers of securities in which the funds invest.

In addition, other disruptive events, including (but not limited to) natural disasters and public health crises, may adversely affect the fund's ability to conduct business, in particular if the fund's employees or the employees of its service providers are unable or unwilling to perform their responsibilities as a result of any such event. Even if the fund's employees and the employees of its service providers are able to work remotely, those remote work arrangements could result in the fund's business operations being less efficient than under normal circumstances, could lead to delays in its processing of transactions, and could increase the risk of cyber-events.

### **Preferred and Convertible Securities Risk**

Preferred stock generally has a preference as to dividends and liquidation over an issuer's common stock but ranks junior to debt securities in an issuer's capital structure. Unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. 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**

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. The extent (if at all) to which securities of privately held companies or newly public companies may be sold without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Funds that invest 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.

### **Rebalancing Risks Involving Funds of Funds**

The funds of funds seek to achieve their investment objectives by investing in, among other things, other John Hancock funds, as permitted by Section 12 of the 1940 Act (affiliated underlying funds). In addition, a fund that is not a fund of funds may serve as an affiliated underlying fund for one or more funds of funds. The funds of funds will reallocate or rebalance assets among the affiliated underlying funds (collectively, "Rebalancings") on a daily basis. The following discussion provides information on the risks related to Rebalancings, which risks are applicable to the affiliated underlying funds undergoing Rebalancings, as well as to those funds of funds that hold affiliated underlying funds undergoing Rebalancings.

From time to time, one or more of the affiliated underlying funds may experience relatively large redemptions or investments due to Rebalancings, as effected by the funds of funds' Affiliated Subadvisor. Shareholders should note that Rebalancings may adversely affect the affiliated underlying funds. The affiliated underlying funds subject to redemptions by a fund of funds may find it necessary to sell securities, and the affiliated underlying funds that receive additional cash from a fund of funds will find it necessary to invest the cash. The impact of Rebalancings is likely to be greater when a fund of funds owns, redeems, or invests in, a substantial portion of an affiliated underlying fund. Rebalancings could adversely affect the performance of one or more affiliated underlying funds and, therefore, the performance of one or more funds of funds.

Possible adverse effects of Rebalancings on the affiliated underlying funds include:

- 1** The affiliated underlying funds could be required to sell securities or to invest cash, at times when they may not otherwise desire to do so.
- 2** Rebalancings may increase brokerage and/or other transaction costs of the affiliated underlying funds.
- 3** When a fund of funds owns a substantial portion of an affiliated underlying fund, a large redemption by the fund of funds could cause that affiliated underlying fund's expenses to increase and could result in its portfolio becoming too small to be economically viable.
- 4** Rebalancings could accelerate the realization of taxable capital gains in affiliated underlying funds subject to large redemptions if sales of securities results in capital gains.

The Advisor, which serves as the investment advisor to both the funds of funds and the affiliated underlying funds, has delegated the day-to-day portfolio management of the funds of funds and many of the affiliated underlying funds to the Affiliated Subadvisors, affiliates of the Advisor. The Advisor monitors both the funds and the affiliated underlying funds. The Affiliated Subadvisors manage the assets of both the funds and many of the affiliated underlying funds (the "Affiliated Subadvised Funds"). The Affiliated Subadvisors may allocate up to all of a funds of funds' assets to Affiliated Subadvised

Funds and accordingly have an incentive to allocate more fund of funds assets to such Affiliated Subadvised Funds. The Advisor and the Affiliated Subadvisors monitor the impact of Rebalancings on the affiliated underlying funds and attempt to minimize any adverse effect of the Rebalancings on the underlying funds, consistent with pursuing the investment objective of the relevant affiliated underlying funds. Moreover, an Affiliated Subadvisor has a duty to allocate assets to an Affiliated Subadvised Fund only when such Subadvisor believes it is in the best interests of fund of funds shareholders. Minimizing any adverse effect of the Rebalancings on the underlying funds may impact the redemption schedule in connection with a Rebalancing. 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 and in periodically reviewing allocations to Affiliated Subadvised Funds.

As discussed above, the funds of funds periodically reallocate their investments among underlying investments. In an effort to be fully invested at all times and also to avoid temporary periods of under-investment, an affiliated underlying fund may buy securities and other instruments in anticipation of or with knowledge of future purchases of affiliated underlying fund shares resulting from a reallocation of assets by the funds of funds to the affiliated underlying fund. Until such purchases of affiliated underlying fund shares by a fund of funds settle (normally between one and three days), the affiliated underlying fund may have investment exposure in excess of its net assets. Shareholders who transact with the affiliated underlying fund during the period beginning when the affiliated underlying fund first starts buying securities in anticipation of a purchase order from a fund until such purchase order settles may incur more loss or realize more gain than they otherwise might have in the absence of the excess investment exposure. The funds of funds may purchase and redeem shares of underlying funds each business day through the use of an algorithm that operates pursuant to standing instructions to allocate purchase and redemption orders among underlying funds. Each day, pursuant to the algorithm, a fund of funds will purchase or redeem shares of an underlying fund at the NAV for the underlying fund calculated that day. This algorithm is used solely for rebalancing a fund of funds' investments in an effort to maintain previously determined allocation percentages.

### **Russian Securities Risk**

Throughout the past decade, the United States, the EU, and other nations have imposed a series of economic sanctions on the Russian Federation. In addition to imposing new import and export controls on Russia and blocking financial transactions with certain Russian elites, oligarchs, and political and national security leaders, the United States, the EU, and other nations have imposed sanctions on companies in certain sectors of the Russian economy, including the financial services, energy, metals and mining, engineering, technology, and defense and defense-related materials sectors. These sanctions could impair a fund's ability to continue to price, buy, sell, receive, or deliver securities of certain Russian issuers. For example, a fund may be prohibited from investing in securities issued by companies subject to such sanctions. A fund could determine at any time that certain of the most affected securities have little or no value.

The extent and duration of Russia's military actions and the global response to such actions are impossible to predict. More Russian companies could be sanctioned in the future, and the threat of additional sanctions could itself result in further declines in the value and liquidity of certain securities. Widespread divestment of interests in Russia or certain Russian businesses could result in additional declines in the value of Russian securities. Additionally, market disruptions could have a substantial negative impact on other economics and securities markets both regionally and globally, as well as global supply chains and inflation.

The Russian government may respond to these sanctions and others by freezing Russian assets held by a fund, thereby prohibiting the fund from selling or otherwise transacting in these investments. In such circumstances, a fund might be forced to liquidate non-restricted assets in order to satisfy shareholder redemptions. Such liquidation of fund assets might also result in a fund receiving substantially lower prices for its portfolio securities.

### **Securities Linked to the Real Estate Market**

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, but are not limited to:

- declines in the value of real estate;
- risks related to general and local economic conditions;
- possible lack of availability of mortgage portfolios;
- overbuilding;
- extended vacancies of properties;
- increased competition;
- increases in property taxes and operating expenses;
- change in zoning laws;
- losses due to costs resulting from the clean-up 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; and



- changes in interest rates.

Therefore, if a fund invests 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 to the value of shares of a fund with investments in a mix of different industries.

Securities of companies in the real estate industry have been and may continue to be negatively affected by widespread health crises such as a global pandemic. Potential impacts on the real estate market may include lower occupancy rates, decreased lease payments, defaults and foreclosures, among other consequences. These impacts could adversely affect corporate borrowers and mortgage lenders, the value of mortgage-backed securities, the bonds of municipalities that depend on tax revenues and tourist dollars generated by such properties, and insurers of the property and/or of corporate, municipal or mortgage-backed securities. It is not known how long such impacts, or any future impacts of other significant events, will last.

Securities of companies in the real estate industry include REITs, including 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 also are subject to heavy cash flow dependency, defaults by borrowers or lessees, and self-liquidations. In addition, equity, mortgage, and hybrid REITs could possibly fail to qualify for tax free pass-through of income under the Code, or to maintain their exemptions from registration under the 1940 Act. The above factors also may 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. See "Small and Medium Size and Unseasoned Companies" for a discussion of the risks associated with investments in these companies.

### **Small and Medium Size and Unseasoned Companies**

**Survival of Small or Unseasoned Companies.** Companies that are small or unseasoned (i.e., less than three years of operating history) are more likely than larger or established companies to fail or not to accomplish their goals. As a result, the value of their securities could decline significantly. These companies are less likely to survive since they are often dependent upon a small number of products and may have limited financial resources and a small management group.

**Changes in Earnings and Business Prospects.** Small or unseasoned companies often have a greater degree of change in earnings and business prospects than larger or established companies, resulting in more volatility in the price of their securities.

**Liquidity.** The securities of small or unseasoned companies may have limited marketability. This factor could cause the value of a fund's investments to decrease if it needs to sell such securities when there are few interested buyers.

**Impact of Buying or Selling Shares.** Small or unseasoned companies usually have fewer outstanding shares than larger or established companies. Therefore, it may be more difficult to buy or sell large amounts of these shares without unfavorably impacting the price of the security.

**Publicly Available Information.** There may be less publicly available information about small or unseasoned companies. Therefore, when making a decision to purchase a security for a fund, a subadvisor may not be aware of problems associated with the company issuing the security.

**Medium Size Companies.** Investments in the securities of medium sized companies present risks similar to those associated with small or unseasoned companies although to a lesser degree due to the larger size of the companies.

### **Special Purpose Acquisition Companies**

A fund may invest in stock, warrants, and other securities of SPACs or similar special purpose entities that pool funds to seek potential acquisition opportunities. SPACs are collective investment structures that allow public stock market investors to invest in private equity type transactions ("PIPE"). Until an acquisition is completed, a SPAC generally invests its assets in US government securities, money market securities and cash. A fund may enter into a contingent commitment with a SPAC to purchase PIPE shares if and when the SPAC completes its merger or acquisition.

Because SPACs and similar entities do not have an operating history or ongoing business other than seeking acquisitions, the value of their securities is particularly dependent on the ability of the SPAC's management to identify and complete a profitable acquisition. Some SPACs may pursue acquisitions only within certain industries or regions, which may increase the volatility of their prices. An investment in a SPAC is subject to a variety of risks, including that (i) a significant portion of the monies raised by the SPAC for the purpose of identifying and effecting an acquisition or merger may be expended during the search for a target transaction; (ii) an attractive acquisition or merger target may not be identified at all and the SPAC will be required to return any remaining monies to shareholders; (iii) any proposed merger or acquisition may be unable to obtain the requisite approval, if any, of shareholders; (iv) an acquisition or merger once effected may prove unsuccessful and an investment in the SPAC may lose value; (v) the warrants or other rights with respect to the SPAC held by a fund may expire worthless or may be repurchased or retired by the SPAC at an unfavorable price; (vi) a fund may be delayed in receiving any redemption or liquidation proceeds from a SPAC to which it is entitled; (vii) an investment in a SPAC may be diluted by additional later offerings of interests in the SPAC or by other investors exercising existing rights to purchase shares of the SPAC; (viii) no or only a thinly traded market for shares of or interests in a SPAC may develop, leaving a fund unable to sell its interest in a SPAC or to sell its interest only at a price below what the fund believes is the SPAC interest's intrinsic value; and (ix) the values of investments in SPACs may be highly volatile and may depreciate significantly over time.

Purchased PIPE shares will be restricted from trading until the registration statement for the shares is declared effective. Upon registration, the shares can be freely sold; however, in certain circumstances, the issuer may have the right to temporarily suspend trading of the shares in the first year after the merger. The securities issued by a SPAC, which are typically traded either in the OTC market or on an exchange, may be considered illiquid, more difficult to value, and/or be subject to restrictions on resale.

### **Stripped Securities**

Stripped securities are the separate income or principal components of a debt security. The risks associated with stripped securities are similar to those of other debt securities, although stripped securities may be more volatile, and the value of certain types of stripped securities may move in the same direction as interest rates. U.S. Treasury securities that have been stripped by a Federal Reserve Bank are obligations issued by the U.S. Treasury.

### **U.S. Government Securities**

U.S. government securities include 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 GNMA. Securities that are only supported by the credit of the issuing agency or instrumentality include those issued by Fannie Mae, the FHLBs and Freddie Mac.

## **REGULATION OF COMMODITY INTERESTS**

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The CFTC has adopted regulations that subject registered investment companies and/or their investment advisors to regulation by the CFTC if the registered investment company invests more than a prescribed level of its NAV in commodity futures, options on commodities or commodity futures, swaps, or other financial instruments regulated under the CEA ("commodity interests"), or if the registered investment company markets itself as providing investment exposure to such commodity interests. The Advisor is registered as a CPO under the CEA and is a National Futures Association member firm; however, the Advisor acts in the capacity of a registered CPO only with respect to Opportunistic Fixed Income Fund.

Although the Advisor is a registered CPO and is a National Futures Association member firm, the Advisor has claimed an exemption from CPO registration pursuant to CFTC Rule 4.5 with respect to all of the funds other than Opportunistic Fixed Income Fund (collectively, the "Exempt Funds"). To remain eligible for this exemption, each of the Exempt Funds must comply with certain limitations, including limits on trading in commodity interests, and restrictions on the manner in which an Exempt Fund markets its commodity interests trading activities. These limitations may restrict an Exempt Fund's ability to pursue its investment strategy, increase the costs of implementing its strategy, increase its expenses and/or adversely affect its total return.

Under CFTC rules, certain mandated disclosure, reporting and recordkeeping obligations will apply to the Advisor with respect to Opportunistic Fixed Income Fund, but not the Exempt Funds. The Advisor is subject to dual regulation by the SEC and the CFTC with respect to the services it provides to Opportunistic Fixed Income Fund. As a result of "harmonization" rule amendments adopted by the CFTC in 2013, the Advisor expects to comply with substantially all CFTC regulations applicable to the operation of Opportunistic Fixed Income Fund through "substituted compliance" with SEC regulations, as provided in the "harmonization" amendments. Any changes to the CFTC's substituted compliance regime may restrict the ability of Opportunistic Fixed Income Fund to pursue its investment strategy, increase the costs of implementing its strategy, increase its expenses and/or may adversely affect its total return.

Please see "Government Regulation of Derivatives" for more information regarding governmental regulations of derivatives and similar transactions.

## **HEDGING AND OTHER STRATEGIC TRANSACTIONS**

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Hedging refers to protecting against possible changes in the market value of securities or other assets that a fund already owns or plans to buy or protecting unrealized gains in the fund. These strategies also may be used to gain exposure to a particular market. The hedging and other strategic transactions that may be used by a fund, but only if and to the extent that such transactions are consistent with its investment objective and policies, are described below:

- exchange-listed and OTC put and call options on securities, equity indices, volatility indices, financial futures contracts, currencies, fixed-income indices and other financial instruments;
- financial futures contracts (including stock index futures);
- interest rate transactions\*;
- currency transactions\*\*;
- warrants and rights (including non-standard warrants and participatory risks);
- swaps (including interest rate, index, dividend, inflation, variance, equity, and volatility swaps, credit default swaps, swap options and currency swaps); and
- structured notes, including hybrid or "index" securities.

\* A fund's interest rate transactions may take the form of swaps, caps, floors and collars.



**\*\*** A fund's currency transactions may take the form of currency forward contracts, currency futures contracts, currency swaps and options on currencies or currency futures contracts.

Hedging and other strategic transactions may be used for the following purposes:

- to attempt to protect against possible changes in the market value of securities held or to be purchased by a fund resulting from securities markets or currency exchange rate fluctuations;
- to protect a fund's unrealized gains in the value of its securities;
- to facilitate the sale of a fund's securities for investment purposes;
- to manage the effective maturity or duration of a fund's securities;
- to establish a position in the derivatives markets as a method of gaining exposure to a particular geographic region, market, industry, issuer, or security; or
- to increase exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another.

To the extent that a fund uses hedging or another strategic transaction to gain, shift or manage exposure to a particular geographic region, market, industry, issuer, security, currency, or other asset, the fund will be exposed to the risks of investing in that asset as well as the risks inherent in the specific hedging or other strategic transaction used to gain such exposure.

For purposes of determining compliance with a fund's investment policies, strategies and restrictions, the fund will generally consider the market value of derivative instruments, unless the nature of the derivative instrument warrants the use of the instrument's notional value to more accurately reflect the economic exposure represented by the derivative position.

Because of the uncertainties under federal tax laws as to whether income from commodity-linked derivative instruments and certain other instruments would constitute "qualifying income" to a RIC, no fund is permitted to invest in such instruments unless a subadvisor obtains prior written approval from the Trust's CCO. The CCO, as a member of the Advisor's Complex Securities Committee, evaluates with the committee the appropriateness of the investment.

### **General Characteristics of Options**

Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument on which they are purchased or sold. Many hedging and other strategic transactions involving options are subject to the requirements outlined in the "Government Regulation of Derivatives" section.

**Put Options.** A put option gives the purchaser of the option, upon payment of a premium, the right to sell (and the writer the obligation to buy) the underlying security, commodity, index, currency or other instrument at the exercise price. A fund's purchase of a put option on a security, for example, might be designed to protect its holdings in the underlying instrument (or, in some cases, a similar instrument) against a substantial decline in the market value of such instrument by giving a fund the right to sell the instrument at the option exercise price.

If, and to the extent authorized to do so, a fund may, for various purposes, purchase and sell put options on securities (whether or not it holds the securities in its portfolio) and on securities indices, currencies and futures contracts.

**Risk of Selling Put Options.** In selling put options, a fund faces the risk that it may be required to buy the underlying security at a disadvantageous price above the market price.

**Call Options.** A call option, upon payment of a premium, gives the purchaser of the option the right to buy (and the seller the obligation to sell) the underlying instrument at the exercise price. A fund's purchase of a call option on an underlying instrument might be intended to protect a fund against an increase in the price of the underlying instrument that it intends to purchase in the future by fixing the price at which it may purchase the instrument. An "American" style put or call option may be exercised at any time during the option period, whereas a "European" style put or call option may be exercised only upon expiration or during a fixed period prior to expiration. If and to the extent authorized to do so, a fund may purchase and sell call options on securities (whether or not it holds the securities).

**Partial Hedge or Income to a Fund.** If a fund sells a call option, the premium that it receives may serve as a partial hedge, to the extent of the option premium, against a decrease in the value of the underlying securities or instruments held by a fund or will increase a fund's income. Similarly, the sale of put options also can provide fund gains.

**Covering of Options.** All call options sold by a fund are subject to the requirements outlined in the "Government Regulation of Derivatives" section.

**Risk of Selling Call Options.** Even though a fund will receive the option premium to help protect it against loss, a call option sold by a fund will expose it during the term of the option to possible loss of the opportunity to sell the underlying security or instrument with a gain.

**Exchange-listed Options.** Exchange-listed options are issued by a regulated intermediary such as the Options Clearing Corporation (the "OCC"), which guarantees the performance of the obligations of the parties to the options. The discussion below uses the OCC as an example, but also is applicable to other similar financial intermediaries.

OCC-issued and exchange-listed options, with certain exceptions, generally settle by physical delivery of the underlying security or currency, although in the future, cash settlement may become available. Index options and Eurodollar instruments (which are described below under "Eurodollar

Instruments”) are cash settled for the net amount, if any, by which the option is “in-the-money” at the time the option is exercised. “In-the-money” means the amount by which the value of the underlying instrument exceeds, in the case of a call option, or is less than, in the case of a put option, the exercise price of the option. Frequently, rather than taking or making delivery of the underlying instrument through the process of exercising the option, listed options are closed by entering into offsetting purchase or sale transactions that do not result in ownership of the new option.

A fund’s ability to close out its position as a purchaser or seller of an OCC-issued or exchange-listed put or call option is dependent, in part, upon the liquidity of the particular option market. Among the possible reasons for the absence of a liquid option market on an exchange are:

- insufficient trading interest in certain options;
- restrictions on transactions imposed by an exchange;
- trading halts, suspensions or other restrictions imposed with respect to particular classes or series of options or underlying securities, including reaching daily price limits;
- interruption of the normal operations of the OCC or an exchange;
- inadequacy of the facilities of an exchange or the OCC to handle current trading volume; or
- a decision by one or more exchanges to discontinue the trading of options (or a particular class or series of options), in which event the relevant market for that option on that exchange would cease to exist, although any such outstanding options on that exchange would continue to be exercisable in accordance with their terms.

The hours of trading for listed options may not coincide with the hours during which the underlying financial instruments are traded. To the extent that the option markets close before the markets for the underlying financial instruments, significant price and rate movements can take place in the underlying markets that would not be reflected in the corresponding option markets.

**OTC Options.** OTC options are purchased from or sold to counterparties such as securities dealers or financial institutions through direct bilateral agreement with the counterparty. In contrast to exchange-listed options, which generally have standardized terms and performance mechanics, all of the terms of an OTC option, including such terms as method of settlement, term, exercise price, premium, guaranties and security, are determined by negotiation of the parties. It is anticipated that a fund authorized to use OTC options generally will only enter into OTC options that have cash settlement provisions, although it will not be required to do so.

Unless the parties provide for it, no central clearing or guaranty function is involved in an OTC option. As a result, if a counterparty fails to make or take delivery of the security, currency or other instrument underlying an OTC option it has entered into with a fund or fails to make a cash settlement payment due in accordance with the terms of that option, the fund will lose any premium it paid for the option as well as any anticipated benefit of the transaction. Thus, a subadvisor must assess the creditworthiness of each such counterparty or any guarantor or credit enhancement of the counterparty’s credit to determine the likelihood that the terms of the OTC option will be met. A fund will enter into OTC option transactions only with U.S. government securities dealers recognized by the Federal Reserve Bank of New York as “primary dealers,” or broker dealers, domestic or foreign banks, or other financial institutions that are deemed creditworthy by a subadvisor. In the absence of a change in the current position of the SEC’s staff, OTC options purchased by a fund and the amount of the fund’s obligation pursuant to an OTC option sold by the fund (the cost of the sell-back plus the in-the-money amount, if any) will be deemed illiquid.

**Types of Options That May Be Purchased.** A fund may purchase and sell call options on securities indices, currencies, and futures contracts, as well as on Eurodollar instruments that are traded on U.S. and foreign securities exchanges and in the OTC markets.

### **General Characteristics of Futures Contracts and Options on Futures Contracts**

A fund may trade financial futures contracts (including stock index futures contracts, which are described below) or purchase or sell put and call options on those contracts for the following purposes:

- as a hedge against anticipated interest rate, currency or market changes;
- for duration management;
- for risk management purposes; and
- to gain exposure to a securities market.

Futures contracts are generally bought and sold on the commodities exchanges where they are listed with payment of initial and variation margin as described below. The sale of a futures contract creates a firm obligation by a fund, as seller, to deliver to the buyer the specific type of financial instrument called for in the contract at a specific future time for a specified price (or, with respect to certain instruments, the net cash amount). Options on futures contracts are similar to options on securities except that an option on a futures contract gives the purchaser the right, in return for the premium paid, to assume a position in a futures contract and obligates the seller to deliver that position.

A fund will only engage in transactions in futures contracts and related options subject to complying with the Derivatives Rule. The Derivatives Rule requirements are outlined in the “Government Regulation of Derivatives” section. A fund will engage in transactions in futures contracts and related options only to the extent such transactions are consistent with the requirements of the Code in order to maintain its qualification as a RIC for federal income tax purposes.

**Margin.** Maintaining a futures contract or selling an option on a futures contract will typically require a fund to deposit with a financial intermediary, as security for its obligations, an amount of cash or other specified assets (“initial margin”) that initially is from 1% to 10% of the face amount of the contract (but may be higher in some circumstances). Additional cash or assets (“variation margin”) may be required to be deposited thereafter daily as the mark-to-market value of the futures contract fluctuates. The purchase of an option on a financial futures contract involves payment of a premium for the option without any further obligation on the part of a fund. If a fund exercises an option on a futures contract it will be obligated to post initial margin (and potentially variation margin) for the resulting futures position just as it would for any futures position.

**Settlement.** Futures contracts and options thereon are generally settled by entering into an offsetting transaction, but no assurance can be given that a position can be offset prior to settlement or that delivery will occur.

### **Stock Index Futures**

**Definition.** A stock index futures contract (an “Index Future”) is a contract to buy a certain number of units of the relevant index at a specified future date at a price agreed upon when the contract is made. A unit is the value at a given time of the relevant index.

**Uses of Index Futures.** Below are some examples of how a fund may use Index Futures:

- In connection with a fund’s investment in equity securities, a fund may invest in Index Futures while a subadvisor seeks favorable terms from brokers to effect transactions in equity securities selected for purchase.
- A fund also may invest in Index Futures when a subadvisor believes that there are not enough attractive equity securities available to maintain the standards of diversity and liquidity set for the fund’s pending investment in such equity securities when they do become available.
- Through the use of Index Futures, a fund may maintain a pool of assets with diversified risk without incurring the substantial brokerage costs that may be associated with investment in multiple issuers. This may permit a fund to avoid potential market and liquidity problems (e.g., driving up or forcing down the price by quickly purchasing or selling shares of a portfolio security) that may result from increases or decreases in positions already held by a fund.
- A fund also may invest in Index Futures in order to hedge its equity positions.

Hedging and other strategic transactions involving futures contracts, options on futures contracts and swaps will be purchased, sold or entered into primarily for bona fide hedging, risk management (including duration management) or appropriate portfolio management purposes, including gaining exposure to a particular securities market.

### **Options on Securities Indices and Other Financial Indices**

A fund may purchase and sell call and put options on securities indices and other financial indices (“Options on Financial Indices”). In so doing, a fund may achieve many of the same objectives it would achieve through the sale or purchase of options on individual securities or other instruments.

**Description of Options on Financial Indices.** Options on Financial Indices are similar to options on a security or other instrument except that, rather than settling by physical delivery of the underlying instrument, Options on Financial Indices settle by cash settlement. Cash settlement means that the holder has the right to receive, upon exercise of the option, an amount of cash if the closing level of the index upon which the option is based exceeds, in the case of a call (or is less than, in the case of a put) the exercise price of the option. This amount of cash is equal to the excess of the closing price of the index over the exercise price of the option, which also may be multiplied by a formula value. The seller of the option is obligated to make delivery of this amount. The gain or loss on an option on an index depends on price movements in the instruments comprising the market or other composite on which the underlying index is based, rather than price movements in individual securities, as is the case for options on securities. In the case of an OTC option, physical delivery may be used instead of cash settlement. By purchasing or selling Options on Financial Indices, a fund may achieve many of the same objectives it would achieve through the sale or purchase of options on individual securities or other instruments.

### **Yield Curve Options**

A fund also may enter into options on the “spread,” or yield differential, between two fixed-income securities, in transactions referred to as “yield curve” options. In contrast to other types of options, a yield curve option is based on the difference between the yields of designated securities, rather than the prices of the individual securities, and is settled through cash payments. Accordingly, a yield curve option is profitable to the holder if this differential widens (in the case of a call) or narrows (in the case of a put), regardless of whether the yields of the underlying securities increase or decrease.

Yield curve options may be used for the same purposes as other options on securities. Specifically, a fund may purchase or write such options for hedging purposes. For example, a fund may purchase a call option on the yield spread between two securities, if it owns one of the securities and anticipates purchasing the other security and wants to hedge against an adverse change in the yield spread between the two securities. A fund also may purchase or write yield curve options for other than hedging purposes (i.e., in an effort to increase its current income) if, in the judgment of a subadvisor, the fund will be able to profit from movements in the spread between the yields of the underlying securities. The trading of yield curve options is subject to all of the risks associated with the trading of other types of options. In addition, however, such options present risk of loss even if the yield of one of the underlying securities remains constant, if the spread moves in a direction or to an extent which was not anticipated. Yield curve options written by a fund will be “covered.” A call (or put) option is covered if a fund holds another call (or put) option on the spread between the same two securities and owns liquid and unencumbered assets sufficient to cover the fund’s net liability under the two options. Therefore, a fund’s liability for such a covered option is generally limited to the difference between the amounts of the fund’s liability under the option written by the fund less the value of the option held by it. Yield curve options also may be covered in such other manner as may be in accordance with the requirements of the counterparty with which

the option is traded and applicable laws and regulations and are subject to the requirements outlined in the “Government Regulation of Derivatives” section. Yield curve options are traded OTC.

## Currency Transactions

A fund may be authorized to engage in currency transactions with counterparties to hedge the value of portfolio securities denominated in particular currencies against fluctuations in relative value, to gain exposure to a currency without purchasing securities denominated in that currency, to facilitate the settlement of equity trades or to exchange one currency for another. If a fund enters into a currency hedging transaction, the fund will comply with the regulatory limitations outlined in the “Government Regulation of Derivatives” section. Currency transactions may include:

- forward currency contracts;
- exchange-listed currency futures contracts and options thereon;
- exchange-listed and OTC options on currencies;
- currency swaps; and
- spot transactions (i.e., transactions on a cash basis based on prevailing market rates).

A forward currency contract involves a privately negotiated obligation to purchase or sell (with delivery generally required) a specific currency at a future date at a price set at the time of the contract. A currency swap is an agreement to exchange cash flows based on the notional difference among two or more currencies and operates similarly to an interest rate swap, which is described under “Swap Agreements and Options on Swap Agreements.” A fund may enter into currency transactions only with counterparties that are deemed creditworthy by a subadvisor. Nevertheless, engaging in currency transactions will expose a fund to counterparty risk.

A fund’s dealings in forward currency contracts and other currency transactions such as futures contracts, options, options on futures contracts and swaps may be used for hedging and similar purposes, possibly including transaction hedging, position hedging, cross hedging and proxy hedging. A fund also may use foreign currency options and foreign currency forward contracts to increase exposure to a foreign currency, to shift exposure to foreign currency fluctuation from one country to another or to facilitate the settlement of equity trades. A fund may elect to hedge less than all of its foreign portfolio positions as deemed appropriate by a subadvisor.

A fund also may engage in non-deliverable forward transactions to manage currency risk or to gain exposure to a currency without purchasing securities denominated in that currency. A non-deliverable forward is a transaction that represents an agreement between a fund and a counterparty (usually a commercial bank) to buy or sell a specified (notional) amount of a particular currency at an agreed-upon foreign exchange rate on an agreed-upon future date. Unlike other currency transactions, there is no physical delivery of the currency on the settlement of a non-deliverable forward transaction. Rather, the fund and the counterparty agree to net the settlement by making a payment in U.S. dollars or another fully convertible currency that represents any differential between the foreign exchange rate agreed upon at the inception of the non-deliverable forward agreement and the actual exchange rate on the agreed-upon future date. Thus, the actual gain or loss of a given non-deliverable forward transaction is calculated by multiplying the transaction’s notional amount by the difference between the agreed-upon forward exchange rate and the actual exchange rate when the transaction is completed.

Since a fund generally may only close out a non-deliverable forward with the particular counterparty, there is a risk that the counterparty will default on its obligation to pay under the agreement. If the counterparty defaults, the fund will have contractual remedies pursuant to the agreement related to the transaction, but there is no assurance that contract counterparties will be able to meet their obligations pursuant to such agreements or that, in the event of a default, the fund will succeed in pursuing contractual remedies. The fund thus assumes the risk that it may be delayed or prevented from obtaining payments owed to it pursuant to non-deliverable forward transactions.

In addition, where the currency exchange rates that are the subject of a given non-deliverable forward transaction do not move in the direction or to the extent anticipated, a fund could sustain losses on the non-deliverable forward transaction. A fund’s investment in a particular non-deliverable forward transaction will be affected favorably or unfavorably by factors that affect the subject currencies, including economic, political and legal developments that impact the applicable countries, as well as exchange control regulations of the applicable countries. These risks are heightened when a non-deliverable forward transaction involves currencies of emerging market countries because such currencies can be volatile and there is a greater risk that such currencies will be devalued against the U.S. dollar or other currencies.

**Transaction Hedging.** Transaction hedging involves entering into a currency transaction with respect to specific assets or liabilities of a fund, which generally will arise in connection with the purchase or sale of the portfolio securities or the receipt of income from them.

**Position Hedging.** Position hedging involves entering into a currency transaction with respect to portfolio securities positions denominated or generally quoted in that currency.

**Cross Hedging.** A fund may be authorized to cross-hedge currencies by entering into transactions to purchase or sell one or more currencies that are expected to increase or decline in value relative to other currencies to which the fund has or in which the fund expects to have exposure.

**Proxy Hedging.** To reduce the effect of currency fluctuations on the value of existing or anticipated holdings of its securities, a fund also may be authorized to engage in proxy hedging. Proxy hedging is often used when the currency to which a fund’s holdings are exposed is generally difficult to hedge or specifically difficult to hedge against the dollar. Proxy hedging entails entering into a forward contract to sell a currency, the changes in the

value of which are generally considered to be linked to a currency or currencies in which some or all of a fund's securities are or are expected to be denominated, and to buy dollars. The amount of the contract would not exceed the market value of the fund's securities denominated in linked currencies.

### **Combined Transactions**

A fund may be authorized to enter into multiple transactions, including multiple options transactions, multiple futures transactions, multiple currency transactions (including forward currency contracts), multiple interest rate transactions and any combination of futures, options, currency and interest rate transactions. A combined transaction usually will contain elements of risk that are present in each of its component transactions. Although a fund normally will enter into combined transactions to reduce risk or otherwise more effectively achieve the desired portfolio management goal, it is possible that the combination will instead increase the risks or hinder achievement of the fund's investment objective.

### **Swap Agreements and Options on Swap Agreements**

Among the hedging and other strategic transactions into which a fund may be authorized to enter are swap transactions, including, but not limited to, swap agreements on interest rates, security or commodity indexes, specific securities and commodities, currency exchange rates, and credit and event-linked swaps. To the extent that a fund may invest in foreign currency-denominated securities, it also may invest in currency exchange rate swap agreements.

A fund may enter into swap transactions for any legal purpose consistent with its investment objective and policies, such as to attempt to obtain or preserve a particular return or spread at a lower cost than obtaining a return or spread through purchases and/or sales of instruments in other markets, to protect against currency fluctuations, as a duration management technique, to protect against any increase in the price of securities the fund anticipates purchasing at a later date, or to gain exposure to certain markets in the most economical way possible.

OTC swap agreements are two-party contracts entered into primarily by institutional investors for periods ranging from a few weeks to one or more years. In a standard "swap" transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments, which may be adjusted for an interest factor. The gross returns to be exchanged or "swapped" between the parties are generally calculated with respect to a "notional amount," i.e., the return on or increase in value of a particular dollar amount invested at a particular interest rate, in a particular foreign currency, or in a "basket" of securities or commodities representing a particular index. A "quanto" or "differential" swap combines both an interest rate and a currency transaction. Other forms of swap agreements include interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap"; interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor"; and interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels. Consistent with a fund's investment objectives and general investment policies, a fund may be authorized to invest in commodity swap agreements. For example, an investment in a commodity swap agreement may involve the exchange of floating-rate interest payments for the total return on a commodity index. In a total return commodity swap, a fund will receive the price appreciation of a commodity index, a portion of the index, or a single commodity in exchange for paying an agreed-upon fee. If the commodity swap is for one period, a fund may pay a fixed fee, established at the outset of the swap. However, if the term of the commodity swap is more than one period, with interim swap payments, a fund may pay an adjustable or floating fee. With a "floating" rate, the fee may be pegged to a base rate, such as LIBOR or SOFR, and is adjusted each period. Therefore, if interest rates increase over the term of the swap contract, a fund may be required to pay a higher fee at each swap reset date.

A fund may be authorized to enter into options on swap agreements ("Swap Options"). A Swap Option is a contract that gives a counterparty the right (but not the obligation) in return for payment of a premium, to enter into a new swap agreement or to shorten, extend, cancel or otherwise modify an existing swap agreement, at some designated future time on specified terms. A fund also may be authorized to write (sell) and purchase put and call Swap Options.

Depending on the terms of the particular agreement, a fund generally will incur a greater degree of risk when it writes a Swap Option than it will incur when it purchases a Swap Option. When a fund purchases a swap option, it risks losing only the amount of the premium it has paid should it decide to let the option expire unexercised. However, when the fund writes a Swap Option, upon exercise of the option the fund will become obligated according to the terms of the underlying agreement. Most other types of swap agreements entered into by a fund would calculate the obligations of the parties to the agreement on a "net basis." Consequently, a fund's current obligations (or rights) under a swap agreement generally will be equal only to the net amount to be paid or received under the agreement based on the relative values of the positions held by each party to the agreement (the "net amount"). A fund's current obligations under a swap agreement will be accrued daily (offset against any amounts owed to the fund). A fund's use of swap agreements or Swap Options are subject to the regulatory limitations outlined in the "Government Regulation of Derivatives" section.

Whether a fund's use of swap agreements or Swap Options will be successful in furthering its investment objective will depend on a subadvisor's ability to predict correctly whether certain types of investments are likely to produce greater returns than other investments. Because OTC swaps are two-party contracts and because they may have terms of greater than seven days, they may be considered to be illiquid. Moreover, a fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. A fund will enter into swap agreements only with counterparties that meet certain standards of creditworthiness. Certain restrictions imposed on a fund by the Code may limit its ability to use swap agreements. Current regulatory initiatives, described below, and potential future regulation could adversely



affect a fund's ability to terminate existing swap agreements or to realize amounts to be received under such agreements. A fund will not enter into a swap agreement with any single party if the net amount owed to the fund under existing contracts with that party would exceed 5% of the fund's total assets.

Swaps are highly specialized instruments that require investment techniques, risk analyses, and tax planning different from those associated with traditional investments. The use of a swap requires an understanding not only of the referenced asset, rate, or index but also of the swap itself, without the benefit of observing the performance of the swap under all possible market conditions. Swap agreements may be subject to liquidity risk, which exists when a particular swap is difficult to purchase or sell. If a swap transaction is particularly large or if the relevant market is illiquid (as is the case with many OTC swaps), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price, which may result in significant losses. In addition, a swap transaction may be subject to a fund's limitation on investments in illiquid securities.

Like most other investments, swap agreements are subject to the risk that the market value of the instrument will change in a way detrimental to a fund's interest. A fund bears the risk that a subadvisor will not accurately forecast future market trends or the values of assets, reference rates, indexes, or other economic factors in establishing swap positions for it. If a subadvisor attempts to use a swap as a hedge against, or as a substitute for, an investment, the fund will be exposed to the risk that the swap will have or will develop imperfect or no correlation with the investment. This could cause substantial losses for the fund. While hedging strategies involving swap instruments can reduce the risk of loss, they also can reduce the opportunity for gain or even result in losses by offsetting favorable price movements in other investments.

The swaps market was largely unregulated prior to the enactment of federal legislation known as the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"). Among other things, the Dodd-Frank Act sets forth a new regulatory framework for certain OTC derivatives, such as swaps, in which the funds may be authorized to invest. The Dodd-Frank Act requires many swap transactions to be executed on registered exchanges or through swap execution facilities, cleared through a regulated clearinghouse, and publicly reported. In addition, many market participants are now regulated as swap dealers and are, or will be, subject to certain minimum capital and margin requirements and business conduct standards. The statutory requirements of the Dodd-Frank Act have primarily been implemented through rules and regulations adopted by the SEC and/or the CFTC, although some rules have not been fully implemented.

As of the date of this SAI, central clearing is required only for certain market participants trading certain instruments, although central clearing for additional instruments is expected to be implemented by the CFTC. In addition, as described below, uncleared OTC swaps may be subject to regulatory collateral requirements that could adversely affect a fund's ability to enter into swaps in the OTC market. These developments could cause a fund to terminate new or existing swap agreements, realize amounts to be received under such instruments at an inopportune time, or increase the costs associated with trading derivatives. It is still not possible to determine the complete impact of the Dodd-Frank Act and related regulations on the funds. Swap dealers, major swap market participants, and swap counterparties may also experience other new and/or additional regulations, requirements, compliance burdens, and associated costs. The Dodd-Frank Act and rules promulgated thereunder may exert a negative effect on a fund's ability to meet its investment objective. The swap market could be disrupted or limited as a result of the legislation, and the new requirements may increase the cost of a fund's investments and of doing business, which could adversely affect the fund's ability to buy or sell OTC derivatives. Prudential regulators issued final rules that will require banks subject to their supervision to exchange variation and initial margin in respect of their obligations arising under uncleared swap agreements. The CFTC adopted similar rules that apply to CFTC-registered swap dealers that are not banks. Such rules may require the funds to segregate additional assets in order to meet the new variation and initial margin requirements when they enter into uncleared swap agreements. The variation margin and initial margin requirements are now effective.

In addition, regulations adopted by prudential regulators require certain banks to include in a range of financial contracts, including derivative and short-term funding transactions terms delaying or restricting a counterparty's default, termination and other rights in the event that the bank and/or its affiliates become subject to certain types of resolution or insolvency proceedings. The regulations could limit a fund's ability to exercise a range of cross-default rights if its counterparty, or an affiliate of the counterparty, is subject to bankruptcy or similar proceedings. Such regulations could further negatively impact the funds' use of derivatives.

Additional information about certain swap agreements that the funds may utilize is provided below.

*Credit default swap agreements ("CDS").* CDS may have as reference obligations one or more securities that are not currently held by a fund. The protection "buyer" in a CDS is generally obligated to pay the protection "seller" an upfront or a periodic stream of payments over the term of the CDS provided that no credit event, such as a default, on a reference obligation has occurred. If a credit event occurs, the seller generally must pay the buyer the "par value" (full notional value) of the CDS in exchange for an equal face amount of deliverable obligations of the reference entity described in the CDS, or the seller may be required to deliver the related net cash amount, if the CDS is cash settled. A fund may be either the buyer or seller in the transaction. If a fund is a buyer and no credit event occurs, the fund may recover nothing if the CDS is held through its termination date. However, if a credit event occurs, the buyer generally may elect to receive the full notional value of the CDS in exchange for an equal face amount of deliverable obligations of the reference entity whose value may have significantly decreased. As a seller, a fund generally receives an upfront payment or a fixed rate of income throughout the term of the CDS, provided that there is no credit event. As the seller, a fund would effectively add leverage to the fund because, in addition to its total net assets, the fund would be subject to investment exposure on the notional amount of the CDS. If a fund enters into a CDS, the fund may be required to report the CDS as a "listed transaction" for tax shelter reporting purposes on the fund's federal income tax return. If the IRS were to determine that the CDS is a tax shelter, a fund could be subject to penalties under the Code.

Credit default swap indices are indices that reflect the performance of a basket of credit default swaps and are subject to the same risks as CDS. The fund's return from investment in a credit default swap index may not match the return of the referenced index. Further, investment in a credit default swap index could result in losses if the referenced index does not perform as expected. Unexpected changes in the composition of the index may also affect performance of the credit default swap index. If a referenced index has a dramatic intraday move that causes a material decline in the fund's net assets, the terms of the fund's credit default swap index may permit the counterparty to immediately close out the transaction. In that event, the fund may be unable to enter into another credit default swap index or otherwise achieve desired exposure, even if the referenced index reverses all or a portion of its intraday move.

A fund also may be authorized to enter into credit default swaps on index tranches. CDS on index tranches give the fund, as a seller of credit protection, the opportunity to take on exposures to specific segments of the CDS index default loss distribution. Each tranche has a different sensitivity to credit risk correlations among entities in the index. One of the main benefits of index tranches is higher liquidity. This has been achieved mainly through standardization, yet it is also due to the liquidity in the single-name CDS and CDS index markets. In contrast, possibly owing to the limited liquidity in the corporate bond market, securities referencing corporate bond indexes have not been traded actively.

CDS involve greater risks than if a fund had invested in the reference obligation directly since, in addition to general market risks, CDS are subject to illiquidity risk, counterparty risk and credit risk. A fund will enter into CDS only with counterparties that meet certain standards of creditworthiness. A buyer generally also will lose its investment and recover nothing should no credit event occur and the CDS is held to its termination date. If a credit event were to occur, the value of any deliverable obligation received by the seller, coupled with the upfront or periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the seller. A fund's obligations under a CDS will be accrued daily (offset against any amounts owing to the fund). A fund's ability to be a "buyer" or "seller" of CDS is subject to the regulatory limitations outlined in the "Government Regulation of Derivatives" section.

*Dividend swap agreements.* A dividend swap agreement is a financial instrument where two parties contract to exchange a set of future cash flows at set dates in the future. One party agrees to pay the other the future dividend flow on a stock or basket of stocks in an index, in return for which the other party gives the first call options. Dividend swaps generally are traded OTC rather than on an exchange.

*Inflation swap agreements.* An inflation swap agreement is a contract in which one party agrees to pay the cumulative percentage increase in a price index (e.g., the CPI with respect to CPI swaps) over the term of the swap (with some lag on the inflation index), and the other pays a compounded fixed rate. Inflation swap agreements may be used to protect a fund's NAV against an unexpected change in the rate of inflation measured by an inflation index since the value of these agreements is expected to increase if unexpected inflation increases.

*Interest rate swap agreements.* An interest rate swap agreement involves the exchange of cash flows based on interest rate specifications and a specified principal amount, often a fixed payment for a floating payment that is linked to an interest rate. An interest rate lock specifies a future interest rate to be paid. In an interest rate cap, one party receives payments at the end of each period in which a specified interest rate on a specified principal amount exceeds an agreed-upon rate; conversely, in an interest rate floor, one party may receive payments if a specified interest rate on a specified principal amount falls below an agreed-upon rate. Caps and floors have an effect similar to buying or writing options. Interest rate collars involve selling a cap and purchasing a floor, or vice versa, to protect a fund against interest rate movements exceeding given minimum or maximum levels.

*Total return swap agreements.* A total return swap agreement is a contract whereby one party agrees to make a series of payments to another party based on the change in the market value of the assets underlying such contract (which can include a security, commodity, index or baskets thereof) during the specified period. In exchange, the other party to the contract agrees to make a series of payments calculated by reference to an interest rate and/or some other agreed-upon amount (including the change in market value of other underlying assets). A fund may use total return swaps to gain exposure to an asset without owning it or taking physical custody of it. For example, by investing in total return commodity swaps, a fund will receive the price appreciation of a commodity, commodity index or portion thereof in exchange for payment of an agreed-upon fee.

*Variance swap agreements.* Variance swap agreements involve an agreement by two parties to exchange cash flows based on the measured variance (or square of volatility) of a specified underlying asset. One party agrees to exchange a "fixed rate" or strike price payment for the "floating rate" or realized price variance on the underlying asset with respect to the notional amount. At inception, the strike price chosen is generally fixed at a level such that the fair value of the swap is zero. As a result, no money changes hands at the initiation of the contract. At the expiration date, the amount paid by one party to the other is the difference between the realized price variance of the underlying asset and the strike price multiplied by the notional amount. A receiver of the realized price variance would receive a payment when the realized price variance of the underlying asset is greater than the strike price and would make a payment when that variance is less than the strike price. A payer of the realized price variance would make a payment when the realized price variance of the underlying asset is greater than the strike price and would receive a payment when that variance is less than the strike price. This type of agreement is essentially a forward contract on the future realized price variance of the underlying asset.

## **Eurodollar Instruments**

A fund may be authorized to invest in Eurodollar instruments which typically are dollar-denominated futures contracts or options on those contracts that are linked to SOFR. In addition, foreign currency-denominated instruments are available from time to time. Eurodollar futures contracts enable purchasers to obtain a fixed rate for the lending of funds and sellers to obtain a fixed rate for borrowings. A fund might use Eurodollar futures contracts and options thereon to hedge against changes in SOFR, to which many interest rate swaps and fixed income instruments are linked.



## Warrants and Rights

Warrants and rights generally give the holder the right to receive, upon exercise and prior to the expiration date, a security of the issuer at a stated price. Funds typically use warrants and rights in a manner similar to their use of options on securities, as described in “General Characteristics of Options” above and elsewhere in this SAI. Risks associated with the use of warrants and rights are generally similar to risks associated with the use of options. Unlike most options, however, warrants and rights are issued in specific amounts, and warrants generally have longer terms than options. Warrants and rights are not likely to be as liquid as exchange-traded options backed by a recognized clearing agency. In addition, the terms of warrants or rights may limit a fund’s ability to exercise the warrants or rights at such time, or in such quantities, as the fund would otherwise wish.

**Non-Standard Warrants and Participatory Notes.** From time to time, a fund may use non-standard warrants, including low exercise price warrants or low exercise price options (“LEPOs”), and participatory notes (“P-Notes”) to gain exposure to issuers in certain countries. LEPOs are different from standard warrants in that they do not give their holders the right to receive a security of the issuer upon exercise. Rather, LEPOs pay the holder the difference in price of the underlying security between the date the LEPO was purchased and the date it is sold. P-Notes are a type of equity-linked derivative that generally are traded OTC and constitute general unsecured contractual obligations of the banks, broker dealers or other financial institutions that issue them. Generally, banks and broker dealers associated with non-U.S.-based brokerage firms buy securities listed on certain foreign exchanges and then issue P-Notes that are designed to replicate the performance of certain issuers and markets. The performance results of P-Notes will not replicate exactly the performance of the issuers or markets that the notes seek to replicate due to transaction costs and other expenses. The return on a P-Note that is linked to a particular underlying security generally is increased to the extent of any dividends paid in connection with the underlying security. However, the holder of a P-Note typically does not receive voting or other rights as it would if it directly owned the underlying security, and P-Notes present similar risks to investing directly in the underlying security. Additionally, LEPOs and P-Notes entail the same risks as other OTC derivatives. These include the risk that the counterparty or issuer of the LEPO or P-Note may not be able to fulfill its obligations, that the holder and counterparty or issuer may disagree as to the meaning or application of contractual terms, or that the instrument may not perform as expected. See “Principal risks—Credit and Counterparty risk” in the Prospectus, as applicable, and “Risk of Hedging and Other Strategic Transactions” below. Additionally, while LEPOs or P-Notes may be listed on an exchange, there is no guarantee that a liquid market will exist or that the counterparty or issuer of a LEPO or P-Note will be willing to repurchase such instrument when a fund wishes to sell it.

## Risk of Hedging and Other Strategic Transactions

Hedging and other strategic transactions are subject to special risks, including:

- possible default by the counterparty to the transaction;
- markets for the securities used in these transactions could be illiquid; and
- to the extent a subadvisor’s assessment of market movements is incorrect, the risk that the use of the hedging and other strategic transactions could result in losses to the fund.

Losses resulting from the use of hedging and other strategic transactions will reduce a fund’s NAV, and possibly income. Losses can be greater than if hedging and other strategic transactions had not been used.

**Options and Futures Transactions.** Options transactions are subject to the following additional risks:

- option transactions could force the sale or purchase of portfolio securities at inopportune times or for prices higher than current market values (in the case of put options) or lower than current market values (in the case of call options), or could cause a fund to hold a security it might otherwise sell (in the case of a call option);
- calls written on securities that a fund does not own are riskier than calls written on securities owned by the fund because there is no underlying security held by the fund that can act as a partial hedge, and there also is a risk, especially with less liquid securities, that the securities may not be available for purchase; and
- options markets could become illiquid in some circumstances and certain OTC options could have no markets. As a result, in certain markets, a fund might not be able to close out a transaction without incurring substantial losses.

Futures transactions are subject to the following additional risks:

- the degree of correlation between price movements of futures contracts and price movements in the related securities position of a fund could create the possibility that losses on the hedging instrument are greater than gains in the value of the fund’s position.
- futures markets could become illiquid. As a result, in certain markets, a fund might not be able to close out a transaction without incurring substantial losses.

Although a fund’s use of futures and options for hedging should tend to minimize the risk of loss due to a decline in the value of the hedged position, at the same time, it will tend to limit the potential gain that might result from an increase in value.

**Currency Hedging.** In addition to the general risks of hedging and other strategic transactions described above, currency hedging transactions have the following risks:

- currency hedging can result in losses to a fund if the currency being hedged fluctuates in value to a degree or direction that is not anticipated;
- proxy hedging involves determining the correlation between various currencies. If a subadvisor’s determination of this correlation is incorrect, a fund’s losses could be greater than if the proxy hedging were not used; and

- foreign government exchange controls and restrictions on repatriation of currency can negatively affect currency transactions. These forms of governmental actions can result in losses to a fund if it is unable to deliver or receive currency or monies to settle obligations. Such governmental actions also could cause hedges it has entered into to be rendered useless, resulting in full currency exposure as well as incurring transaction costs.

**Currency Futures Contracts and Options on Currency Futures Contracts.** Currency futures contracts are subject to the same risks that apply to the use of futures contracts generally. In addition, settlement of a currency futures contract for the purchase of most currencies must occur at a bank based in the issuing nation. Trading options on currency futures contracts is relatively new, and the ability to establish and close out positions on these options is subject to the maintenance of a liquid market that may not always be available.

**Risk Associated with Specific Types of Derivative Debt Securities.** Different types of derivative debt securities are subject to different combinations of prepayment, extension and/or interest rate risk. Conventional mortgage passthrough securities and sequential pay CMOs are subject to all of these risks, but typically are not leveraged. Thus, the magnitude of exposure may be less than for more leveraged mortgage-backed securities.

The risk of early prepayments is the primary risk associated with IOs, super floaters, other leveraged floating rate instruments and mortgage-backed securities purchased at a premium to their par value. In some instances, early prepayments may result in a complete loss of investment in certain of these securities. The primary risks associated with certain other derivative debt securities are the potential extension of average life and/or depreciation due to rising interest rates.

Derivative debt securities include floating rate securities based on the COFI floaters, other “lagging rate” floating rate securities, capped floaters, mortgage-backed securities purchased at a discount, leveraged inverse floating rate securities, POs, certain residual or support tranches of CMOs and index amortizing notes. Index amortizing notes are not mortgage-backed securities, but are subject to extension risk resulting from the issuer’s failure to exercise its option to call or redeem the notes before their stated maturity date. Leveraged inverse IOs combine several elements of the mortgage-backed securities described above and present an especially intense combination of prepayment, extension and interest rate risks.

PAC and TAC CMO bonds involve less exposure to prepayment, extension and interest rate risk than other mortgage-backed securities, provided that prepayment rates remain within expected prepayment ranges or “collars.” To the extent that prepayment rates remain within these prepayment ranges, the residual or support tranches of PAC and TAC CMOs assume the extra prepayment, extension and interest rate risk associated with the underlying mortgage assets.

Other types of floating rate derivative debt securities present more complex types of interest rate risks. For example, range floaters are subject to the risk that the coupon will be reduced to below market rates if a designated interest rate floats outside of a specified interest rate band or collar. Dual index or yield curve floaters are subject to depreciation in the event of an unfavorable change in the spread between two designated interest rates. X-reset floaters have a coupon that remains fixed for more than one accrual period. Thus, the type of risk involved in these securities depends on the terms of each individual X-reset floater.

### **Risk of Hedging and Other Strategic Transactions Outside the United States**

When conducted outside the United States, hedging and other strategic transactions will not only be subject to the risks described above, but also could be adversely affected by:

- foreign governmental actions affecting foreign securities, currencies or other instruments;
- less stringent regulation of these transactions in many countries as compared to the United States;
- the lack of clearing mechanisms and related guarantees in some countries for these transactions;
- more limited availability of data on which to make trading decisions than in the United States;
- delays in a fund’s ability to act upon economic events occurring in foreign markets during non-business hours in the United States;
- the imposition of different exercise and settlement terms and procedures and margin requirements than in the United States; and
- lower trading volume and liquidity.

### **Government Regulation of Derivatives**

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, on October 28, 2020, the SEC adopted new regulations governing the use of derivatives by registered investment companies (“Rule 18f-4” or the “Derivatives Rule”). Funds were required to implement and comply with Rule 18f-4 by August 19, 2022. Rule 18f-4 eliminates the asset segregation framework formerly used by funds to comply with Section 18 of the 1940 Act, as amended.

The Derivatives Rule mandates that a fund adopt and/or implement: (i) value-at-risk limitations (“VaR”); (ii) a written derivatives risk management program; (iii) new Board oversight responsibilities; and (iv) new reporting and recordkeeping requirements. In the event that a fund’s derivative exposure is 10% or less of its net assets, excluding certain currency and interest rate hedging transactions, it can elect to be classified as a limited derivatives user (“Limited Derivatives User”) under the Derivatives Rule, in which case the fund is not subject to the full requirements of the Derivatives Rule. Limited Derivatives Users are excepted from VaR testing, implementing a derivatives risk management program, and certain Board oversight and reporting requirements mandated by the Derivatives Rule. However, a Limited Derivatives User is still required to implement written compliance policies and procedures reasonably designed to manage its derivatives risks.

The Derivatives Rule also provides special treatment for reverse repurchase agreements, similar financing transactions and unfunded commitment agreements. Specifically, a fund may elect whether to treat reverse repurchase agreements and similar financing transactions as “derivatives transactions” subject to the requirements of the Derivatives Rule or as senior securities equivalent to bank borrowings for purposes of Section 18 of the 1940 Act. Repurchase agreements are not subject to the Derivatives Rule, but are still subject to other provisions of the 1940 Act. In addition, when-issued or forward settling securities transactions that physically settle within 35-days are deemed not to involve a senior security.

Furthermore, it is possible that additional government regulation of various types of derivative instruments may limit or prevent a fund from using such instruments as part of its investment strategy in the future, which could negatively impact the fund. New position limits imposed on a fund or its counterparty may also impact the fund's ability to invest in futures, options, and swaps in a manner that efficiently meets its investment objective.

Use of extensive hedging and other strategic transactions by a fund will require, among other things, that the fund post collateral with counterparties or clearinghouses, and/or are subject to the Derivatives Rule regulatory limitations as outlined above.

**Futures Contracts and Options on Futures Contracts.** In the case of a futures contract, or an option on a futures contract, a fund must deposit initial margin and, in some instances, daily variation margin, to meet its obligations under the contract. These assets may consist of cash, cash equivalents, liquid debt, equity securities or other acceptable assets.

## INVESTMENT RESTRICTIONS

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A fund's investment restrictions are subject to, and may be impacted and limited by, the federal securities laws, rules and regulations, including the 1940 Act and Rule 18f-4 thereunder.

There are two classes of investment restrictions to which a fund is subject in implementing its investment policies: (a) fundamental; and (b) non-fundamental. Fundamental restrictions may be changed only by a vote of the lesser of: (i) 67% or more of the shares represented at a meeting at which more than 50% of the outstanding shares are represented; or (ii) more than 50% of the outstanding shares. Non-fundamental restrictions are subject to change by the Board without shareholder approval.

When submitting an investment restriction change to the holders of a fund's outstanding voting securities, the matter shall be deemed to have been effectively acted upon with respect to the fund if a majority of the outstanding voting securities of the fund votes for the approval of the matter, notwithstanding: (1) that the matter has not been approved by the holders of a majority of the outstanding voting securities of any other series of the Trust affected by the matter; and (2) that the matter has not been approved by the vote of a majority of the outstanding voting securities of the Trust as a whole.

### Fundamental Investment Restrictions

Unless a fund is specifically excepted by the terms of a restriction:

- (1) **Concentration.** A fund may not concentrate its investments in a particular industry, as that term is used in the 1940 Act, as amended, and as interpreted or modified by regulatory authority having jurisdiction, from time to time. Real Estate Securities Fund is not subject to this restriction.
- (2) **Diversification.** Each fund has elected to be treated as a diversified investment company, as that term is used in the 1940 Act, as amended, and as interpreted or modified by regulatory authority having jurisdiction, from time to time. Each fund is subject to this restriction except as otherwise stated in a fund's Prospectus.
- (3) **Borrowing.** A fund may not borrow money, except as permitted under the 1940 Act, as amended, and as interpreted or modified by regulatory authority having jurisdiction, from time to time.
- (4) **Underwriting.** A fund may not engage in the business of underwriting securities issued by others, except to the extent that the fund may be deemed to be an underwriter in connection with the disposition of portfolio securities.
- (5) **Real Estate.** A fund may not purchase or sell real estate, which term does not include securities of companies which deal in real estate or mortgages or investments secured by real estate or interests therein, except that each fund reserves freedom of action to hold and to sell real estate acquired as a result of the fund's ownership of securities.
- (6) **Commodities.** A fund may not purchase or sell commodities, except as permitted under the 1940 Act, as amended, and as interpreted or modified by regulatory authority having jurisdiction, from time to time.
- (7) **Loans.** A fund may not make loans except as permitted under the 1940 Act, as amended, and as interpreted or modified by regulatory authority having jurisdiction, from time to time.
- (8) **Senior Securities.** A fund may not issue senior securities, except as permitted under the 1940 Act, as amended, and as interpreted or modified by regulatory authority having jurisdiction, from time to time.

### **Additional Information Regarding Fundamental Restrictions**

*Concentration.* While the 1940 Act does not define what constitutes “concentration” in an industry, the staff of the SEC takes the position that any fund that invests more than 25% of its total assets in a particular industry (excluding the U.S. government, its agencies or instrumentalities) is deemed to be “concentrated” in that industry. With respect to a fund's investment in loan participations, if any, the fund treats both the borrower and the financial intermediary under a loan participation as issuers for purposes of determining whether the fund has concentrated in a particular industry. For purposes

of each fund of funds' fundamental restriction regarding concentration, the fund of funds will take into account the concentration policies of the underlying funds in which it invests.

**Diversification.** A diversified fund, as to at least 75% of the value of its total assets, generally may not, except with respect to government securities and securities of other investment companies, invest more than 5% of its total assets in the securities, or own more than 10% of the outstanding voting securities, of any one issuer. In determining the issuer of a municipal security, each state, each political subdivision, agency, and instrumentality of each state and each multi-state agency of which such state is a member is considered a separate issuer. In the event that securities are backed only by assets and revenues of a particular instrumentality, facility or subdivision, such entity is considered the issuer.

**Borrowing.** The 1940 Act permits a fund to borrow money in amounts of up to one-third of its total assets, at the time of borrowing, from banks for any purpose (a fund's total assets include the amounts being borrowed). To limit the risks attendant to borrowing, the 1940 Act requires a fund to maintain at all times an "asset coverage" of at least 300% of the amount of its borrowings, not including borrowings for temporary purposes in an amount not exceeding 5% of the value of its total assets. "Asset coverage" means the ratio that the value of a fund's total assets (including amounts borrowed), minus liabilities other than borrowings, bears to the aggregate amount of all borrowings.

**Commodities.** Under the federal securities and commodities laws, certain financial instruments such as futures contracts and options thereon, including currency futures, stock index futures or interest rate futures, and certain swaps, including currency swaps, interest rate swaps, swaps on broad-based securities indices, and certain credit default swaps, may, under certain circumstances, also be considered to be commodities. Nevertheless, the 1940 Act does not prohibit investments in physical commodities or contracts related to physical commodities. Funds typically invest in futures contracts and related options on these and other types of commodity contracts for hedging purposes, to implement tax or cash management strategies, or to enhance returns.

**Loans.** Although the 1940 Act does not prohibit a fund from making loans, SEC staff interpretations currently prohibit funds from lending more than one-third of their total assets, except through the purchase of debt obligations or the use of repurchase agreements. A repurchase agreement is an agreement to purchase a security, coupled with an agreement to sell that security back to the original seller on an agreed-upon date at a price that reflects current interest rates. The SEC frequently treats repurchase agreements as loans.

**Senior Securities.** "Senior securities" are defined as fund obligations that have a priority over a fund's shares with respect to the payment of dividends or the distribution of fund assets. The 1940 Act prohibits a fund from issuing any class of senior securities or selling any senior securities of which it is the issuer, except that the fund is permitted to borrow from a bank so long as, immediately after such borrowings, there is an asset coverage of at least 300% for all borrowings of the fund (not including borrowings for temporary purposes in an amount not exceeding 5% of the value of the fund's total assets). In the event that such asset coverage falls below this percentage, a fund must reduce the amount of its borrowings within three days (not including Sundays and holidays) so that the asset coverage is restored to at least 300%. The fundamental investment restriction regarding senior securities will be interpreted so as to permit collateral arrangements with respect to swaps, options, forward or futures contracts or other derivatives, or the posting of initial or variation margin. The Derivatives Rule provides an exemption to enter into certain transactions deemed to be senior securities subject to compliance with the limitations outlined in "Government Regulation of Derivatives."

### **Non-Fundamental Investment Restrictions**

Unless a fund is specifically excepted by the terms of a restriction, each fund will not:

- (9) Knowingly invest more than 15% of the value of its net assets in securities or other investments, including repurchase agreements maturing in more than seven days but excluding master demand notes, which are not readily marketable.
- (10) Make short sales of securities or maintain a short position, if, when added together, more than 25% of the value of the fund's net assets would be: (i) deposited as collateral for the obligation to replace securities borrowed to effect short sales; and (ii) allocated to segregated accounts in connection with short sales, except that it may obtain such short-term credits as may be required to clear transactions. For purposes of this restriction, collateral arrangements with respect to hedging and other strategic transactions will not be deemed to involve the use of margin. Short sales "against-the-box" are not subject to this limitation. Notwithstanding the foregoing, Opportunistic Fixed Income Fund will engage in short selling to the extent permitted by federal securities laws and rules and interpretations thereunder.
- (11) Pledge, hypothecate, mortgage or transfer (except as provided in restriction (8)) as security for indebtedness any securities held by the fund, except in an amount of not more than 10%\* of the value of the fund's total assets and then only to secure borrowings permitted by restrictions (3) and (10). For purposes of this restriction, collateral arrangements with respect to hedging and other strategic transactions will not be deemed to involve a pledge of assets.

\* 33<sup>1</sup>/3% in the case of Blue Chip Growth, Core Bond, Equity Income, New Opportunities, Science & Technology, Small Cap Value, Small Cap Dynamic Growth, and Strategic Income Opportunities.

For purposes of restriction (11), "other strategic transactions" can include short sales and derivative transactions intended for non-hedging purposes.

Except with respect to the fundamental investment restriction on borrowing, if a percentage restriction is adhered to at the time of an investment, a later increase or decrease in the investment's percentage of the value of a fund's total assets resulting from a change in such values or assets will not constitute a violation of the percentage restriction. Any subsequent change in a rating assigned by any rating service to a security (or, if unrated, any change in a subadvisor's assessment of the security), or change in the percentage of fund assets invested in certain securities or other instruments, or change in the average duration of a fund's investment portfolio, resulting from market fluctuations or other changes in a fund's total assets will not

require the fund to dispose of an investment until a subadvisor determines that it is practicable to sell or close out the investment without undue market or tax consequences to the fund. In the event that rating services assign different ratings to the same security, a subadvisor will determine which rating it believes best reflects the security's quality and risk at that time, which may be the highest of the several assigned ratings.

### Investment Policies that May Be Changed Only on 60 Days' Prior Written Notice to Shareholders

In order to comply with Rule 35d-1 under the 1940 Act, the 80% investment policy for each of Blue Chip Growth Fund, Core Bond Fund, Disciplined Value Emerging Markets Equity Fund, Emerging Markets Debt Fund, Equity Income Fund, Floating Rate Income Fund, Fundamental Global Franchise Fund, Global Equity Fund, Health Sciences Fund, High Yield Fund, International Small Company Fund, International Strategic Equity Allocation Fund, Opportunistic Fixed Income Fund, Real Estate Securities Fund, Science & Technology Fund, Small Cap Value Fund, Small Cap Dynamic Growth Fund, Strategic Income Opportunities Fund, and U.S. Sector Rotation Fund is subject to change only upon 60 days' prior written notice to shareholders. Refer to the applicable Prospectus for each fund's "Principal investment strategies."

## PORTFOLIO TURNOVER

The annual rate of portfolio turnover will normally differ for each fund and may vary from year to year as well as within a year. A high rate of portfolio turnover (100% or more) generally involves correspondingly greater brokerage commission expenses, which must be borne directly by the fund. Portfolio turnover is calculated by dividing the lesser of purchases or sales of portfolio securities during the fiscal period by the monthly average of the value of the fund's portfolio securities. (Excluded from the computation are all securities, including options, with maturities at the time of acquisition of one year or less). Portfolio turnover rates can change from year to year due to various factors, including among others, portfolio adjustments made in response to market conditions.

The portfolio turnover rates for the funds for the fiscal periods ended August 31, 2024 and August 31, 2023 were as follows:

<b>Fund</b>	<b>2024 (%)</b>	<b>2023 (%)</b>
Alternative Asset Allocation Fund	24	30
Blue Chip Growth Fund	12	14
Capital Appreciation Fund	34	30
Capital Appreciation Value Fund	74	88
Core Bond Fund	237	238
Disciplined Value Emerging Markets Equity Fund	194	21
Emerging Markets Debt Fund	38	22
Equity Income Fund	22	19
Floating Rate Income Fund	51	28
Fundamental Global Franchise Fund	17	31
Global Equity Fund	36	48
Health Sciences Fund	49	36
High Yield Fund	47	31
International Small Company Fund	9	11
International Strategic Equity Allocation Fund	35	33
Mid Value Fund	46	55
Multi-Asset High Income Fund	46	59
Lifestyle Blend Aggressive Portfolio	17	16
Lifestyle Blend Balanced Portfolio	38	15
Lifestyle Blend Conservative Portfolio	63	26
Lifestyle Blend Growth Portfolio	26	15
Lifestyle Blend Moderate Portfolio	47	20
Multimanager 2065 Lifetime Portfolio	23	18
Multimanager 2060 Lifetime Portfolio	22	14
Multimanager 2055 Lifetime Portfolio	22	16
Multimanager 2050 Lifetime Portfolio	19	17
Multimanager 2045 Lifetime Portfolio	16	17
Multimanager 2040 Lifetime Portfolio	17	19
Multimanager 2035 Lifetime Portfolio	16	20

<b>Fund</b>	<b>2024 (%)</b>	<b>2023 (%)</b>
Multimanager 2030 Lifetime Portfolio	17	22
Multimanager 2025 Lifetime Portfolio	17	20
Multimanager 2020 Lifetime Portfolio	19	19
Multimanager 2015 Lifetime Portfolio	19	17
Multimanager 2010 Lifetime Portfolio	24	25
2065 Lifetime Blend Portfolio	41	12
2060 Lifetime Blend Portfolio	21	25
2055 Lifetime Blend Portfolio	21	29
2050 Lifetime Blend Portfolio	20	32
2045 Lifetime Blend Portfolio	22	29
2040 Lifetime Blend Portfolio	24	23
2035 Lifetime Blend Portfolio	31	19
2030 Lifetime Blend Portfolio	37	16
2025 Lifetime Blend Portfolio	49	21
2020 Lifetime Blend Portfolio	59	23
2015 Lifetime Blend Portfolio	68	28
2010 Lifetime Blend Portfolio	74	35
New Opportunities Fund	15	24
Opportunistic Fixed Income Fund	90	92
Real Estate Securities Fund	72	105
Science & Technology Fund	297	127
Small Cap Dynamic Growth Fund	177	81
Small Cap Value Fund	38	49
Strategic Income Opportunities Fund	37	47
U.S. Sector Rotation Fund	40	68

## THOSE RESPONSIBLE FOR MANAGEMENT

The business of the Trust, an open-end management investment company, is managed by the Board, including certain Trustees who are not “interested persons” (as defined in the 1940 Act) of the funds or the Trust (the “Independent Trustees”). The Trustees elect officers who are responsible for the day-to-day operations of the funds or the Trust and who execute policies formulated by the Trustees. Several of the Trustees and officers of the Trust also are officers or directors of the Advisor or the Distributor. Each Trustee oversees all of the funds and other funds in the John Hancock Fund Complex (as defined below).

The tables below present certain information regarding the Trustees and officers of the Trust, including their principal occupations which, unless specific dates are shown, are of at least five years’ duration. In addition, the tables include information concerning other directorships held by each Trustee in other registered investment companies or publicly traded companies. Information is listed separately for each Trustee who is an “interested person” (as defined in the 1940 Act) of the Trust (each a “Non-Independent Trustee”) and the Independent Trustees. As of August 31, 2024, the “John Hancock Fund Complex” consisted of 185 funds (including separate series of series mutual funds). Each Trustee, other than William K. Bacic and Thomas R. Wright, has been elected to serve on the Board. Each of William H. Cunningham, Grace K. Fey, Deborah C. Jackson, and Hassell H. McClellan was most recently elected to serve on the Board at a shareholder meeting held on November 15, 2012. Each of Andrew G. Arnott, James R. Boyle, Noni L. Ellison, Dean C. Garfield, Paul Lorentz, and Frances G. Rathke was most recently elected to serve on the Board at a shareholder meeting held on September 9, 2022. The Board appointed William K. Bacic and Thomas R. Wright to serve as Independent Trustees effective August 1, 2024. The address of each Trustee and officer of the Trust is 200 Berkeley Street, Boston, Massachusetts 02116.



<b>Name (Birth Year)</b>	<b>Current Position(s) with the Trust<sup>1</sup></b>	<b>Principal Occupation(s) and Other Directorships During the Past 5 Years</b>	<b>Number of Funds in John Hancock Fund Complex Overseen by Trustee</b>
<b>Non-Independent Trustees</b>			
Andrew G. Arnott <sup>2</sup> (1971)	Trustee (since 2017)	Global Head of Retail for Manulife (since 2022); Head of Wealth and Asset Management, United States and Europe, for John Hancock and Manulife (2018-2023); Director and Chairman, John Hancock Investment Management LLC (2005-2023, including prior positions); Director and Chairman, John Hancock Variable Trust Advisers LLC (2006-2023, including prior positions); Director and Chairman, John Hancock Investment Management Distributors LLC (2004-2023, including prior positions); President of various trusts within the John Hancock Fund Complex (since 2007, including prior positions).  Trustee of various trusts within the John Hancock Fund Complex (since 2017).	182
Paul Lorentz <sup>2</sup> (1968)	Trustee (since 2022)	Global Head, Manulife Wealth and Asset Management (since 2017); General Manager, Manulife, Individual Wealth Management and Insurance (2013–2017); President, Manulife Investments (2010–2016).  Trustee of various trusts within the John Hancock Fund Complex (since 2022).	179

**1** Because the Trust is not required to and does not hold regular annual shareholder meetings, each Trustee holds office for an indefinite term until his or her successor is duly elected and qualified or until he or she dies, retires, resigns, is removed or becomes disqualified. Trustees may be removed from the Trust (provided the aggregate number of Trustees after such removal shall not be less than one) with cause or without cause, by the action of two-thirds of the remaining Trustees or by action of two-thirds of the outstanding shares of the Trust.

**2** The Trustee is a Non-Independent Trustee due to current or former positions with the Advisor and certain of its affiliates.

<b>Name (Birth Year)</b>	<b>Current Position(s) with the Trust<sup>1</sup></b>	<b>Principal Occupation(s) and Other Directorships During the Past 5 Years</b>	<b>Number of Funds in John Hancock Fund Complex Overseen by Trustee</b>
<b>Independent Trustees</b>			
William K. Bacic (1956)	Trustee (since 2024)	Director, Audit Committee Chairman, and Risk Committee Member, DWS USA Corp. (formerly, Deutsche Asset Management) (2018-2024); Senior Partner, Deloitte & Touche LLP (1978-retired 2017, including prior positions), specializing in the investment management industry.  Trustee of various trusts within the John Hancock Fund Complex (since 2024).	179
James R. Boyle (1959)	Trustee (2005–2014 and since 2015)	Board Member, United of Omaha Life Insurance Company (since 2022); Board Member, Mutual of Omaha Investor Services, Inc. (since 2022); Foresters Financial, Chief Executive Officer (2018–2022) and board member (2017–2022); Manulife Financial and John Hancock, more than 20 years, retiring in 2012 as Chief Executive Officer, John Hancock and Senior Executive Vice President, Manulife Financial.  Trustee of various trusts within the John Hancock Fund Complex (2005–2014 and since 2015).	179
William H. Cunningham (1944)	Trustee (2005–2006 and since 2012)	Professor, University of Texas, Austin, Texas (since 1971); former Chancellor, University of Texas System and former President of the University of Texas, Austin, Texas; Director (since 2006), Lincoln National Corporation (insurance); Director, Southwest Airlines (since 2000).  Trustee of various trusts within the John Hancock Fund Complex (since 1986).	182



<b>Name (Birth Year)</b>	<b>Current Position(s) with the Trust<sup>1</sup></b>	<b>Principal Occupation(s) and Other Directorships During the Past 5 Years</b>	<b>Number of Funds in John Hancock Fund Complex Overseen by Trustee</b>
<b>Independent Trustees</b>			
Noni L. Ellison (1971)	Trustee (since 2022)	Senior Vice President, General Counsel & Corporate Secretary, Tractor Supply Company (rural lifestyle retailer) (since 2021); General Counsel, Chief Compliance Officer & Corporate Secretary, Carestream Dental, L.L.C. (2017–2021); Associate General Counsel & Assistant Corporate Secretary, W.W. Grainger, Inc. (global industrial supplier) (2015–2017); Board Member, Goodwill of North Georgia, 2018 (FY2019)–2020 (FY2021); Board Member, Howard University School of Law Board of Visitors (since 2021); Board Member, University of Chicago Law School Board of Visitors (since 2016); Board member, Children's Healthcare of Atlanta Foundation Board (2021–2023); Board Member, Congressional Black Caucus Foundation (since 2024). Trustee of various trusts within the John Hancock Fund Complex (since 2022).	179
Grace K. Fey (1946)	Trustee (since 2008)	Chief Executive Officer, Grace Fey Advisors (since 2007); Director and Executive Vice President, Frontier Capital Management Company (1988–2007); Director, Fiduciary Trust (since 2009). Trustee of various trusts within the John Hancock Fund Complex (since 2008).	185
Dean C. Garfield (1968)	Trustee (since 2022)	Vice President, Netflix, Inc. (2019–2024); President & Chief Executive Officer, Information Technology Industry Council (2009–2019); NYU School of Law Board of Trustees (since 2021); Member, U.S. Department of Transportation, Advisory Committee on Automation (since 2021); President of the United States Trade Advisory Council (2010–2018); Board Member, College for Every Student (2017–2021); Board Member, The Seed School of Washington, D.C. (2012–2017); Advisory Board Member of the Block Center for Technology and Society (since 2019). Trustee of various trusts within the John Hancock Fund Complex (since 2022).	179
Deborah C. Jackson (1952)	Trustee (since 2012) and Vice Chairperson of the Board (since 2025)	President, Cambridge College, Cambridge, Massachusetts (2011–2023); Board of Directors, Amwell Corporation (since 2020); Board of Directors, Massachusetts Women's Forum (2018–2020); Board of Directors, National Association of Corporate Directors/New England (2015–2020); Chief Executive Officer, American Red Cross of Massachusetts Bay (2002–2011); Board of Directors of Eastern Bank Corporation (since 2001); Board of Directors of Eastern Bank Charitable Foundation (since 2001); Board of Directors of Boston Stock Exchange (2002–2008); Board of Directors of Harvard Pilgrim Healthcare (health benefits company) (2007–2011). Trustee (since 2008) and Vice Chairperson of the Board (since 2025) of various trusts within the John Hancock Fund Complex.	182
Hassell H. McClellan (1945)	Trustee (since 2005) and Chairperson of the Board (since 2017)	Trustee of Berklee College of Music (since 2022); Director/Trustee, Virtus Funds (2008–2020); Director, The Barnes Group (2010–2021); Associate Professor, The Wallace E. Carroll School of Management, Boston College (retired 2013). Trustee (since 2005) and Chairperson of the Board (since 2017) of various trusts within the John Hancock Fund Complex.	185

<b>Name (Birth Year)</b>	<b>Current Position(s) with the Trust<sup>1</sup></b>	<b>Principal Occupation(s) and Other Directorships During the Past 5 Years</b>	<b>Number of Funds in John Hancock Fund Complex Overseen by Trustee</b>
<b>Independent Trustees</b>			
Frances G. Rathke (1960)	Trustee (since 2020)	Director, Audit Committee Chair, Oatly Group AB (plant-based drink company) (since 2021); Director, Audit Committee Chair and Compensation Committee Member, Green Mountain Power Corporation (since 2016); Director, Treasurer and Finance & Audit Committee Chair, Flynn Center for Performing Arts (since 2016); Director and Audit Committee Chair, Planet Fitness (since 2016); Chief Financial Officer and Treasurer, Keurig Green Mountain, Inc. (2003–retired 2015).  Trustee of various trusts within the John Hancock Fund Complex (since 2020).	179
Thomas R. Wright (1961)	Trustee (since 2024)	Chief Operating Officer, JMP Securities (2020-2023); Director of Equities, JMP Securities (2013-2023); Executive Committee Member, JMP Group (2013-2023); Global Head of Trading, Sanford C. Bernstein & Co. (2004-2012); and Head of European Equity Trading and Salestrading, Merrill, Lynch & Co. (1998-2004, including prior positions).  Trustee of various trusts within the John Hancock Fund Complex (since 2024).	179

**1** Because the Trust is not required to and does not hold regular annual shareholder meetings, each Trustee holds office for an indefinite term until his or her successor is duly elected and qualified or until he or she dies, retires, resigns, is removed or becomes disqualified. Trustees may be removed from the Trust (provided the aggregate number of Trustees after such removal shall not be less than one) with cause or without cause, by the action of two-thirds of the remaining Trustees or by action of two-thirds of the outstanding shares of the Trust.

#### **Principal Officers who are not Trustees**

The following table presents information regarding the current principal officers of the Trust who are not Trustees, including their principal occupations which, unless specific dates are shown, are of at least five years' duration. Each of the officers is an affiliated person of the Advisor. All of the officers listed are officers or employees of the Advisor or its affiliates. All of the officers also are officers of all of the other funds for which the Advisor serves as investment advisor.

<b>Name (Birth Year)</b>	<b>Current Position(s) with the Trust<sup>1</sup></b>	<b>Principal Occupation(s) During the Past 5 Years</b>
Kristie M. Feinberg (1975)	President (since 2023)	Head of Wealth & Asset Management, U.S. and Europe, for John Hancock and Manulife (since 2023); Director and Chairman, John Hancock Investment Management LLC (since 2023); Director and Chairman, John Hancock Variable Trust Advisers LLC (since 2023); Director and Chairman, John Hancock Investment Management Distributors LLC (since 2023); CFO and Global Head of Strategy, Manulife Investment Management (2021–2023, including prior positions); CFO Americas & Global Head of Treasury, Invesco, Ltd., Invesco US (2019–2020, including prior positions); Senior Vice President, Corporate Treasurer and Business Controller, OppenheimerFunds (2001–2019, including prior positions); President of various trusts within the John Hancock Fund Complex (since 2023).
Fernando A. Silva (1977)	Chief Financial Officer (since 2024)	Director, Fund Administration and Assistant Treasurer, John Hancock Funds (2016-2020); Assistant Treasurer, John Hancock Investment Management LLC and John Hancock Variable Trust Advisers LLC (since 2020); Assistant Vice President, John Hancock Life & Health Insurance Company, John Hancock Life Insurance Company (U.S.A.) and John Hancock Life Insurance Company of New York (since 2021); Chief Financial Officer of various trusts within the John Hancock Fund Complex (since 2024).
Salvatore Schiavone (1965)	Treasurer (since 2012)	Assistant Vice President, John Hancock Financial Services (since 2007); Vice President, John Hancock Investment Management LLC and John Hancock Variable Trust Advisers LLC (since 2007); Treasurer of various trusts within the John Hancock Fund Complex (since 2007, including prior positions).

<b>Name (Birth Year)</b>	<b>Current Position(s) with the Trust<sup>1</sup></b>	<b>Principal Occupation(s) During the Past 5 Years</b>
Christopher (Kit) Sechler (1973)	Secretary and Chief Legal Officer (since 2018)	Vice President and Deputy Chief Counsel, John Hancock Investment Management (since 2015); Assistant Vice President and Senior Counsel (2009–2015), John Hancock Investment Management; Assistant Secretary of John Hancock Investment Management LLC and John Hancock Variable Trust Advisers LLC (since 2009); Chief Legal Officer and Secretary of various trusts within the John Hancock Fund Complex (since 2009, including prior positions).
Trevor Swanberg (1979)	Chief Compliance Officer (since 2020)	Chief Compliance Officer, John Hancock Investment Management LLC and John Hancock Variable Trust Advisers LLC (since 2020); Deputy Chief Compliance Officer, John Hancock Investment Management LLC and John Hancock Variable Trust Advisers LLC (2019–2020); Assistant Chief Compliance Officer, John Hancock Investment Management LLC and John Hancock Variable Trust Advisers LLC (2016–2019); Vice President, State Street Global Advisors (2015–2016); Chief Compliance Officer of various trusts within the John Hancock Fund Complex (since 2016, including prior positions).

**1** Each officer holds office for an indefinite term until his or her successor is duly elected and qualified or until he or she dies, retires, resigns, is removed or becomes disqualified.

### **Additional Information about the Trustees**

In addition to the description of each Trustee's Principal Occupation(s) and Other Directorships set forth above, the following provides further information about each Trustee's specific experience, qualifications, attributes or skills with respect to the Trust. The information in this section should not be understood to mean that any of the Trustees is an "expert" within the meaning of the federal securities laws.

The Board believes that the different perspectives, viewpoints, professional experience, education, and individual qualities of each Trustee represent a diversity of experiences and a variety of complementary skills and expertise. Each Trustee has experience as a Trustee of the Trust as well as experience as a Trustee of other John Hancock funds. It is the Trustees' belief that this allows the Board, as a whole, to oversee the business of the funds and the other funds in the John Hancock Fund Complex in a manner consistent with the best interests of the funds' shareholders. When considering potential nominees to fill vacancies on the Board, and as part of its annual self-evaluation, the Board reviews the mix of skills and other relevant experiences of the Trustees.

### **Independent Trustees**

*William K. Bacic* – As a retired Certified Public Accountant, Mr. Bacic served as New England Managing Partner of a major independent registered public accounting firm, as well as a member of its U.S. Executive Committee, and has deep financial and accounting expertise. He served as the lead partner on the firm's largest financial services companies, primarily focused on the investment management industry and mutual funds. He also has expertise in corporate governance and regulatory matters as well as prior experience serving as a board member and audit committee chair of a large global asset management company.

*James R. Boyle* – Mr. Boyle has high-level executive, financial, operational, governance, regulatory and leadership experience in the financial services industry, including in the development and management of registered investment companies, variable annuities, retirement and insurance products. Mr. Boyle is the former President and CEO of a large international fraternal life insurance company and is the former President and CEO of multi-line life insurance and financial services companies. Mr. Boyle began his career as a Certified Public Accountant with Coopers & Lybrand.

*William H. Cunningham* – Mr. Cunningham has management and operational oversight experience as a former Chancellor and President of a major university. Mr. Cunningham regularly teaches a graduate course in corporate governance at the law school and at the Red McCombs School of Business at The University of Texas at Austin. He also has oversight and corporate governance experience as a current and former director of a number of operating companies, including an insurance company.

*Noni L. Ellison* – As a senior vice president, general counsel, and corporate secretary with over 25 years of executive leadership experience, Ms. Ellison has extensive management and business expertise in legal, regulatory, compliance, operational, quality assurance, international, finance and governance matters.

*Grace K. Fey* – Ms. Fey has significant governance, financial services, and asset management industry expertise based on her extensive non-profit board experience, as well as her experience as a consultant to non-profit and corporate boards, and as a former director and executive of an investment management firm.

*Dean C. Garfield* – As a former president and chief executive officer of a leading industry organization and current vice-president of a leading international company, Mr. Garfield has significant global executive operational, governance, regulatory, and leadership experience. He also has experience as a leader overseeing and implementing global public policy matters including strategic initiatives.

*Deborah C. Jackson* – Ms. Jackson has leadership, governance, management, and operational oversight experience as the lead director of a large bank, former president of a college, and as the former chief executive officer of a major charitable organization. She also has expertise in financial

services matters and oversight and corporate governance experience as a current and former director of various other corporate organizations, including an insurance company, a regional stock exchange, a telemedicine company, and non-profit entities.

*Hassell H. McClellan* – As a former professor of finance and policy in the graduate management department of a major university, a director of a public company, and as a former director of several privately held companies, Mr. McClellan has experience in corporate and financial matters. He also has experience as a director of other investment companies not affiliated with the Trust.

*Frances G. Rathke* – Through her former positions in senior financial roles, as a former Certified Public Accountant, and as a consultant on strategic and financial matters, Ms. Rathke has experience as a leader overseeing, conceiving, implementing, and analyzing strategic and financial growth plans, and financial statements. Ms. Rathke also has experience in the auditing of financial statements and related materials. In addition, she has experience as a director of various organizations, including a publicly traded company and a non-profit entity.

*Thomas R. Wright* – As a retired Chief Operating Officer of a significant capital markets firm and a former Director of Equities and Executive Committee Member, Mr. Wright has deep executive, investment banking, portfolio management, securities brokerage, and equity research expertise. Mr. Wright has also served as the Global Head of Trading and Head of European Equity Trading and Salestrading at an investment bank and asset manager and has substantial securities industry and international trading and markets expertise.

### **Non-Independent Trustees**

*Andrew G. Arnott* – As current and former President of various trusts within the John Hancock Fund Complex, and through his positions as Global Head of Retail for Manulife, and Trustee of the John Hancock Fund Complex, Mr. Arnott has experience in the management of investments, registered investment companies, variable annuities and retirement products, enabling him to provide management input to the Board.

*Paul Lorentz* – Through his position as the Global Head of Manulife Wealth and Asset Management, Mr. Lorentz has experience with retirement, retail and asset management solutions offered by Manulife worldwide, enabling him to provide management input to the Board.

### **Duties of Trustees; Committee Structure**

The Trust is organized as a Massachusetts business trust. Under the Declaration of Trust, the Trustees are responsible for managing the affairs of the Trust, including the appointment of advisors and subadvisors. Each Trustee has the experience, skills, attributes or qualifications described above (see “Principal Occupation(s) and Other Directorships” and “Additional Information about the Trustees” above). The Board appoints officers who assist in managing the day-to-day affairs of the Trust. The Board met five times during the fiscal year ended August 31, 2024.

The Board has appointed an Independent Trustee as Chairperson. The Chairperson presides at meetings of the Trustees and may call meetings of the Board and any Board committee whenever he deems it necessary. The Chairperson participates in the preparation of the agenda for meetings of the Board and the identification of information to be presented to the Board with respect to matters to be acted upon by the Board. The Chairperson also acts as a liaison with the funds' management, officers, attorneys, and other Trustees generally between meetings. The Chairperson may perform such other functions as may be requested by the Board from time to time. The Board also has designated a Vice Chairperson to serve in the absence of the Chairperson. Except for any duties specified herein or pursuant to the Trust's Declaration of Trust or By-laws, or as assigned by the Board, the designation of a Trustee as Chairperson or Vice Chairperson does not impose on that Trustee any duties, obligations or liability that are greater than the duties, obligations or liability imposed on any other Trustee, generally. The Board has designated a number of standing committees as further described below, each of which has a Chairperson. The Board also may designate working groups or ad hoc committees as it deems appropriate.

The Board believes that this leadership structure is appropriate because it allows the Board to exercise informed and independent judgment over matters under its purview, and it allocates areas of responsibility among committees or working groups of Trustees and the full Board in a manner that enhances effective oversight. The Board considers leadership by an Independent Trustee as Chairperson to be integral to promoting effective independent oversight of the funds' operations and meaningful representation of the shareholders' interests, given the specific characteristics and circumstances of the funds. The Board also believes that having a super-majority of Independent Trustees is appropriate and in the best interest of the funds' shareholders. Nevertheless, the Board also believes that having interested persons serve on the Board brings corporate and financial viewpoints that are, in the Board's view, helpful elements in its decision-making process. In addition, the Board believes that Messrs. Arnott, Boyle, and Lorentz as current or former senior executives of the Advisor and the Distributor (or of their parent company, Manulife Financial Corporation), and of other affiliates of the Advisor and the Distributor, provide the Board with the perspective of the Advisor and the Distributor in managing and sponsoring all of the Trust's series. The leadership structure of the Board may be changed, at any time and in the discretion of the Board, including in response to changes in circumstances or the characteristics of the Trust.

### *Board Committees*

The Board has established an Audit Committee; Compliance Committee; Contracts, Legal & Risk Committee; Nominating and Governance Committee; and Investment Committee. The current membership of each committee is set forth below.

**Audit Committee.** The Board has a standing Audit Committee composed solely of Independent Trustees (Messrs. Bacic and Cunningham and Ms. Rathke). Ms. Rathke serves as Chairperson of this Committee. Ms. Rathke and Mr. Bacic have each been designated by the Board as an “audit committee financial expert,” as defined in SEC rules. This Committee reviews the internal and external accounting and auditing procedures of the Trust and, among other things, considers the selection of an independent registered public accounting firm for the Trust, approves all significant services

proposed to be performed by its independent registered public accounting firm and considers the possible effect of such services on its independence. This Committee met four times during the fiscal year ended August 31, 2024.

**Compliance Committee.** The Board also has a standing Compliance Committee (Ms. Fey, Mr. Garfield and Ms. Jackson). Ms. Fey serves as Chairperson of this Committee. This Committee reviews and makes recommendations to the full Board regarding certain compliance matters relating to the Trust. This Committee met four times during the fiscal year ended August 31, 2024.

**Contracts, Legal & Risk Committee.** The Board also has a standing Contracts, Legal & Risk Committee (Mr. Boyle, Ms. Ellison, and Mr. Wright). Mr. Boyle serves as Chairperson of this Committee. This Committee oversees the initiation, operation, and renewal of the various contracts between the Trust and other entities. These contracts include advisory and subadvisory agreements, custodial and transfer agency agreements and arrangements with other service providers. The Committee also reviews the significant legal affairs of the funds, as well as any significant regulatory and legislative actions or proposals affecting or relating to the funds or their service providers. The Committee also assists the Board in its oversight role with respect to the processes pursuant to which the Advisor and the subadvisors identify, manage and report the various risks that affect or could affect the funds. This Committee met four times during the fiscal year ended August 31, 2024.

**Nominating and Governance Committee.** The Board also has a Nominating and Governance Committee composed of all of the Independent Trustees. This Committee will consider nominees recommended by Trust shareholders. Nominations should be forwarded to the attention of the Secretary of the Trust at 200 Berkeley Street, Boston, Massachusetts 02116. Any shareholder nomination must be submitted in compliance with all of the pertinent provisions of Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in order to be considered by this Committee. This Committee met five times during the fiscal year ended August 31, 2024.

**Investment Committee.** The Board also has an Investment Committee composed of all of the Trustees. The Investment Committee has four subcommittees with the Trustees divided among the four subcommittees (each an "Investment Sub-Committee"). Messrs. Boyle and Cunningham and Mes. Ellison and Jackson serve as Chairpersons of the Investment Sub-Committees. Each Investment Sub-Committee reviews investment matters relating to a particular group of funds in the John Hancock Fund Complex and coordinates with the full Board regarding investment matters. The Investment Committee met five times during the fiscal year ended August 31, 2024.

Annually, the Board evaluates its performance and that of its Committees, including the effectiveness of the Board's Committee structure.

#### *Risk Oversight*

As registered investment companies, the funds are subject to a variety of risks, including investment risks (such as, among others, market risk, credit risk and interest rate risk), financial risks (such as, among others, settlement risk, liquidity risk and valuation risk), compliance risks, and operational risks. As a part of its overall activities, the Board oversees the funds' risk management activities that are implemented by the Advisor, the funds' CCO and other service providers to the funds. The Advisor has primary responsibility for the funds' risk management on a day-to-day basis as a part of its overall responsibilities. Each fund's subadvisor, subject to oversight of the Advisor, is primarily responsible for managing investment and financial risks as a part of its day-to-day investment responsibilities, as well as operational and compliance risks at its firm. The Advisor and the CCO also assist the Board in overseeing compliance with investment policies of the funds and regulatory requirements and monitor the implementation of the various compliance policies and procedures approved by the Board as a part of its oversight responsibilities.

The Advisor identifies to the Board the risks that it believes may affect the funds and develops processes and controls regarding such risks. However, risk management is a complex and dynamic undertaking and it is not always possible to comprehensively identify and/or mitigate all such risks at all times since risks are at times impacted by external events. In discharging its oversight responsibilities, the Board considers risk management issues throughout the year with the assistance of its various Committees as described below. Each Committee meets at least quarterly and presents reports to the Board, which may prompt further discussion of issues concerning the oversight of the funds' risk management. The Board as a whole also reviews written reports or presentations on a variety of risk issues as needed and may discuss particular risks that are not addressed in the Committee process.

The Board has established an Investment Committee, which consists of four Investment Sub-Committees. Each Investment Sub-Committee assists the Board in overseeing the significant investment policies of the relevant funds and the performance of their subadvisors. The Advisor monitors these policies and subadvisor activities and may recommend changes in connection with the funds to each relevant Investment Sub-Committee in response to subadvisor requests or other circumstances. On at least a quarterly basis, each Investment Sub-Committee reviews reports from the Advisor regarding the relevant funds' investment performance, which include information about investment and financial risks and how they are managed, and from the CCO or his/her designee regarding subadvisor compliance matters. In addition, each Investment Sub-Committee meets periodically with the portfolio managers of the funds' subadvisors to receive reports regarding management of the funds, including with respect to risk management processes.

The Audit Committee assists the Board in reviewing with the independent auditors, at various times throughout the year, matters relating to the funds' financial reporting. In addition, this Committee oversees the process of each fund's valuation of its portfolio securities, assisted by the Advisor's Pricing Committee (composed of officers of the Advisor), which calculates fair value determinations pursuant to procedures established by the Advisor and adopted by the Board.

With respect to valuation, the Advisor provides periodic reports to the Board and Investment Committee that enables the Board to oversee the Advisor, as each fund's valuation designee, in assessing, managing and reviewing material risks associated with fair valuation determinations, including material conflicts of interest. In addition, the Board reviews the Advisor's performance of an annual valuation risk assessment under which the Advisor seeks to identify and enumerate material valuation risks which are or may be impactful to the funds including, but not limited to (1) the types of investments held



(or intended to be held) by the funds, giving consideration to those investments' characteristics; (2) potential market or sector shocks or dislocations which may affect the ongoing valuation operations; (3) the extent to which each fair value methodology uses unobservable inputs; (4) the proportion of each fund's investments that are fair valued as determined in good faith, as well as their contributions to a fund's returns; (5) the use of fair value methodologies that rely on inputs from third-party service providers; and (6) the appropriateness and application of the methods for determining and calculating fair value. The Advisor reports any material changes to the risk assessment, along with appropriate actions designed to manage such risks, to the Board.

The Compliance Committee assists the Board in overseeing the activities of the Trusts' CCO with respect to the compliance programs of the funds, the Advisor, the subadvisors, and certain of the funds' other service providers (the Distributor and transfer agent). This Committee and the Board receive and consider periodic reports from the CCO throughout the year, including the CCO's annual written report, which, among other things, summarizes material compliance issues that arose during the previous year and any remedial action taken to address these issues, as well as any material changes to the compliance programs.

The Contracts, Legal & Risk Committee assists the Board in its oversight role with respect to the processes pursuant to which the Advisor and the subadvisors identify, assess, manage and report the various risks that affect or could affect the funds. This Committee reviews reports from the funds' Advisor on a periodic basis regarding the risks facing the funds, and makes recommendations to the Board concerning risks and risk oversight matters as the Committee deems appropriate. This Committee also coordinates with the other Board Committees regarding risks relevant to the other Committees, as appropriate.

The Board considers liquidity risk management issues as part of its general oversight responsibilities and oversees the Trust's liquidity risk through, among other things, receiving periodic reporting and presentations that address liquidity matters. As required by rule 22e-4 under the 1940 Act, the Board, including a majority of the Independent Trustees, has approved the Trust's Liquidity Risk Management Program (the "LRM Program"), which is reasonably designed to assess and manage the Trust's liquidity risk, and has appointed the LRM Program Administrator that is responsible for administering the LRM Program. The Board receives liquidity risk management reports under the funds' LRM Program and reviews, no less frequently than annually, a written report prepared by the LRM Program Administrator that addresses, among other items, the operation of the LRM Program and assesses its adequacy and effectiveness of implementation as well as any material changes to the LRM Program.

As required by rule 18f-4 under the 1940 Act, funds that engage in derivatives transactions, other than limited derivatives users, generally must adopt and implement written derivatives risk management program (the "Derivatives Risk Management Program"), that is reasonably designed to manage the funds' derivatives risks, while taking into account the funds' derivatives and other investments. This program includes risk guidelines, stress testing, internal reporting and escalation and periodic review of the program. To the extent that the funds invest in derivatives, on a quarterly and annual, the Advisor will provide the Board with written reports that address the operation, adequacy and effectiveness of the funds' Derivatives Risk Management Program, which is generally designed to assess and manage derivatives risk.

In addressing issues regarding the funds' risk management between meetings, appropriate representatives of the Advisor communicate with the Chairperson of the Board, the relevant Committee Chair, or the Trusts' CCO, who is directly accountable to the Board. As appropriate, the Chairperson of the Board, the Committee Chairs and the Trustees confer among themselves, with the Trusts' CCO, the Advisor, other service providers, external fund counsel, and counsel to the Independent Trustees, to identify and review risk management issues that may be placed on the full Board's agenda and/or that of an appropriate Committee for review and discussion.

In addition, in its annual review of the funds' advisory, subadvisory and distribution agreements, the Board reviews information provided by the Advisor, the subadvisors and the Distributor relating to their operational capabilities, financial condition, risk management processes and resources.

The Board may, at any time and in its discretion, change the manner in which it conducts its risk oversight role.

The Advisor also has its own, independent interest in risk management. In this regard, the Advisor has appointed a Risk and Investment Operations Committee, consisting of senior personnel from each of the Advisor's functional departments. This Committee reports periodically to the Board and the Contracts, Legal & Risk Committee on risk management matters. The Advisor's risk management program is part of the overall risk management program of John Hancock, the Advisor's parent company. John Hancock's Chief Risk Officer supports the Advisor's risk management program, and at the Board's request will report on risk management matters.

**Compensation of Trustees**

Trustees are reimbursed for travel and other out-of-pocket expenses. Effective January 1, 2024, each Independent Trustee receives in the aggregate from the Trust and the other open-end funds in the John Hancock Fund Complex an annual retainer of \$298,000, a fee of \$22,880 for each regular meeting of the Trustees (in person or via videoconference or teleconference) and a fee of \$5,000 for each special meeting of the Trustees (in person or via videoconference or teleconference). The Chairperson of the Board receives an additional retainer of \$213,200. The Vice Chairperson of the Board receives an additional retainer of \$20,000. The Chairperson of each of the Audit Committee, Compliance Committee, and Contracts, Legal & Risk Committee receives an additional \$40,000 retainer. The Chairperson of each Investment Sub-Committee receives an additional \$20,000 retainer.

The following table provides information regarding the compensation paid by the Trust and the other investment companies in the John Hancock Fund Complex to the Independent Trustees for their services during the fiscal year ended August 31, 2024.

**Compensation Table<sup>1</sup>**



<b>Name of Trustee</b>	<b>Total Compensation from JHF II (\$)</b>	<b>Total Compensation from JHF II and the John Hancock Fund Complex (\$)²</b>
<b>Independent Trustees</b>		
William K. Bacic³	40,719	169,000
James R. Boyle	118,544	470,640
William H. Cunningham	118,743	545,640
Noni L. Ellison	113,190	450,640
Grace K. Fey	138,290	703,140
Dean C. Garfield	113,181	450,640
Deborah C. Jackson	118,743	558,140
Hassell H. McClellan	172,474	858,340
Steven R. Pruchansky⁴	118,743	470,640
Frances G. Rathke	129,921	510,640
Gregory A. Russo⁵	66,496	264,500
Thomas R. Wright³	40,719	169,000
<b>Non-Independent Trustees</b>		
Andrew G. Arnott	0	0
Paul Lorentz	0	0

- 1** The Trust does not have a pension or retirement plan for any of its Trustees or officers.
- 2** There were approximately 185 series in the John Hancock Fund Complex as of August 31, 2024.
- 3** Appointed to serve as Trustee effective August 1, 2024.
- 4** Mr. Pruchansky retired as a Trustee effective December 31, 2024.
- 5** Mr. Russo retired as Trustee effective August 1, 2024.

### Trustee Ownership of Shares of the Funds

The table below sets forth the dollar range of the value of the shares of each fund, and the dollar range of the aggregate value of the shares of all funds in the John Hancock Fund Complex overseen by a Trustee, owned beneficially by the Trustees as of December 31, 2023. For purposes of this table, beneficial ownership is defined to mean a direct or indirect pecuniary interest. Trustees may own shares beneficially through group annuity contracts. Exact dollar amounts of securities held are not listed in the table. Rather, dollar ranges are identified.

<b>Trust/Funds</b>	<b>Alternative Asset Allocation Fund</b>	<b>Blue Chip Growth Fund</b>	<b>Capital Appreciation Fund</b>	<b>Capital Appreciation Value Fund</b>	<b>Core Bond Fund</b>
<b>Independent Trustees</b>					
William K. Bacic¹	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield²	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright¹	N/A	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>					
Andrew G. Arnott	None	Over \$100,000	None	None	Over \$100,000
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>Disciplined Value Emerging Markets Equity Fund</b>	<b>Emerging Markets Debt Fund</b>	<b>Equity Income Fund</b>	<b>Floating Rate Income Fund</b>	<b>Fundamental Global Franchise Fund</b>
<b>Independent Trustees</b>					
William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>					
Andrew G. Arnott	None	None	Over \$100,000	None	None
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>Global Equity Fund</b>	<b>Health Sciences Fund</b>	<b>High Yield Fund</b>	<b>International Small Company Fund</b>	<b>International Strategic Equity Allocation Fund</b>
<b>Independent Trustees</b>					
William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	\$10,001 - \$50,000	None	None	None	None
Hassell H. McClellan	\$10,001 - \$50,000	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>					
Andrew G. Arnott	None	None	None	None	None
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>Lifestyle Blend Aggressive Portfolio</b>	<b>Lifestyle Blend Balanced Portfolio</b>	<b>Lifestyle Blend Conservative Portfolio</b>	<b>Lifestyle Blend Growth Portfolio</b>	<b>Lifestyle Blend Moderate Portfolio</b>
<b>Independent Trustees</b>					
William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>					

<b>Trust/Funds</b>	<b>Lifestyle Blend Aggressive Portfolio</b>	<b>Lifestyle Blend Balanced Portfolio</b>	<b>Lifestyle Blend Conservative Portfolio</b>	<b>Lifestyle Blend Growth Portfolio</b>	<b>Lifestyle Blend Moderate Portfolio</b>
Andrew G. Arnott	None	None	None	None	None
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>2010 Lifetime Blend Portfolio</b>	<b>2015 Lifetime Blend Portfolio</b>	<b>2020 Lifetime Blend Portfolio</b>	<b>2025 Lifetime Blend Portfolio</b>	<b>2030 Lifetime Blend Portfolio</b>
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**Independent Trustees**

William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A

**Non-Independent Trustees**

Andrew G. Arnott	None	None	None	None	None
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>2035 Lifetime Blend Portfolio</b>	<b>2040 Lifetime Blend Portfolio</b>	<b>2045 Lifetime Blend Portfolio</b>	<b>2050 Lifetime Blend Portfolio</b>	<b>2055 Lifetime Blend Portfolio</b>
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**Independent Trustees**

William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A

**Non-Independent Trustees**

Andrew G. Arnott	None	None	None	None	None
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>2060 Lifetime Blend Portfolio</b>	<b>2065 Lifetime Blend Portfolio</b>	<b>Mid Value Fund</b>	<b>Multi-Asset High Income Fund</b>	<b>Multimanager 2010 Lifetime Portfolio</b>
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**Independent Trustees**

William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None

<b>Trust/Funds</b>	<b>2060 Lifetime Blend Portfolio</b>	<b>2065 Lifetime Blend Portfolio</b>	<b>Mid Value Fund</b>	<b>Multi-Asset High Income Fund</b>	<b>Multimanager 2010 Lifetime Portfolio</b>
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>					
Andrew G. Arnott	None	None	None	None	None
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>Multimanager 2015 Lifetime Portfolio</b>	<b>Multimanager 2020 Lifetime Portfolio</b>	<b>Multimanager 2025 Lifetime Portfolio</b>	<b>Multimanager 2030 Lifetime Portfolio</b>	<b>Multimanager 2035 Lifetime Portfolio</b>
<b>Independent Trustees</b>					
William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>					
Andrew G. Arnott	None	None	None	Over \$100,000	None
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>Multimanager 2040 Lifetime Portfolio</b>	<b>Multimanager 2045 Lifetime Portfolio</b>	<b>Multimanager 2050 Lifetime Portfolio</b>	<b>Multimanager 2055 Lifetime Portfolio</b>	<b>Multimanager 2060 Lifetime Portfolio</b>
<b>Independent Trustees</b>					
William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>					
Andrew G. Arnott	None	None	None	None	None
Paul Lorentz	None	None	None	None	None

<b>Trust/Funds</b>	<b>Multimanager 2065 Lifetime Portfolio</b>	<b>New Opportunities Fund</b>	<b>Opportunistic Fixed Income Fund</b>	<b>Real Estate Securities Fund</b>	<b>Science &amp; Technology Fund</b>
<b>Independent Trustees</b>					
William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	None	None
William H. Cunningham	None	None	None	None	None
Noni L. Ellison	None	None	None	None	None
Grace K. Fey	None	None	None	None	None

Trust/Funds	Multimanager 2065 Lifetime Portfolio	New Opportunities Fund	Opportunistic Fixed Income Fund	Real Estate Securities Fund	Science & Technology Fund
Dean C. Garfield <sup>2</sup>	None	None	None	None	None
Deborah C. Jackson	None	None	None	None	None
Hassell H. McClellan	None	None	None	None	None
Frances G. Rathke	None	None	None	None	None
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>					
Andrew G. Arnott	None	None	None	None	None
Paul Lorentz	None	None	None	None	None

Trust/Funds	Small Cap Dynamic Growth Fund	Small Cap Value Fund	U.S. Sector Rotation Fund	Total – John Hancock Fund Complex
<b>Independent Trustees</b>				
William K. Bacic <sup>1</sup>	N/A	N/A	N/A	N/A
James R. Boyle	None	None	None	Over \$100,000
William H. Cunningham	None	None	None	Over \$100,000
Noni L. Ellison	None	None	None	Over \$100,000
Grace K. Fey	None	None	None	Over \$100,000
Dean C. Garfield <sup>2</sup>	None	None	None	Over \$100,000
Deborah C. Jackson	None	None	None	Over \$100,000
Hassell H. McClellan	None	None	None	Over \$100,000
Frances G. Rathke	None	None	None	Over \$100,000
Thomas R. Wright <sup>1</sup>	N/A	N/A	N/A	N/A
<b>Non-Independent Trustees</b>				
Andrew G. Arnott	None	None	None	Over \$100,000
Paul Lorentz	None	None	None	None

<sup>1</sup> Appointed to serve as Trustee effective August 1, 2024.

<sup>2</sup> Dean C. Garfield placed orders to purchase shares of certain John Hancock closed-end funds on December 29, 2023 and such orders settled on January 2, 2024.

## SHAREHOLDERS OF THE FUNDS

As of December 2, 2024, all the Class 1 shares of the funds were held by JHLICO U.S.A. and JHLICO New York on behalf of certain of their separate accounts that are used to fund group annuity contracts issued to qualified retirement plans and that are not registered under the 1940 Act in reliance on the exception provided by Section 3(c)(11) of that Act.

JHLICO U.S.A. is a stock life insurance company originally organized under the laws of Pennsylvania and redomesticated under the laws of Michigan. Its principal address is 201 Townsend Street, Suite 900, Lansing, Michigan 48933. JHLICO New York is a stock life insurance company organized under the laws of New York. Its principal address is 100 Summit Lake Drive, Second Floor, Valhalla, New York 10595. Each of JHLICO U.S.A. and JHLICO New York is an indirect, wholly-owned subsidiary of The Manufacturers Life Insurance Company, a Canadian stock life insurance company. MFC is the holding company of The Manufacturers Life Insurance Company and its subsidiaries. The principal offices of MFC are located at 200 Bloor Street East, Toronto, Ontario, Canada M4W 1E5.

To the best knowledge of the Trust, as of December 2, 2024, the Trustees and officers of the Trust, in the aggregate, beneficially owned less than 1% of the outstanding shares of each class of shares of each fund.

To the best knowledge of the Trust, as of December 2, 2024, the following shareholders (principal holders) owned beneficially or of record 5% or more of the outstanding shares of the funds and classes stated below. A shareholder who owns beneficially more than 25% of a fund or any class of a fund is deemed to be a control person of that fund or that class of the fund, as applicable, and therefore could determine the outcome of a shareholder meeting with respect to a proposal directly affecting that fund or that share class, as applicable.

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
2010 LIFETIME BLEND PORTFOLIO	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF DAVID M MCKINLEY 779 CORNELIA DR SE HUNTSVILLE AL 35802-3778	16.96%	BENEFICIAL
2010 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5022	97.24%	BENEFICIAL
2010 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	75.32%	RECORD
2010 LIFETIME BLEND PORTFOLIO	R6	EMPOWER TRUST FBO EMPLOYEE BENEFITS CLIENTS 401K 8515 E ORCHARD RD 2T2 GREENWOOD VILLAGE CO 80111-5002	9.15%	RECORD
2010 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	98.34%	BENEFICIAL
2015 LIFETIME BLEND PORTFOLIO	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF RONALD L LOBERFELD 35 PRENTICE RD NEWTON CENTER MA 02459-1325	6.11%	BENEFICIAL
2015 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	100.00%	RECORD
2015 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	56.75%	RECORD
2015 LIFETIME BLEND PORTFOLIO	R6	EMPOWER TRUST FBO RECORDKEEPING FOR LARGE BENEFIT PL 8525 E ORCHARD RD GREENWOOD VLG CO 80111-5002	16.16%	RECORD
2015 LIFETIME BLEND PORTFOLIO	R6	EMPOWER TRUST FBO RECORDKEEPING VARIOUS BENEFIT PL NY 8525 E ORCHARD RD C/O MUTUAL FUND TRADING GREENWOOD VILLAGE CO 80111-5002	7.70%	RECORD
2015 LIFETIME BLEND PORTFOLIO	R6	EMPOWER TRUST FBO EMPLOYEE BENEFITS CLIENTS 401K 8515 E ORCHARD RD 2T2 GREENWOOD VILLAGE CO 80111-5002	6.46%	RECORD
2015 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	92.77%	BENEFICIAL
2015 LIFETIME BLEND PORTFOLIO	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	7.23%	BENEFICIAL
2020 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	70.56%	RECORD
2020 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	29.44%	RECORD



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2020 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	68.67%	RECORD
2020 LIFETIME BLEND PORTFOLIO	R6	EMPOWER TRUST FBO RECORDKEEPING FOR LARGE BENEFIT PL 8525 E ORCHARD RD GREENWOOD VLG CO 80111-5002	10.49%	RECORD
2020 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.72%	BENEFICIAL
2025 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	58.73%	RECORD
2025 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	41.27%	RECORD
2025 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	71.63%	RECORD
2025 LIFETIME BLEND PORTFOLIO	R6	EMPOWER TRUST FBO RECORDKEEPING FOR LARGE BENEFIT PL 8525 E ORCHARD RD GREENWOOD VLG CO 80111-5002	7.64%	RECORD
2025 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.62%	BENEFICIAL
2030 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	78.37%	RECORD
2030 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	21.63%	RECORD
2030 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	74.24%	RECORD
2030 LIFETIME BLEND PORTFOLIO	R6	EMPOWER TRUST FBO RECORDKEEPING FOR LARGE BENEFIT PL 8525 E ORCHARD RD GREENWOOD VLG CO 80111-5002	7.25%	RECORD
2030 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.52%	BENEFICIAL
2035 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	57.14%	RECORD
2035 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	42.86%	RECORD
2035 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	74.56%	RECORD

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2035 LIFETIME BLEND PORTFOLIO	R6	EMPOWER TRUST FBO EMPLOYEE BENEFITS CLIENTS 401K 8515 E ORCHARD RD 2T2 GREENWOOD VILLAGE CO 80111-5002	5.42%	RECORD
2035 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	97.15%	BENEFICIAL
2040 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	53.80%	RECORD
2040 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	46.20%	RECORD
2040 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	74.45%	RECORD
2040 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	97.51%	BENEFICIAL
2045 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	52.67%	RECORD
2045 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	47.33%	RECORD
2045 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	72.66%	RECORD
2045 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	97.75%	BENEFICIAL
2050 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	56.95%	RECORD
2050 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	43.05%	RECORD
2050 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	73.26%	RECORD
2050 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.93%	BENEFICIAL
2055 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	75.00%	RECORD
2055 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	25.00%	RECORD
2055 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	74.49%	RECORD
2055 LIFETIME BLEND PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	6.28%	RECORD

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2055 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.85%	BENEFICIAL
2060 LIFETIME BLEND PORTFOLIO	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	77.34%	RECORD
2060 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	22.65%	RECORD
2060 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	70.98%	RECORD
2060 LIFETIME BLEND PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	6.49%	RECORD
2060 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.45%	BENEFICIAL
2065 LIFETIME BLEND PORTFOLIO	R4	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5022	100.00%	BENEFICIAL
2065 LIFETIME BLEND PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	72.98%	RECORD
2065 LIFETIME BLEND PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	12.88%	RECORD
2065 LIFETIME BLEND PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.66%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	A	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	14.76%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	A	WELLS FARGO CLEARING SERVICES, LLC SPECIAL CUSTODY ACCT FOR THE EXCLUSIVE BENEFIT OF CUSTOMER 2801 MARKET ST SAINT LOUIS MO 63103-2523	14.34%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	A	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	10.76%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	A	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	9.36%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	A	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DR SAN DIEGO CA 92121-3091	7.74%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	6.36%	RECORD

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ALTERNATIVE ASSET ALLOCATION FUND	A	SPECIAL CUSTODY ACCOUNT FOR THE EXCLUSIVE BENEFIT OF CUSTOMERS OF UBS FINANCIAL SERVICES INC 1000 HARBOR BLVD WEEHAWKEN NJ 07086-6761	5.46%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	A	CHARLES SCHWAB & CO INC SPECIAL CUSTODY ACCOUNT FOR EXCLUSIVE BENEFIT OF CUSTOMERS ATTN MUTUAL FUNDS 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	5.45%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	C	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	30.15%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	C	WELLS FARGO CLEARING SERVICES, LLC SPECIAL CUSTODY ACCT FOR THE EXCLUSIVE BENEFIT OF CUSTOMER 2801 MARKET ST SAINT LOUIS MO 63103-2523	23.44%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	C	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	11.55%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	9.36%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	8.71%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	49.62%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	13.31%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DR SAN DIEGO CA 92121-3091	9.76%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	6.85%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	I	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	5.12%	RECORD

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ALTERNATIVE ASSET ALLOCATION FUND	R2	CAPITAL BANK & TRUST CO TTEE FBO NICKLE ELECTRICAL COMPANIES 401K C/O FASCORE LLC 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	28.32%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	R2	MLPF&S FOR THE SOLE BENEFIT OF ITS CUSTOMERS ATTN: FUND ADMINISTRATION 4800 DEER LAKE DRIVE EAST 2ND FL JACKSONVILLE FL 32246-6484	20.46%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	R2	ASCENSUS TRUST COMPANY FBO RITRON INC 401(K) PSP II PO BOX 10577 FARGO ND 58106-0577	13.31%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	R2	ASCENSUS TRUST COMPANY FBO JASWAL PROFESSIONAL SERVICES CORP PO BOX 10758 FARGO ND 58106-0758	13.09%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	R2	MID ATLANTIC TRUST COMPANY FBO PASCACK DATA SERVICES INC 401 K PROFIT SHARING PLAN & TRUST 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	8.70%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	R2	ASCENSUS TRUST COMPANY FBO INTERACTIVE BENEFIT SOLUTIONS 401K PO BOX 10758 FARGO ND 58106-0758	5.50%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	R4	RELIANCE TRUST COMPANY TRUSTEE FBO STUART DEAN CO INC 401(K) 4350 10TH ST LONG IS CITY NY 11101-6910	69.25%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	R4	MATRIX TRUST COMPANY CUST FBO LOWELL AREA SCHOOLS 403(B) PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	22.35%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	R4	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	8.40%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	R6	JOHN HANCOCK LIFE INSURANCE COMPANY (USA) ATTN: JHRPS TRADING OPS ST6 200 BERKELEY ST BOSTON MA 02116-5022	20.98%	BENEFICIAL
ALTERNATIVE ASSET ALLOCATION FUND	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	7.13%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	R6	SEI PRIVATE TRUST COMPANY C/O UMB BANK 1 FREEDOM VALLEY DR OAKS PA 19456-9989	7.07%	RECORD
ALTERNATIVE ASSET ALLOCATION FUND	R6	VOYA RETIREMENT INS AND ANNUITY CO 1 ORANGE WAY WINDSOR CT 06095-4773	6.42%	RECORD

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ALTERNATIVE ASSET ALLOCATION FUND	R6	EMPOWER TRUST FBO EMPLOYEE BENEFITS CLIENTS 401K 8515 E ORCHARD RD 2T2 GREENWOOD VILLAGE CO 80111-5002	5.76%	RECORD
BLUE CHIP GROWTH FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	56.60%	RECORD
BLUE CHIP GROWTH FUND	C	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	23.83%	RECORD
BLUE CHIP GROWTH FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	20.46%	RECORD
BLUE CHIP GROWTH FUND	C	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	13.24%	RECORD
BLUE CHIP GROWTH FUND	C	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	10.07%	RECORD
BLUE CHIP GROWTH FUND	C	NATIONAL FINANCIAL SERVICES LLC FBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	8.76%	RECORD
BLUE CHIP GROWTH FUND	C	CHARLES SCHWAB & CO INC SPECIAL CUSTODY ACCT FBO CUSTOMERS ATTN MUTUAL FUNDS 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	8.51%	RECORD
BLUE CHIP GROWTH FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	36.28%	BENEFICIAL
BLUE CHIP GROWTH FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	20.47%	BENEFICIAL
BLUE CHIP GROWTH FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	16.81%	BENEFICIAL
BLUE CHIP GROWTH FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	94.72%	BENEFICIAL
BLUE CHIP GROWTH FUND	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	5.28%	BENEFICIAL
CAPITAL APPRECIATION FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	25.62%	BENEFICIAL



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CAPITAL APPRECIATION FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	13.64%	BENEFICIAL
CAPITAL APPRECIATION FUND	NAV	T ROWE PRICE SERVICES INC FBO ALASKA COLLEGE SAVINGS TRUST JENNISON CAPITAL APPRECIATION 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	11.65%	BENEFICIAL
CAPITAL APPRECIATION FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	10.20%	BENEFICIAL
CAPITAL APPRECIATION FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	92.59%	BENEFICIAL
CAPITAL APPRECIATION FUND	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	7.41%	BENEFICIAL
CAPITAL APPRECIATION VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	32.27%	BENEFICIAL
CAPITAL APPRECIATION VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	29.81%	BENEFICIAL
CAPITAL APPRECIATION VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	7.77%	BENEFICIAL
CAPITAL APPRECIATION VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	6.84%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	16.78%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	16.78%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER LIFESTYLE CONSERVATIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	14.85%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER LIFESTYLE CONSERVATIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	14.85%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	13.74%	BENEFICIAL

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CORE BOND FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	13.74%	BENEFICIAL
CORE BOND FUND	NAV	T ROWE PRICE SERVICES INC ALASKA COLLEGE SAVINGS TRUST PORTFOLIO - COLLEGE 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	11.11%	BENEFICIAL
CORE BOND FUND	NAV	T ROWE PRICE SERVICES INC ALASKA COLLEGE SAVINGS TRUST PORTFOLIO 2025-2028 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	11.01%	BENEFICIAL
CORE BOND FUND	NAV	T ROWE PRICE SERVICES INC ALASKA COLLEGE SAVINGS TRUST PORTFOLIO 2029-2032 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	7.36%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER 2030 LIFETIME 200 BERKELEY STREET BOSTON MA 02116	5.57%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER 2030 LIFETIME 200 BERKELEY STREET BOSTON MA 02116	5.57%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER 2025 LIFETIME 200 BERKELEY STREET BOSTON MA 02116	5.08%	BENEFICIAL
CORE BOND FUND	NAV	JHF II MULTIMANAGER 2025 LIFETIME 200 BERKELEY STREET BOSTON MA 02116	5.08%	BENEFICIAL
CORE BOND FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.93%	BENEFICIAL
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	69.61%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	C	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	47.25%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO DUNE VIEW GARDENS INC SIMPLE IRA FBO TIMOTHY M HURLEY PO BOX 2159 SOUTHAMPTON NY 11969-2159	17.93%	BENEFICIAL
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	7.65%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	89.66%	RECORD

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DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST BOSTON MA 02116-5022	26.81%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	R6	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	18.24%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	15.54%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	R6	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	9.95%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	R6	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	6.51%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	R6	C/O GWP US ADVISORS SEI PRIVATE TRUST COMPANY 1 FREEDOM VALLEY DR OAKS PA 19456-9989	5.03%	RECORD
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	NAV	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	30.13%	BENEFICIAL
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	NAV	T ROWE PRICE SERVICES INC FBO ALASKA COLLEGE SAVINGS TRUST PORTFOLIO 2029-2032 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	16.98%	BENEFICIAL
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	NAV	T ROWE PRICE SERVICES INC FBO ALASKA COLLEGE SAVINGS TRUST PORTFOLIO 2025-2028 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	13.40%	BENEFICIAL
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	NAV	T ROWE PRICE SERVICES INC ALASKA COLLEGE SAVINGS TRUST PORTFOLIO 2033-2036 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	12.87%	BENEFICIAL
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	NAV	T ROWE PRICE SERVICES INC FBO ALASKA COLLEGE SAVINGS TRUST PORTFOLIO EQUITY 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	10.51%	BENEFICIAL
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	NAV	T ROWE PRICE SERVICES INC FBO ALASKA COLLEGE SAVINGS TRUST PORTFOLIO - COLLEGE 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	9.10%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
DISCIPLINED VALUE EMERGING MARKETS EQUITY FUND	NAV	T ROWE PRICE SERVICES INC ALASKA COLLEGE SAVINGS TRUST PORTFOLIO 2037-2040 100 E PRATT ST FL 7 BALTIMORE MD 21202-1013	6.14%	BENEFICIAL
EMERGING MARKETS DEBT FUND	A	CHARLES SCHWAB & CO INC SPECIAL CUSTODY ACCT FBO CUSTOMERS ATTN MUTUAL FUNDS 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	9.65%	RECORD
EMERGING MARKETS DEBT FUND	A	J P MORGAN SECURITIES LLC OMNIBUS ACCOUNT FOR THE EXCLUSIVE BENEFIT OF CUSTOMERS 575 WASHINGTON BLVD 12TH FL MUTUAL FUND DEPARTMENT JERSEY CITY NJ 07310-1616	9.16%	RECORD
EMERGING MARKETS DEBT FUND	A	NATIONAL FINANCIAL SERVICES LLC FBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	9.10%	RECORD
EMERGING MARKETS DEBT FUND	A	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	6.84%	RECORD
EMERGING MARKETS DEBT FUND	A	MLPF&S FOR THE SOLE BENEFIT OF ITS CUSTOMERS ATTN: FUND ADMINISTRATION 4800 DEER LAKE DRIVE EAST 2ND FL JACKSONVILLE FL 32246-6484	6.68%	RECORD
EMERGING MARKETS DEBT FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO DUNE VIEW GARDENS INC SIMPLE IRA FBO TERI A HURLEY 334 FLYING POINT RD WATER MILL NY 11976-3406	60.01%	BENEFICIAL
EMERGING MARKETS DEBT FUND	C	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	24.07%	RECORD
EMERGING MARKETS DEBT FUND	C	VICKI S THOMAS TOD SUBJECT TO (STA) TOD RULES 2143 CONWILL RD STOW OH 44224-3415	6.69%	BENEFICIAL
EMERGING MARKETS DEBT FUND	C	NATIONAL FINANCIAL SERVICES LLC FBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	5.25%	RECORD
EMERGING MARKETS DEBT FUND	I	MLPF&S FOR THE SOLE BENEFIT OF ITS CUSTOMERS ATTN: FUND ADMINISTRATION 4800 DEER LAKE DRIVE EAST 2ND FL JACKSONVILLE FL 32246-6484	73.73%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
EMERGING MARKETS DEBT FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	19.56%	RECORD
EMERGING MARKETS DEBT FUND	R6	MANULIFE ASSET MANAGEMENT (EUROPE) EMPLOYEE BENEFITS TRUST CSC EMPLOYEE BENEFIT TRUSTEE (JERSEY) LIMITED 44 ESPLANADE ST HELIER JERSEY JE4 9WG	28.38%	BENEFICIAL
EMERGING MARKETS DEBT FUND	R6	JOHN HANCOCK LIFE INSURANCE COMPANY (USA) ATTN: JHRPS TRADING OPS ST6 200 BERKELEY ST BOSTON MA 02116-5022	23.82%	BENEFICIAL
EMERGING MARKETS DEBT FUND	R6	MANULIFE INVESTMENT MANAGEMENT (US) 2023 MAN INVESTMENT MGMT BUCK PLAN 197 CLARENDON ST BOSTON MA 02116-5010	15.09%	RECORD
EMERGING MARKETS DEBT FUND	R6	MANULIFE ASSET MANAGEMENT (EUROPE) LIMITED DIP RABBI TRUST CSC EMPLOYEE BENEFIT TRUSTEE (JERSEY) LIMITED 44 ESPLANADE ST HELIER JERSEY JE4 9WG	10.48%	BENEFICIAL
EMERGING MARKETS DEBT FUND	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2021 MAN INVESTMENT MGMT ABCD 197 CLARENDON ST BOSTON MA 02116-5010	8.55%	RECORD
EMERGING MARKETS DEBT FUND	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2022 MAN INVESTMENT MGMT BUCK PLAN 197 CLARENDON ST BOSTON MA 02116-5010	6.58%	RECORD
EMERGING MARKETS DEBT FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	22.77%	BENEFICIAL
EMERGING MARKETS DEBT FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	14.17%	BENEFICIAL
EMERGING MARKETS DEBT FUND	NAV	JHF II MULTIMANAGER LIFESTYLE CONSERVATIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	9.95%	BENEFICIAL
EMERGING MARKETS DEBT FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	9.89%	BENEFICIAL
EQUITY INCOME FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	79.89%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
EQUITY INCOME FUND	C	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	32.50%	RECORD
EQUITY INCOME FUND	C	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	11.00%	RECORD
EQUITY INCOME FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	7.34%	RECORD
EQUITY INCOME FUND	C	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	5.79%	RECORD
EQUITY INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	36.13%	BENEFICIAL
EQUITY INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	20.49%	BENEFICIAL
EQUITY INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	16.60%	BENEFICIAL
EQUITY INCOME FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	93.81%	BENEFICIAL
EQUITY INCOME FUND	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	6.19%	BENEFICIAL
FLOATING RATE INCOME FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	34.47%	RECORD
FLOATING RATE INCOME FUND	A	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	8.30%	RECORD
FLOATING RATE INCOME FUND	A	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	6.84%	RECORD
FLOATING RATE INCOME FUND	A	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	5.86%	RECORD



<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
FLOATING RATE INCOME FUND	A	WELLS FARGO CLEARING SERVICES, LLC SPECIAL CUSTODY ACCT FOR THE EXCLUSIVE BENEFIT OF CUSTOMER 2801 MARKET ST SAINT LOUIS MO 63103-2523	5.53%	RECORD
FLOATING RATE INCOME FUND	A	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	5.43%	RECORD
FLOATING RATE INCOME FUND	C	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	27.00%	RECORD
FLOATING RATE INCOME FUND	C	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	9.75%	RECORD
FLOATING RATE INCOME FUND	C	WELLS FARGO CLEARING SERVICES, LLC SPECIAL CUSTODY ACCT FOR THE EXCLUSIVE BENEFIT OF CUSTOMER 2801 MARKET ST SAINT LOUIS MO 63103-2523	8.68%	RECORD
FLOATING RATE INCOME FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	8.06%	RECORD
FLOATING RATE INCOME FUND	C	RBC CAPITAL MARKETS LLC MUTUAL FUND OMNIBUS PROCESSING ATTN MUTUAL FUND PRODUCT GRP 250 NICOLLETT MALL STE 1800 MINNEAPOLIS MN 55401-7583	7.76%	RECORD
FLOATING RATE INCOME FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	7.69%	RECORD
FLOATING RATE INCOME FUND	C	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	7.26%	RECORD
FLOATING RATE INCOME FUND	I	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	21.91%	RECORD
FLOATING RATE INCOME FUND	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	18.14%	RECORD
FLOATING RATE INCOME FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	17.76%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
FLOATING RATE INCOME FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	13.40%	RECORD
FLOATING RATE INCOME FUND	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	7.53%	RECORD
FLOATING RATE INCOME FUND	I	WELLS FARGO CLEARING SERVICES, LLC SPECIAL CUSTODY ACCT FOR THE EXCLUSIVE BENEFIT OF CUSTOMER 2801 MARKET ST SAINT LOUIS MO 63103-2523	7.04%	RECORD
FLOATING RATE INCOME FUND	I	CAPINCO C/O US BANK NA PO BOX 1787 MILWAUKEE WI 53201-1787	5.64%	RECORD
FLOATING RATE INCOME FUND	R6	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	50.48%	RECORD
FLOATING RATE INCOME FUND	R6	SG AMERICAS SECURITIES LLC SGNY FBO BAIN CAPITAL INSURANCE DEDICATED FUND SERIES INTERESTS OF THE SALI 200 CLARENDON STREET	19.08%	RECORD
FLOATING RATE INCOME FUND	R6	SG AMERICAS SECURITIES LLC SGNY FBO BAIN CAPITAL INSURANCE DEDICATED FUND II SERIES INTERESTS OF THE SALI 200 CLARENDON STREET	15.01%	RECORD
FLOATING RATE INCOME FUND	R6	J P MORGAN SECURITIES LLC OMNIBUS ACCOUNT FOR THE EXCLUSIVE BENEFIT OF CUSTOMERS 575 WASHINGTON BLVD 12TH FL MUTUAL FUND DEPARTMENT JERSEY CITY NJ 07310-1616	9.45%	RECORD
FLOATING RATE INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	38.06%	BENEFICIAL
FLOATING RATE INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	21.59%	BENEFICIAL
FLOATING RATE INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	16.26%	BENEFICIAL
FLOATING RATE INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE CONSERVATIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	16.17%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
FLOATING RATE INCOME FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	98.13%	BENEFICIAL
FUNDAMENTAL GLOBAL FRANCHISE FUND	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF LORI ROUSCHE 236 BRIARWOOD DR SELLERSVILLE PA 18960-2963	6.39%	BENEFICIAL
FUNDAMENTAL GLOBAL FRANCHISE FUND	A	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	5.87%	RECORD
FUNDAMENTAL GLOBAL FRANCHISE FUND	I	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	61.99%	RECORD
FUNDAMENTAL GLOBAL FRANCHISE FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	22.72%	RECORD
FUNDAMENTAL GLOBAL FRANCHISE FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	6.12%	RECORD
FUNDAMENTAL GLOBAL FRANCHISE FUND	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2021 MAN INVESTMENT MGMT ABCD 197 CLARENDON ST BOSTON MA 02116-5010	33.32%	RECORD
FUNDAMENTAL GLOBAL FRANCHISE FUND	R6	MANULIFE INVESTMENT MANAGEMENT (US) 2023 MAN INVESTMENT MGMT BUCK PLAN 197 CLARENDON ST BOSTON MA 02116-5010	16.78%	RECORD
FUNDAMENTAL GLOBAL FRANCHISE FUND	R6	JONATHAN T WHITE 227 WATERMAN HILL RD NORWICH VT 05055-9687	15.74%	BENEFICIAL
FUNDAMENTAL GLOBAL FRANCHISE FUND	R6	JOHN HANCOCK LIFE INSURANCE COMPANY (USA) ATTN: JHRPS TRADING OPS ST6 200 BERKELEY ST BOSTON MA 02116-5022	15.07%	BENEFICIAL
FUNDAMENTAL GLOBAL FRANCHISE FUND	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2022 MAN INVESTMENT MGMT BUCK PLAN 197 CLARENDON ST BOSTON MA 02116-5010	14.20%	RECORD
GLOBAL EQUITY FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	13.42%	RECORD
GLOBAL EQUITY FUND	A	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	9.25%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
GLOBAL EQUITY FUND	A	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	5.83%	RECORD
GLOBAL EQUITY FUND	A	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	5.07%	RECORD
GLOBAL EQUITY FUND	C	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	9.60%	RECORD
GLOBAL EQUITY FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	9.29%	RECORD
GLOBAL EQUITY FUND	C	WELLS FARGO CLEARING SERVICES, LLC SPECIAL CUSTODY ACCT FOR THE EXCLUSIVE BENEFIT OF CUSTOMER 2801 MARKET ST SAINT LOUIS MO 63103-2523	7.32%	RECORD
GLOBAL EQUITY FUND	C	SAMUEL H NADELL PAIGE NADELL JT WROS 10 DELTA DR NEW CITY NY 10956-6705	6.71%	BENEFICIAL
GLOBAL EQUITY FUND	C	ASCENSUS TRUST COMPANY FBO STEINKEMPER LAW PC LLO 401K PO BOX 10758 FARGO ND 58106-0758	6.56%	BENEFICIAL
GLOBAL EQUITY FUND	C	ASCENSUS TRUST COMPANY FBO ROY THOMAS RETIREMENT PLAN PO BOX 10758 FARGO ND 58106-0758	6.41%	BENEFICIAL
GLOBAL EQUITY FUND	C	ASCENSUS TRUST COMPANY FBO ROBIN CARATHANASIS-ROSH 401K PLAN PO BOX 10758 FARGO ND 58106-0758	6.04%	BENEFICIAL
GLOBAL EQUITY FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	5.55%	RECORD
GLOBAL EQUITY FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	31.08%	RECORD
GLOBAL EQUITY FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	28.34%	RECORD
GLOBAL EQUITY FUND	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	13.29%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
GLOBAL EQUITY FUND	I	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	5.85%	RECORD
GLOBAL EQUITY FUND	I	CHARLES SCHWAB & CO INC SPECIAL CUSTODY ACCT FBO CUSTOMERS ATTN MUTUAL FUNDS 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	5.21%	RECORD
GLOBAL EQUITY FUND	R2	ASCENSUS TRUST COMPANY FBO ROSEMAR CONSTRUCTION INC 401(K) PS PO BOX 10758 FARGO ND 58106-0758	82.22%	BENEFICIAL
GLOBAL EQUITY FUND	R2	ASCENSUS TRUST COMPANY FBO HANS J MANSETH CFP - 401K P/S PLAN PO BOX 10758 FARGO ND 58106-0758	9.27%	BENEFICIAL
GLOBAL EQUITY FUND	R4	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5022	71.12%	BENEFICIAL
GLOBAL EQUITY FUND	R4	MATRIX TRUST COMPANY CUST FBO BARBERS HILL ISD (TX) 403(B) PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	20.11%	BENEFICIAL
GLOBAL EQUITY FUND	R4	MATRIX TRUST COMPANY AS AGENT FOR ADVISOR TRUST, INC. VANCOUVER SD #37 403(B) PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	7.10%	BENEFICIAL
GLOBAL EQUITY FUND	R6	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	30.85%	RECORD
GLOBAL EQUITY FUND	R6	CAPINCO C/O US BANK NA 1555 N RIVERCENTER DR STE 302 MILWAUKEE WI 53212-3958	28.50%	RECORD
GLOBAL EQUITY FUND	R6	JOHN HANCOCK LIFE INSURANCE COMPANY (USA) ATTN: JHRPS TRADING OPS ST6 200 BERKELEY ST BOSTON MA 02116-5022	6.95%	BENEFICIAL
GLOBAL EQUITY FUND	R6	NORTHERN TRUST AS CUSTODIAN FBO MCCULLOUGH HYDE (NON-GIFT) PO BOX 92956 CHICAGO	5.38%	BENEFICIAL
GLOBAL EQUITY FUND	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2022 MAN INVESTMENT MGMT BUCK PLAN 197 CLARENDON ST BOSTON MA 02116-5010	5.36%	RECORD
GLOBAL EQUITY FUND	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2021 MAN INVESTMENT MGMT ABCD 197 CLARENDON ST BOSTON MA 02116-5010	5.06%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
GLOBAL EQUITY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	32.89%	BENEFICIAL
GLOBAL EQUITY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	32.15%	BENEFICIAL
GLOBAL EQUITY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	9.44%	BENEFICIAL
GLOBAL EQUITY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	8.77%	BENEFICIAL
HEALTH SCIENCES FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	33.75%	BENEFICIAL
HEALTH SCIENCES FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	27.28%	BENEFICIAL
HEALTH SCIENCES FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	13.79%	BENEFICIAL
HIGH YIELD FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.43%	BENEFICIAL
INTERNATIONAL SMALL COMPANY FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	91.30%	RECORD
INTERNATIONAL SMALL COMPANY FUND	C	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	77.94%	RECORD
INTERNATIONAL SMALL COMPANY FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	5.36%	RECORD
INTERNATIONAL SMALL COMPANY FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	43.88%	RECORD
INTERNATIONAL SMALL COMPANY FUND	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	28.68%	RECORD
INTERNATIONAL SMALL COMPANY FUND	I	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	11.94%	RECORD



<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
INTERNATIONAL SMALL COMPANY FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	10.13%	RECORD
INTERNATIONAL SMALL COMPANY FUND	R6	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	29.98%	RECORD
INTERNATIONAL SMALL COMPANY FUND	R6	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	26.87%	RECORD
INTERNATIONAL SMALL COMPANY FUND	R6	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	18.11%	RECORD
INTERNATIONAL SMALL COMPANY FUND	R6	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	8.79%	RECORD
INTERNATIONAL SMALL COMPANY FUND	R6	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	6.07%	RECORD
INTERNATIONAL SMALL COMPANY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	39.69%	BENEFICIAL
INTERNATIONAL SMALL COMPANY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	18.88%	BENEFICIAL
INTERNATIONAL SMALL COMPANY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	18.72%	BENEFICIAL
INTERNATIONAL STRATEGIC EQUITY ALLOCATION FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	15.81%	BENEFICIAL
INTERNATIONAL STRATEGIC EQUITY ALLOCATION FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	9.12%	BENEFICIAL
INTERNATIONAL STRATEGIC EQUITY ALLOCATION FUND	NAV	JHF II LIFESTYLE BLEND GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	7.43%	BENEFICIAL
INTERNATIONAL STRATEGIC EQUITY ALLOCATION FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	7.35%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
INTERNATIONAL STRATEGIC EQUITY ALLOCATION FUND	NAV	JHF II LIFESTYLE BLEND BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	5.57%	BENEFICIAL
LIFESTYLE BLEND AGGRESSIVE PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	74.58%	RECORD
LIFESTYLE BLEND AGGRESSIVE PORTFOLIO	R6	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	17.56%	RECORD
LIFESTYLE BLEND AGGRESSIVE PORTFOLIO	R6	ASCENSUS TRUST COMPANY FBO PANHANDLE COMMUNITY SERVICES 403(B) PO BOX 10758 FARGO ND 58106-0758	5.82%	BENEFICIAL
LIFESTYLE BLEND AGGRESSIVE PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	94.85%	BENEFICIAL
LIFESTYLE BLEND AGGRESSIVE PORTFOLIO	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	5.15%	BENEFICIAL
LIFESTYLE BLEND BALANCED PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	92.54%	RECORD
LIFESTYLE BLEND BALANCED PORTFOLIO	R6	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	6.24%	RECORD
LIFESTYLE BLEND BALANCED PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	93.54%	BENEFICIAL
LIFESTYLE BLEND BALANCED PORTFOLIO	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	6.46%	BENEFICIAL
LIFESTYLE BLEND CONSERVATIVE PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	89.10%	RECORD
LIFESTYLE BLEND CONSERVATIVE PORTFOLIO	R6	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	7.20%	RECORD
LIFESTYLE BLEND CONSERVATIVE PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.09%	BENEFICIAL
LIFESTYLE BLEND GROWTH PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	83.40%	RECORD
LIFESTYLE BLEND GROWTH PORTFOLIO	R6	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	13.14%	RECORD

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LIFESTYLE BLEND GROWTH PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.53%	BENEFICIAL
LIFESTYLE BLEND MODERATE PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	83.14%	RECORD
LIFESTYLE BLEND MODERATE PORTFOLIO	R6	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	14.78%	RECORD
LIFESTYLE BLEND MODERATE PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	94.21%	BENEFICIAL
LIFESTYLE BLEND MODERATE PORTFOLIO	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	5.79%	BENEFICIAL
MID VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	35.87%	BENEFICIAL
MID VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	23.14%	BENEFICIAL
MID VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	16.49%	BENEFICIAL
MULTI-ASSET HIGH INCOME FUND	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF TODD A BORCHARDT 110 N ELM AVE ELMHURST IL 60126-2607	11.24%	BENEFICIAL
MULTI-ASSET HIGH INCOME FUND	A	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	8.49%	RECORD
MULTI-ASSET HIGH INCOME FUND	A	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	6.21%	RECORD
MULTI-ASSET HIGH INCOME FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	37.29%	RECORD
MULTI-ASSET HIGH INCOME FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF ROSEMARY B FINAN 102 N 10TH ST EASTON PA 18042-3310	18.15%	BENEFICIAL

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MULTI-ASSET HIGH INCOME FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	10.62%	RECORD
MULTI-ASSET HIGH INCOME FUND	C	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	9.01%	RECORD
MULTI-ASSET HIGH INCOME FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF PO BOX 443 FAYETTE CITY PA 15438-0443	8.62%	BENEFICIAL
MULTI-ASSET HIGH INCOME FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO KIMBERLY D CARSON SIMPLE IRA FBO KIMBERLY D CARSON 16 CARSON ST BELLE VERNON PA 15012-1002	5.60%	BENEFICIAL
MULTI-ASSET HIGH INCOME FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	65.93%	RECORD
MULTI-ASSET HIGH INCOME FUND	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	30.54%	RECORD
MULTI-ASSET HIGH INCOME FUND	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2021 MAN INVESTMENT MGMT ABCD 197 CLARENDON ST BOSTON MA 02116-5010	49.92%	RECORD
MULTI-ASSET HIGH INCOME FUND	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2022 MAN INVESTMENT MGMT BUCK PLAN 197 CLARENDON ST BOSTON MA 02116-5010	22.04%	RECORD
MULTI-ASSET HIGH INCOME FUND	R6	MANULIFE INVESTMENT MANAGEMENT (US) 2023 MAN INVESTMENT MGMT BUCK PLAN 197 CLARENDON ST BOSTON MA 02116-5010	16.08%	RECORD
MULTI-ASSET HIGH INCOME FUND	R6	MANULIFE INVESTMENT MANAGEMENT (US) 2023 MAN INVESTMENT MGMT EWM PLAN 197 CLARENDON ST BOSTON MA 02116-5010	7.69%	RECORD
MULTI-ASSET HIGH INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	37.18%	BENEFICIAL
MULTI-ASSET HIGH INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	31.48%	BENEFICIAL

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MULTI-ASSET HIGH INCOME FUND	NAV	JHF II MULTIMANAGER LIFESTYLE CONSERVATIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	31.34%	BENEFICIAL
MULTIMANAGER 2010 LIFETIME PORTFOLIO	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF KARI A ZURECK 7 SOMA LN COMMACK NY 11725-1807	5.45%	BENEFICIAL
MULTIMANAGER 2010 LIFETIME PORTFOLIO	I	MORGAN STANLEY SMITH BARNEY LLC FOR EXCLUSIVE BENEFIT OF CUSTOMERS 1 NEW YORK PLAZA FL. 12 NEW YORK NY 10004-1965	99.25%	RECORD
MULTIMANAGER 2010 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	72.34%	RECORD
MULTIMANAGER 2010 LIFETIME PORTFOLIO	R2	MATRIX TRUST COMPANY CUST FBO PERDUE ENVIRONMENTAL CONTRACTING CO 717 17TH ST STE 1300 DENVER CO 80202-3304	17.29%	BENEFICIAL
MULTIMANAGER 2010 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	100.00%	RECORD
MULTIMANAGER 2010 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	35.51%	RECORD
MULTIMANAGER 2010 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	24.72%	RECORD
MULTIMANAGER 2010 LIFETIME PORTFOLIO	R6	MATRIX TRUST COMPANY CUST FBO SEI HEAT TREAT 401(K) PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	14.64%	BENEFICIAL
MULTIMANAGER 2010 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	92.98%	BENEFICIAL
MULTIMANAGER 2010 LIFETIME PORTFOLIO	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	7.02%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	43.17%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	35.22%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	21.61%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	43.31%	RECORD

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MULTIMANAGER 2015 LIFETIME PORTFOLIO	R2	MG TRUSTCO CUST FBO GILPIN AMBULANCE 457 B PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	12.47%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R2	MG TRUSTCO CUST FBO HORTONVILLE AREA SCHOOL DIST 403B 717 17TH ST STE 1300 DENVER CO 80202-3304	9.86%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	8.95%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R2	MG TRUSTCO CUST FBO RENAISSANCE ELECTRONICS CORP 717 17TH ST STE 1300 DENVER CO 80202-3304	8.61%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO PERMIT PLACE 401(K) PO BOX 10758 FARGO ND 58106-0758	6.72%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R4	JOHN HANCOCK INVESTMENT MANAGEMENT LLC 200 BERKELEY ST BOSTON MA 02116-5022	100.00%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	75.52%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R5	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	14.55%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R5	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	9.65%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	49.31%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R6	MID ATLANTIC TRUST COMPANY FBO WESTON DENTAL SPECIALISTS GROU 401( 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	14.46%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R6	MID ATLANTIC TRUST COMPANY FBO HMC CORPORATION 401(K) PROFIT SHARI 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	11.46%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	8.31%	RECORD
MULTIMANAGER 2015 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	94.96%	BENEFICIAL
MULTIMANAGER 2015 LIFETIME PORTFOLIO	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	5.04%	BENEFICIAL



<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
MULTIMANAGER 2020 LIFETIME PORTFOLIO	I	MLPF&S FOR THE SOLE BENEFIT OF ITS CUSTOMERS ATTN: FUND ADMINISTRATION 4800 DEER LAKE DRIVE EAST 2ND FL JACKSONVILLE FL 32246-6484	45.70%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	39.54%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	10.76%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	21.72%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	16.15%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO PO BOX 10758 FARGO ND 58106-0758	13.96%	BENEFICIAL
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO DPLIVE401K PO BOX 10758 FARGO ND 58106-0758	7.16%	BENEFICIAL
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R2	MATRIX TRUST COMPANY CUST FBO KENTUCKY INSTITUTE FOR EYE 717 17TH ST STE 1300 DENVER CO 80202-3304	6.55%	BENEFICIAL
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R4	MG TRUSTCO CUST FBO STILLWATER ISD # 834 403 B PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	100.00%	BENEFICIAL
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	53.74%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R5	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	35.82%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	9.25%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	50.09%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	11.76%	RECORD

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MULTIMANAGER 2020 LIFETIME PORTFOLIO	R6	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	6.20%	RECORD
MULTIMANAGER 2020 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	91.94%	BENEFICIAL
MULTIMANAGER 2020 LIFETIME PORTFOLIO	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	8.06%	BENEFICIAL
MULTIMANAGER 2025 LIFETIME PORTFOLIO	I	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	45.93%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	I	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	45.18%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R2	MG TRUSTCO CUST FBO RENAISSANCE ELECTRONICS CORP 717 17TH ST STE 1300 DENVER CO 80202-3304	17.11%	BENEFICIAL
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	15.93%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO FIVE STAR PERFORMANCE LLC RETIREMENT PLAN PO BOX 10758 FARGO ND 58106-0758	13.27%	BENEFICIAL
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R2	GREAT-WEST TRUST CO FBO EMPLOYEE BENEFITS CLIENTS 8515 E ORCHARD RD 2T2 GREENWOOD VILLAGE CO 80111-5002	9.45%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R4	COUNSEL TRUST DBA MATC FBO PRESTONCREST CHURCH OF CHRIST 403 B PLAN 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	93.19%	BENEFICIAL
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R5	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	40.28%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	39.17%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	18.80%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	46.48%	RECORD

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MULTIMANAGER 2025 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	15.05%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	R6	MLPF&S FOR THE SOLE BENEFIT OF ITS CUSTOMERS ATTN: FUND ADMINISTRATION 4800 DEER LAKE DRIVE EAST 2ND FL JACKSONVILLE FL 32246-6484	7.55%	RECORD
MULTIMANAGER 2025 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	94.38%	BENEFICIAL
MULTIMANAGER 2025 LIFETIME PORTFOLIO	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	5.62%	BENEFICIAL
MULTIMANAGER 2030 LIFETIME PORTFOLIO	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	44.99%	RECORD
MULTIMANAGER 2030 LIFETIME PORTFOLIO	I	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	28.72%	RECORD
MULTIMANAGER 2030 LIFETIME PORTFOLIO	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	17.84%	RECORD
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO PYRAMID CONSTRUCTION AND AGGREGATES PO BOX 10758 FARGO ND 58106-0758	14.90%	BENEFICIAL
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	10.52%	RECORD
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO SOFTWARE SCIENCES GROUP, INC 401(K) PO BOX 10758 FARGO ND 58106-0758	9.79%	BENEFICIAL
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO FRANKS PHONE INC DBA THE PHONE GU PO BOX 10758 FARGO ND 58106-0758	6.38%	BENEFICIAL
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R2	GREAT-WEST TRUST CO FBO EMPLOYEE BENEFITS CLIENTS 8515 E ORCHARD RD 2T2 GREENWOOD VILLAGE CO 80111-5002	5.49%	RECORD
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO DEB VANROY INDIVIDUAL 401(K) PO BOX 10758 FARGO ND 58106-0758	5.01%	BENEFICIAL

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MULTIMANAGER 2030 LIFETIME PORTFOLIO	R4	COUNSEL TRUST DBA MATC FBO PRESTONCREST CHURCH OF CHRIST 403 B PLAN 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	64.83%	BENEFICIAL
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R4	MG TRUSTCO CUST FBO STILLWATER ISD # 834 403 B PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	20.61%	BENEFICIAL
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R4	MATRIX TRUST COMPANY AS AGENT FOR ADVISOR TRUST INC GRANITE CITY CUSD #9 403(B) PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	8.07%	BENEFICIAL
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R4	ASCENSUS TRUST COMPANY FBO MUSE ARCHITECTS P C 401 K PS PLA PO BOX 10758 FARGO ND 58106-0758	6.49%	BENEFICIAL
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	54.64%	RECORD
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R5	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	23.05%	RECORD
MULTIMANAGER 2030 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	16.21%	RECORD
MULTIMANAGER 2030 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.21%	BENEFICIAL
MULTIMANAGER 2035 LIFETIME PORTFOLIO	I	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	48.08%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	I	WELLS FARGO CLEARING SERVICES, LLC SPECIAL CUSTODY ACCT FOR THE EXCLUSIVE BENEFIT OF CUSTOMER 2801 MARKET ST SAINT LOUIS MO 63103-2523	43.28%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	8.64%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	30.74%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	12.19%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R2	MG TRUSTCO CUST FBO DOUBLE D BOLT 401K PS 717 17TH ST STE 1300 DENVER CO 80202-3304	12.08%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO PYRAMID CONSTRUCTION AND AGGREGATES PO BOX 10758 FARGO ND 58106-0758	8.23%	BENEFICIAL
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R4	COUNSEL TRUST DBA MATC FBO PRESTONCREST CHURCH OF CHRIST 403 B PLAN 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	46.63%	BENEFICIAL
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R4	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	41.55%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R4	MATRIX TRUST COMPANY AS AGENT FOR ADVISOR TRUST INC NORTH CENTRAL AREA SCHOOL (MI) 403B 717 17TH ST STE 1300 DENVER CO 80202-3304	7.55%	BENEFICIAL
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	70.08%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	21.63%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R5	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	6.14%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	52.22%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	15.64%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	8.17%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	R6	EMPOWER TRUST FBO EMPLOYEE BENEFITS CLIENTS 401K 8515 E ORCHARD RD 2T2 GREENWOOD VILLAGE CO 80111-5002	7.11%	RECORD
MULTIMANAGER 2035 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.41%	BENEFICIAL
MULTIMANAGER 2040 LIFETIME PORTFOLIO	I	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	54.19%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	21.38%	RECORD

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MULTIMANAGER 2040 LIFETIME PORTFOLIO	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	9.37%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	9.32%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	17.30%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R2	GREAT-WEST TRUST CO FBO EMPLOYEE BENEFITS CLIENTS 8515 E ORCHARD RD 2T2 GREENWOOD VILLAGE CO 80111-5002	11.50%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO PYRAMID CONSTRUCTION AND AGGREGATES PO BOX 10758 FARGO ND 58106-0758	10.78%	BENEFICIAL
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO SIGMOVIR BIOSYSTEMS INC 401K PLAN PO BOX 10758 FARGO ND 58106-0758	7.12%	BENEFICIAL
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	7.00%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R2	MG TRUST COMPANY CUST FBO ENGLANDS STOVE WORKS INC 717 17TH ST STE 1300 DENVER CO 80202-3304	6.65%	BENEFICIAL
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO LOGO MASTERS SOLO 401K PO BOX 10758 FARGO ND 58106-0758	6.47%	BENEFICIAL
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R4	MG TRUSTCO CUST FBO STILLWATER ISD # 834 403 B PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	55.26%	BENEFICIAL
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R4	COUNSEL TRUST DBA MATC FBO PRESTONCREST CHURCH OF CHRIST 403 B PLAN 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	25.30%	BENEFICIAL
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R4	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	6.59%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R4	MATRIX TRUST COMPANY AS AGENT FOR ADVISOR TRUST INC CALVERT COUNTY BOE (MD) 403B PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	5.93%	BENEFICIAL
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	58.40%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	27.01%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R5	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	6.38%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R5	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	5.79%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	58.64%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	18.53%	RECORD
MULTIMANAGER 2040 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.25%	BENEFICIAL
MULTIMANAGER 2045 LIFETIME PORTFOLIO	I	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	96.84%	RECORD
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO KUAR RETIREMENT PLAN PO BOX 10758 FARGO ND 58106-0758	23.60%	BENEFICIAL
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	18.75%	RECORD
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	9.98%	RECORD
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO PYRAMID CONSTRUCTION AND AGGREGATES PO BOX 10758 FARGO ND 58106-0758	8.23%	BENEFICIAL
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO LOGO MASTERS SOLO 401K PO BOX 10758 FARGO ND 58106-0758	6.26%	BENEFICIAL



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MULTIMANAGER 2045 LIFETIME PORTFOLIO	R4	MG TRUSTCO CUST FBO STILLWATER ISD # 834 403 B PLAN 717 17TH ST STE 1300 DENVER CO 80202-3304	64.05%	BENEFICIAL
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R4	ASCENSUS TRUST COMPANY FBO MUSE ARCHITECTS P C 401 K PS PLA PO BOX 10758 FARGO ND 58106-0758	35.28%	BENEFICIAL
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	50.32%	RECORD
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	25.62%	RECORD
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R5	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	18.42%	RECORD
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	56.37%	RECORD
MULTIMANAGER 2045 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	20.20%	RECORD
MULTIMANAGER 2045 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.41%	BENEFICIAL
MULTIMANAGER 2050 LIFETIME PORTFOLIO	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	60.91%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	19.94%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	I	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST BOSTON MA 02116-5022	19.16%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	20.03%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	10.24%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO 1776 HOLDINGS RETIREMENT PLAN PO BOX 10758 FARGO ND 58106-0758	8.54%	BENEFICIAL
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R2	ASCENSUS TRUSTCO FBO ASTRIDIA LLC 401K PO BOX 10758 FARGO ND 58106-0758	7.18%	BENEFICIAL

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MULTIMANAGER 2050 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO PHYSICIANS SURGERY CTR LG 401(K) PL ASCENSUS TRUST COMPANY PO BOX 10577 FARGO ND 58106-0577	6.45%	BENEFICIAL
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R2	MID ATLANTIC TRUST COMPANY FBO TRANSPORTATION CHILDREN S CENT 401( 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	6.06%	BENEFICIAL
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO COMMAND CAPITAL 401K RETIREMENT PLA PO BOX 10758 FARGO ND 58106-0758	5.64%	BENEFICIAL
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R4	MATRIX TRUST COMPANY AS AGENT FOR ADVISOR TRUST INC CITY OF WYLIE 717 17TH ST STE 1300 DENVER CO 80202-3304	93.37%	BENEFICIAL
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R4	MATRIX TRUST COMPANY AS AGENT FOR ADVISOR TRUST INC SHENANDOAH COUNTY GOVERN (VA) 457 717 17TH ST STE 1300 DENVER CO 80202-3304	6.63%	BENEFICIAL
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	44.19%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	37.93%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R5	DCGT AS TTEE AND/OR CUST FBO PLIC VARIOUS RETIREMENT PLANS OMNIBUS ATTN NPIO TRADE DESK 711 HIGH ST DES MOINES IA 50392-0001	8.73%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	55.28%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	21.00%	RECORD
MULTIMANAGER 2050 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.00%	BENEFICIAL
MULTIMANAGER 2055 LIFETIME PORTFOLIO	I	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	98.09%	RECORD
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	32.03%	RECORD

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MULTIMANAGER 2055 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	29.54%	RECORD
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R2	MATRIX TRUST COMPANY CUST FBO NEVADA ADVANCED PAIN SPECIALISTS 717 17TH ST STE 1300 DENVER CO 80202-3304	14.86%	BENEFICIAL
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R2	MATRIX TRUST COMPANY CUST FBO PERDUE ENVIRONMENTAL 717 17TH ST STE 1300 DENVER CO 80202-3304	10.08%	BENEFICIAL
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R2	MATRIX TRUST COMPANY CUST FBO KENTUCKY INSTITUTE FOR EYE HEALTH 717 17TH ST STE 1300 DENVER CO 80202-3304	5.77%	BENEFICIAL
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R4	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5023	91.89%	BENEFICIAL
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R4	MATRIX TRUST COMPANY AS AGENT FOR ADVISOR TRUST INC VALLEY CENTRAL SCHOOL DISTRICT 403B 717 17TH ST STE 1300 DENVER CO 80202-3304	6.00%	BENEFICIAL
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	51.96%	RECORD
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	39.02%	RECORD
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	66.04%	RECORD
MULTIMANAGER 2055 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	13.96%	RECORD
MULTIMANAGER 2055 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.34%	BENEFICIAL
MULTIMANAGER 2060 LIFETIME PORTFOLIO	A	WELLS FARGO CLEARING SERVICES 1 N JEFFERSON AVE SAINT LOUIS MO 63103-2287	6.69%	BENEFICIAL
MULTIMANAGER 2060 LIFETIME PORTFOLIO	I	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5023	64.59%	BENEFICIAL
MULTIMANAGER 2060 LIFETIME PORTFOLIO	I	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	18.04%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	17.37%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R2	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	45.68%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R2	MATRIX TRUST COMPANY CUST FBO PERDUE ENVIRONMENTALCONTRACTING COM 717 17TH ST STE 1300 DENVER CO 80202-3304	31.71%	BENEFICIAL
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R2	ASCENSUS TRUST COMPANY FBO PHYSICIANS SURGERY CTR LG 401(K) PL ASCENSUS TRUST COMPANY PO BOX 10577 FARGO ND 58106-0577	14.31%	BENEFICIAL
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R4	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5023	73.67%	BENEFICIAL
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R4	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	26.33%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	51.21%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R5	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	30.56%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R5	STATE STREET BANK AND TRUST AS TRUSTEE AND OR CUSTODIAN FBO ADP ACCESS PRODUCT 1 LINCOLN ST BOSTON MA 02111-2901	8.78%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R5	DCGT AS TTEE AND/OR CUST FBO PLIC VARIOUS RETIREMENT PLANS OMNIBUS ATTN NPIO TRADE DESK 711 HIGH ST DES MOINES IA 50392-0001	7.24%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	71.19%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	13.94%	RECORD
MULTIMANAGER 2060 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.46%	BENEFICIAL
MULTIMANAGER 2065 LIFETIME PORTFOLIO	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF BENNET YEUNG 1230 LAWSON COVE CIR VIRGINIA BCH VA 23455-6825	9.25%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
MULTIMANAGER 2065 LIFETIME PORTFOLIO	A	PERSHING LLC PO BOX 2052 JERSEY CITY NJ 07303-2052	8.81%	RECORD
MULTIMANAGER 2065 LIFETIME PORTFOLIO	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF YUMIKO SHEARD 279 CENTRAL PARK WEST 15C NEW YORK NY 10024-3080	7.84%	BENEFICIAL
MULTIMANAGER 2065 LIFETIME PORTFOLIO	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF WILLIAM SCOTT BRADLEY 15242 WYANDOTTE ST VAN NUYS CA 91405-1749	7.13%	BENEFICIAL
MULTIMANAGER 2065 LIFETIME PORTFOLIO	I	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	100.00%	RECORD
MULTIMANAGER 2065 LIFETIME PORTFOLIO	R2	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5022	86.25%	BENEFICIAL
MULTIMANAGER 2065 LIFETIME PORTFOLIO	R2	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST BOSTON MA 02116-5022	9.48%	RECORD
MULTIMANAGER 2065 LIFETIME PORTFOLIO	R4	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5022	94.97%	BENEFICIAL
MULTIMANAGER 2065 LIFETIME PORTFOLIO	R5	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	97.90%	RECORD
MULTIMANAGER 2065 LIFETIME PORTFOLIO	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	72.39%	RECORD
MULTIMANAGER 2065 LIFETIME PORTFOLIO	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	15.45%	RECORD
MULTIMANAGER 2065 LIFETIME PORTFOLIO	R6	MANULIFE ASSET MANAGEMENT (US) LLC 2022 MAN INVESTMENT MGMT EWM 197 CLARENDON ST BOSTON MA 02116-5010	7.19%	RECORD
MULTIMANAGER 2065 LIFETIME PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.85%	BENEFICIAL
MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.34%	BENEFICIAL
MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.44%	BENEFICIAL
MULTIMANAGER LIFESTYLE CONSERVATIVE PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.41%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.85%	BENEFICIAL
MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	95.30%	BENEFICIAL
NEW OPPORTUNITIES FUND	A	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	7.18%	RECORD
NEW OPPORTUNITIES FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	7.39%	RECORD
NEW OPPORTUNITIES FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO FT LORAMIE MACHINE TOOL CO INC FBO SCOTT A SELANDERS SIM 14170 CHARM HILL DR SIDNEY OH 45365-9472	5.71%	BENEFICIAL
NEW OPPORTUNITIES FUND	C	ASCENSUS TRUST COMPANY FBO WILLIAM PELLEGRINO, INC 401(K) PLA PO BOX 10758 FARGO ND 58106-0758	5.68%	BENEFICIAL
NEW OPPORTUNITIES FUND	C	ASCENSUS TRUST COMPANY FBO METHODOLOGIES INC 401(K) PLAN PO BOX 10758 FARGO ND 58106-0758	5.60%	BENEFICIAL
NEW OPPORTUNITIES FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	14.54%	RECORD
NEW OPPORTUNITIES FUND	I	SPECIAL CUSTODY ACCOUNT FOR THE EXCLUSIVE BENEFIT OF CUSTOMERS OF UBS FINANCIAL SERVICES INC 1000 HARBOR BLVD WEEHAWKEN NJ 07086-6761	14.06%	RECORD
NEW OPPORTUNITIES FUND	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	12.97%	RECORD
NEW OPPORTUNITIES FUND	I	NABANK & CO PO BOX 2180 TULSA OK 74101-2180	10.91%	RECORD
NEW OPPORTUNITIES FUND	I	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	8.49%	RECORD
NEW OPPORTUNITIES FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	7.67%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
NEW OPPORTUNITIES FUND	I	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	5.92%	RECORD
NEW OPPORTUNITIES FUND	R2	MID ATLANTIC FBO FISHMAN & FISHMAN LLC 401(K) PROFIT SHARING PLAN 1251 WATERFRONT PLACE, SUITE 525 PITTSBURGH PA 15222-4228	46.36%	BENEFICIAL
NEW OPPORTUNITIES FUND	R2	MATRIX TRUST COMPANY AS AGENT FOR ADVISOR TRUST, INC. WEST AURORA UNIT SCH DIST #129 403B 717 17TH ST STE 1300 DENVER CO 80202-3304	15.31%	BENEFICIAL
NEW OPPORTUNITIES FUND	R2	ASCENSUS TRUST COMPANY FBO MOVING MOUNTAINS SOLO K PLAN PO BOX 10758 FARGO ND 58106-0758	10.93%	BENEFICIAL
NEW OPPORTUNITIES FUND	R2	ASCENSUS TRUST COMPANY FBO CHANDLER COASTAL ENTERPRISES SOLO K PO BOX 10758 FARGO ND 58106-0758	9.49%	BENEFICIAL
NEW OPPORTUNITIES FUND	R2	ASCENSUS TRUST COMPANY FBO FWR III REAL ESTATE SOLOK PLAN PO BOX 10758 FARGO ND 58106-0758	8.49%	BENEFICIAL
NEW OPPORTUNITIES FUND	R2	ASCENSUS TRUST COMPANY FBO LEXMAR SOLO K PLAN 523231 PO BOX 10758 FARGO ND 58106-0758	6.68%	BENEFICIAL
NEW OPPORTUNITIES FUND	R4	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5023	67.51%	BENEFICIAL
NEW OPPORTUNITIES FUND	R4	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	31.67%	RECORD
NEW OPPORTUNITIES FUND	R6	STANDARD INSURANCE COMPANY 1100 SW 6TH AVE PORTLAND OR 97204-1093	83.54%	BENEFICIAL
NEW OPPORTUNITIES FUND	R6	SEI PRIVATE TRUST COMPANY C/O ID 636 ATTN MUTUAL FUNDS 1 FREEDOM VALLEY DR OAKS PA 19456-9989	12.80%	RECORD
NEW OPPORTUNITIES FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	96.73%	BENEFICIAL
OPPORTUNISTIC FIXED INCOME FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	76.16%	RECORD



<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
OPPORTUNISTIC FIXED INCOME FUND	C	MORGAN STANLEY SMITH BARNEY LLC FOR EXCLUSIVE BENEFIT OF CUSTOMERS 1 NEW YORK PLAZA FL. 12 NEW YORK NY 10004-1965	25.54%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	C	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	22.33%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	18.84%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	C	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	15.61%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	7.80%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	41.76%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	I	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	25.20%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	I	MORGAN STANLEY SMITH BARNEY LLC FOR EXCLUSIVE BENEFIT OF CUSTOMERS 1 NEW YORK PLAZA FL. 12 NEW YORK NY 10004-1965	19.50%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	8.30%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	R6	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	59.10%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	21.19%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	R6	NATIONAL FINANCIAL SERVICES LLC 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	11.45%	RECORD
OPPORTUNISTIC FIXED INCOME FUND	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	5.30%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
OPPORTUNISTIC FIXED INCOME FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	91.69%	BENEFICIAL
OPPORTUNISTIC FIXED INCOME FUND	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	8.31%	BENEFICIAL
REAL ESTATE SECURITIES FUND	A	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	23.49%	RECORD
REAL ESTATE SECURITIES FUND	A	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE IRA OF KENDALL C CROOK 15039 QUINN LN WESTFIELD IN 46074-6094	13.17%	BENEFICIAL
REAL ESTATE SECURITIES FUND	C	JOHN HANCOCK LIFE INSURANCE CO USA 200 BERKELEY ST BOSTON MA 02116-5022	61.03%	BENEFICIAL
REAL ESTATE SECURITIES FUND	C	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	24.01%	RECORD
REAL ESTATE SECURITIES FUND	C	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	11.11%	RECORD
REAL ESTATE SECURITIES FUND	I	MLPF&S FOR THE SOLE BENEFIT OF ITS CUSTOMERS ATTN: FUND ADMINISTRATION 4800 DEER LAKE DRIVE EAST 2ND FL JACKSONVILLE FL 32246-6484	83.43%	RECORD
REAL ESTATE SECURITIES FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	6.54%	RECORD
REAL ESTATE SECURITIES FUND	R6	SEI PRIVATE TRUST COMPANY C/O ID 337 ATTN MUTUAL FUNDS 1 FREEDOM VALLEY DR OAKS PA 19456-9989	50.43%	RECORD
REAL ESTATE SECURITIES FUND	R6	JOHN HANCOCK TRUST COMPANY LLC 200 BERKELEY ST STE 7 BOSTON MA 02116-5038	32.13%	RECORD
REAL ESTATE SECURITIES FUND	R6	ASCENSUS TRUST COMPANY FBO CENTRAL STATES INDUSTRIAL EQUIPMENT PO BOX 10758 FARGO ND 58106-0758	11.62%	BENEFICIAL
REAL ESTATE SECURITIES FUND	1	201 TOWNSEND STREET, SUITE 900 LANSING MI 48933	92.72%	BENEFICIAL
REAL ESTATE SECURITIES FUND	1	100 SUMMIT LAKE DRIVE, 2ND FLOOR VALHALLA NY 10595	7.28%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
SCIENCE & TECHNOLOGY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	34.67%	BENEFICIAL
SCIENCE & TECHNOLOGY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	25.82%	BENEFICIAL
SCIENCE & TECHNOLOGY FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	14.85%	BENEFICIAL
SMALL CAP DYNAMIC GROWTH FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	33.37%	RECORD
SMALL CAP DYNAMIC GROWTH FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO JCB INC DBA CPTS SIMPLE IRA FBO THOMAS H DAVENPORT 403 N RED ST SHERIDAN AR 72150-7669	10.39%	BENEFICIAL
SMALL CAP DYNAMIC GROWTH FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE JHF SEP IRA OF DRS FOSTER STEELE AND STONE FBO CHARLES J FOSTER 508 3RD ST NEWPORT TN 37821-3707	8.81%	BENEFICIAL
SMALL CAP DYNAMIC GROWTH FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO CUSTODIAN FOR THE SEP IRA OF CHARLES KUEHN ARCHITECT FBO CHARLES KUEHN 15 AVENUE B NORTHPORT NY 11768-1602	6.94%	BENEFICIAL
SMALL CAP DYNAMIC GROWTH FUND	C	JOHN HANCOCK LIFE & HEALTH INS CO CHARLOTTE INDUSTRIES SIM IRA FBO TODD A DEVENBURGH 352 RUTH RIDGE DR LANCASTER PA 17601-3829	5.63%	BENEFICIAL
SMALL CAP DYNAMIC GROWTH FUND	I	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	83.81%	RECORD
SMALL CAP DYNAMIC GROWTH FUND	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	12.54%	RECORD
SMALL CAP DYNAMIC GROWTH FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	31.77%	BENEFICIAL
SMALL CAP DYNAMIC GROWTH FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	19.25%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
SMALL CAP DYNAMIC GROWTH FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	17.22%	BENEFICIAL
SMALL CAP DYNAMIC GROWTH FUND	NAV	JHVIT MANAGED VOLATILITY GROWTH 200 BERKELEY STREET BOSTON MA 02116	9.21%	BENEFICIAL
SMALL CAP VALUE FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	39.99%	RECORD
SMALL CAP VALUE FUND	I	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	85.75%	RECORD
SMALL CAP VALUE FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	7.08%	RECORD
SMALL CAP VALUE FUND	R6	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	88.21%	RECORD
SMALL CAP VALUE FUND	R6	SHAUN F PEDERSEN 273 BEACON ST APT 2 BOSTON MA 02116-1208	8.20%	BENEFICIAL
SMALL CAP VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	35.82%	BENEFICIAL
SMALL CAP VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	25.08%	BENEFICIAL
SMALL CAP VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE AGGRESSIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	18.33%	BENEFICIAL
SMALL CAP VALUE FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	5.15%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	A	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	38.44%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	A	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	9.75%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
STRATEGIC INCOME OPPORTUNITIES FUND	A	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	8.97%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	A	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	6.38%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	A	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	5.56%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	C	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	30.54%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	C	LPL FINANCIAL OMNIBUS CUSTOMER ACCOUNT ATTN: MUTUAL FUND TRADING 4707 EXECUTIVE DRIVE SAN DIEGO CA 92121-3091	11.17%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	C	MORGAN STANLEY SMITH BARNEY LLC FOR EXCLUSIVE BENEFIT OF CUSTOMERS 1 NEW YORK PLAZA FL. 12 NEW YORK NY 10004-1965	10.11%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	C	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	9.11%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	C	PERSHING LLC 1 PERSHING PLZ JERSEY CITY NJ 07399-0001	7.64%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	C	WELLS FARGO CLEARING SERVICES, LLC SPECIAL CUSTODY ACCT FOR THE EXCLUSIVE BENEFIT OF CUSTOMER 2801 MARKET ST SAINT LOUIS MO 63103-2523	6.42%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	C	RAYMOND JAMES OMNIBUS FOR MUTUAL FUNDS HOUSE ACCT FIRM 880 CARILLON PKWY ST PETERSBURG FL 33716-1100	5.00%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	I	AMERICAN ENTERPRISE INVESTMENT SVC 707 2ND AVE S MINNEAPOLIS MN 55402-2405	44.12%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	I	NATIONAL FINANCIAL SERVICES LLC FEBO CUSTOMERS MUTUAL FUNDS 200 LIBERTY ST # 1WFC NEW YORK NY 10281-1015	18.82%	RECORD

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
STRATEGIC INCOME OPPORTUNITIES FUND	I	MORGAN STANLEY SMITH BARNEY LLC FOR EXCLUSIVE BENEFIT OF CUSTOMERS 1 NEW YORK PLAZA FL. 12 NEW YORK NY 10004-1965	5.07%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	I	CHARLES SCHWAB & CO INC MUTUAL FUNDS DEPT 101 MONTGOMERY ST SAN FRANCISCO CA 94104-4151	5.04%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	R2	CHARLES SCHWAB TRUST BANK TTEE DC PLAN FOR FT EES OF TOWN OF EAST HARTFORD 2423 E LINCOLN DR PHOENIX AZ 85016-1215	16.49%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	R2	ASCENSUS TRUSTCO FBO BRIAN W DOSSETT M D LTD PROFIT SHA PO BOX 10758 FARGO ND 58106-0758	12.17%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	R2	MID ATLANTIC TRUST COMPANY FBO STRAWN ARNOLD INC 401(K) PLAN 1251 WATERFRONT PL STE 525 PITTSBURGH PA 15222-4228	9.11%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	R2	ASCENSUS TRUST COMPANY FBO SILVERADO FAMILY DENTAL 401(K) PLAN PO BOX 10758 FARGO ND 58106-0758	8.96%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	R2	MID ATLANTIC TRUST COMPANY FBO SANTA BARBARA CLUB 401(K) PROFIT SH 1251 WATERFRONT PLACE, SUITE 525 PITTSBURGH PA 15222-4228	6.82%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	R2	ASCENSUS TRUST COMPANY FBO COUNTRY LINE ELECTRICAL DISTRIBUTOR PO BOX 10758 FARGO ND 58106-0758	6.11%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	R6	EDWARD D JONES & CO FOR THE BENEFIT OF CUSTOMERS 12555 MANCHESTER ROAD SAINT LOUIS MO 63131-3710	61.19%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	R6	EMPOWER TRUST FBO EMPLOYEE BENEFIT CLIENTS 401K 8515 E ORCHARD RD # 2T2 GREENWOOD VLG CO 80111-5002	10.79%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	R6	J P MORGAN SECURITIES LLC OMNIBUS ACCOUNT FOR THE EXCLUSIVE BENEFIT OF CUSTOMERS 575 WASHINGTON BLVD 12TH FL MUTUAL FUND DEPARTMENT JERSEY CITY NJ 07310-1616	5.00%	RECORD
STRATEGIC INCOME OPPORTUNITIES FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	34.90%	BENEFICIAL

<b>Fund Name</b>	<b>Share Class</b>	<b>Name and Address</b>	<b>Percentage Owned</b>	<b>Type of Ownership</b>
STRATEGIC INCOME OPPORTUNITIES FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	16.04%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	NAV	JHF II MULTIMANAGER LIFESTYLE MODERATE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	11.80%	BENEFICIAL
STRATEGIC INCOME OPPORTUNITIES FUND	NAV	JHF II MULTIMANAGER LIFESTYLE CONSERVATIVE PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	10.54%	BENEFICIAL
U.S. SECTOR ROTATION FUND	NAV	JHF II MULTIMANAGER LIFESTYLE GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	9.99%	BENEFICIAL
U.S. SECTOR ROTATION FUND	NAV	JHF II MULTIMANAGER LIFESTYLE BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	9.17%	BENEFICIAL
U.S. SECTOR ROTATION FUND	NAV	JHF II LIFESTYLE BLEND GROWTH PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	7.52%	BENEFICIAL
U.S. SECTOR ROTATION FUND	NAV	JHF II LIFESTYLE BLEND BALANCED PORTFOLIO 200 BERKELEY STREET BOSTON MA 02116	5.61%	BENEFICIAL

## INVESTMENT MANAGEMENT ARRANGEMENTS AND OTHER SERVICES

### Advisory Agreement

The Advisor serves as investment advisor to the funds and is responsible for the supervision of the subadvisor services to the funds pursuant to the Advisory Agreement. Pursuant to the Advisory Agreement and subject to general oversight by the Board, the Advisor manages and supervises the investment operations and business affairs of the funds. The Advisor provides the funds with all necessary office facilities and equipment and any personnel necessary for the oversight and/or conduct of the investment operations of the funds. The Advisor also coordinates and oversees the services provided to the funds under other agreements, including custodial, administrative and transfer agency services. Additionally, the Advisor provides certain administrative and other non-advisory services to the funds pursuant to a separate Service Agreement, as discussed below.

The Advisor is responsible for overseeing and implementing a fund's investment program and provides a variety of advisory oversight and investment research services, including: (i) monitoring fund portfolio compositions and risk profiles and (ii) evaluating fund investment characteristics, such as investment strategies, and recommending to the Board potential enhancements to such characteristics. The Advisor provides management and transition services associated with certain fund events (e.g., strategy, portfolio manager or subadvisor changes).

The Advisor has the responsibility to oversee the subadvisors and recommend to the Board: (i) the hiring, termination, and replacement of a subadvisor; and (ii) the allocation and reallocation of a fund's assets among multiple subadvisors, when appropriate. In this capacity, the Advisor negotiates with potential subadvisors and, once retained, among other things: (i) monitors the compliance of the subadvisor with the investment objectives and related policies of the funds; (ii) reviews the performance of the subadvisor; and (iii) reports periodically on such performance to the Board. The Advisor utilizes the expertise of a team of investment professionals in manager research and oversight who provide these research and monitoring services.

The Advisor is not liable for any error of judgment or mistake of law or for any loss suffered by a fund in connection with the matters to which the Advisory Agreement relates, except a loss resulting from willful misfeasance, bad faith or gross negligence on the part of the Advisor in the performance of its duties or from its reckless disregard of its obligations and duties under the Advisory Agreement.

Under the Advisory Agreement, a fund may use the name "John Hancock" or any name derived from or similar to it only for so long as the Advisory Agreement or any extension, renewal or amendment thereof remains in effect. If the Advisory Agreement is no longer in effect, the fund (to the extent that it lawfully can) will cease to use such name or any other name indicating that it is advised by or otherwise connected with the Advisor. In addition, the Advisor or JHLICO U.S.A., a subsidiary of Manulife Financial, may grant the nonexclusive right to use the name "John Hancock" or any similar name



to any other corporation or entity, including but not limited to any investment company of which the JHLICO U.S.A. or any subsidiary or affiliate thereof or any successor to the business of any subsidiary or affiliate thereof shall be the investment advisor.

The continuation of the Advisory Agreement and the Distribution Agreement (discussed below) were each approved by all Trustees. The Advisory Agreement and the Distribution Agreement will continue in effect from year to year, provided that each Agreement's continuance is approved annually both: (i) by the holders of a majority of the outstanding voting securities of the Trust or by the Trustees; and (ii) by a majority of the Trustees who are not parties to the Agreement, or "interested persons" of any such parties. Each of these Agreements may be terminated on 60 days' written notice by any party or by a vote of a majority of the outstanding voting securities of the funds and will terminate automatically if assigned.

The Trust bears all costs of its organization and operation, including but not limited to expenses of preparing, printing and mailing all shareholders' reports, notices, prospectuses, proxy statements and reports to regulatory agencies; expenses relating to the issuance, registration and qualification of shares; government fees; interest charges; expenses of furnishing to shareholders their account statements; taxes; expenses of redeeming shares; brokerage and other expenses connected with the execution of portfolio securities transactions; expenses pursuant to a fund's plan of distribution; fees and expenses of custodians including those for keeping books and accounts maintaining a committed line of credit and calculating the NAV of shares; fees and expenses of transfer agents and dividend disbursing agents; legal, accounting, financial, management, tax and auditing fees and expenses of the funds (including an allocable portion of the cost of the Advisor's employees rendering such services to the funds); the compensation and expenses of officers and Trustees (other than persons serving as President or Trustee who are otherwise affiliated with the funds the Advisor or any of their affiliates); expenses of Trustees' and shareholders' meetings; trade association memberships; insurance premiums; and any extraordinary expenses.

Securities held by a fund also may be held by other funds or investment advisory clients for which the Advisor, the subadvisor or their respective affiliates provide investment advice. Because of different investment objectives or other factors, a particular security may be bought for one or more funds or clients when one or more are selling the same security. If opportunities for purchase or sale of securities by the Advisor or subadvisor for a fund or for other funds or clients for which the Advisor or subadvisor renders investment advice arise for consideration at or about the same time, transactions in such securities will be made, insofar as feasible, for the respective fund, funds or clients in a manner deemed equitable to all of them. To the extent that transactions on behalf of more than one client of the Advisor or subadvisor or their respective affiliates may increase the demand for securities being purchased or the supply of securities being sold, there may be an adverse effect on price.

**Advisor Compensation.** As compensation for its advisory services under the Advisory Agreement, the Advisor receives a fee from the funds, computed separately for each fund. The fee for each fund is stated as an annual percentage of the current value of the "aggregate net assets" of the fund. "Aggregate net assets" of a fund include the net assets of the fund and, in many cases, the net assets of one or more other funds (or portions thereof) advised by the Advisor, but in each case only for the period during which the Advisor also serves as the advisor to the other fund(s) (or portions thereof). The fee for each fund is based on the applicable annual rate that, for each day, is equal to: (i) the sum of the amounts determined by applying the annual percentage rates for the fund to the applicable portions of aggregate net assets divided by: (ii) aggregate net assets (totaling the "Applicable Annual Fee Rate"). The fee for each fund accrues and is paid daily to the Advisor for each calendar day. The daily fee accruals are computed by multiplying the fraction of one over the number of calendar days in the year by the Applicable Annual Fee Rate, and multiplying this product by the net assets of the fund. The management fees that each fund currently is obligated to pay the Advisor are as set forth in its Prospectus.

The Advisor has contractually agreed to reduce its management fee for each fund of funds or, if necessary, make payment to a fund of funds in an amount equal to the amount by which certain expenses of the fund of funds, including those expenses attributable to investments in underlying funds ("Acquired Fund Fees and Expenses") exceed the percentage of average daily net assets (on an annualized basis) of the fund of funds as set forth in the prospectus. For purposes of this contractual limitation on fund expenses, Acquired Fund Fees and Expenses will be calculated monthly per the formulation below, and provided to the funds' custodian for use in determining the amount of the expense limitation. The calculation of AFFE represents the indirect expenses of a fund's investments in underlying investment companies. Acquired Fund Fees and Expenses are determined based on the sum of the average investment in an underlying fund for the previous month during the fiscal year and by taking the product of the underlying fund's operating expense ratio as determined from the most recent published financial statement over the fund of funds' average monthly net assets. The formula to determine the Acquired Fund Fees and Expenses is as follows:

Latest Underlying Fund expense ratio X [Sum of Underlying Fund market value for the month / # of business days in the month]

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Fund of Funds' Monthly Average Market Value

From time to time, the Advisor may reduce its fee or make other arrangements to limit a fund's expenses to a specified percentage of average daily net assets. The Advisor retains the right to re-impose a fee and recover any other payments to the extent that, during the fiscal year in which such expense limitation is in place, a fund's annual expenses fall below this limit.

The following table shows the advisory fees that each fund incurred and paid to the Advisor for the fiscal periods ended August 31, 2024, August 31, 2023, and August 31, 2022.

Funds	Advisory Fee Paid in Fiscal Year Ended August 31,		
	2024 (\$)	2023 (\$)	2022 (\$)
<b>Alternative Asset Allocation Fund</b>			
Gross Fees	3,532,623	3,275,729	2,233,426

Funds	Advisory Fee Paid in Fiscal Year Ended August 31,		
	2024 (\$)	2023 (\$)	2022 (\$)
Waivers	(1,422,665)	(1,378,907)	(986,687)
Net Fees	2,109,958	1,896,822	1,246,739
<b>Blue Chip Growth Fund</b>			
Gross Fees	28,610,569	24,149,728	33,321,972
Waivers	(1,547,811)	(1,284,632)	(1,785,910)
Net Fees	27,062,758	22,865,096	31,536,062
<b>Capital Appreciation Fund</b>			
Gross Fees	11,495,556	9,691,100	12,187,119
Waivers	(127,311)	(97,869)	(149,621)
Net Fees	11,368,245	9,593,231	12,037,498
<b>Capital Appreciation Value Fund</b>			
Gross Fees	9,708,327	10,001,275	10,887,913
Waivers	(534,002)	(526,410)	(594,452)
Net Fees	9,174,325	9,474,865	10,293,461
<b>Core Bond Fund</b>			
Gross Fees	10,246,767	9,643,545	9,624,173
Waivers	(138,475)	(120,291)	(142,884)
Net Fees	10,108,292	9,523,254	9,481,289
<b>Disciplined Value Emerging Markets Equity Fund</b>			
Gross Fees	1,345,026	1,297,797	1,368,680
Waivers	(301,203)	(224,689)	(118,953)
Net Fees	1,043,823	1,073,108	1,249,727
<b>Emerging Markets Debt Fund</b>			
Gross Fees	7,266,208	6,355,520	7,448,086
Waivers	(81,480)	(65,137)	(91,565)
Net Fees	7,184,728	6,290,383	7,356,521
<b>Equity Income Fund</b>			
Gross Fees	11,381,639	12,150,529	14,200,402
Waivers	(513,015)	(532,446)	(648,589)
Net Fees	10,868,624	11,618,083	13,551,813
<b>Floating Rate Income Fund</b>			
Gross Fees	6,900,962	8,405,559	12,928,686
Waivers	(1,329,671)	(1,477,152)	(1,462,186)
Net Fees	5,571,291	6,928,407	11,466,500
<b>Fundamental Global Franchise Fund</b>			
Gross Fees	2,084,755	2,456,224	3,679,438
Waivers	(20,247)	(22,086)	(39,565)
Net Fees	2,064,508	2,434,138	3,639,873
<b>Global Equity Fund</b>			
Gross Fees	4,673,704	5,341,251	6,352,069
Waivers	(45,521)	(48,010)	(68,238)
Net Fees	4,628,183	5,293,241	6,283,831
<b>Health Sciences Fund</b>			
Gross Fees	2,362,180	2,790,980	3,532,033
Waivers	(139,195)	(158,808)	(213,615)
Net Fees	2,222,985	2,632,172	3,318,418
<b>High Yield Fund</b>			
Gross Fees	1,366,168	1,350,952	1,750,595
Waivers	(15,195)	(13,885)	(21,523)
Net Fees	1,350,973	1,337,067	1,729,072

Funds	Advisory Fee Paid in Fiscal Year Ended August 31,		
	2024 (\$)	2023 (\$)	2022 (\$)
<b>International Small Company Fund</b>			
Gross Fees	4,493,708	4,878,092	6,406,565
Waivers	(43,668)	(43,928)	(66,711)
Net Fees	4,450,040	4,834,164	6,339,854
<b>International Strategic Equity Allocation Fund</b>			
Gross Fees	22,444,035	25,543,548	16,676,900
Waivers	(5,037,852)	(5,972,437)	(3,616,145)
Net Fees	17,406,183	19,571,111	13,060,755
<b>Mid Value Fund</b>			
Gross Fees	12,569,392	12,270,038	15,390,236
Waivers	(719,851)	(673,183)	(898,717)
Net Fees	11,849,541	11,596,855	14,491,519
<b>Multi-Asset High Income Fund</b>			
Gross Fees	480,256	498,166	598,383
Waivers	(132,369)	(128,242)	(95,143)
Net Fees	347,887	369,924	503,240
<b>Lifestyle Blend Aggressive Portfolio</b>			
Gross Fees	1,223,817	1,095,394	1,061,212
Waivers	(23,234)	(35,531)	0
Net Fees	1,200,583	1,059,863	1,061,212
<b>Lifestyle Blend Balanced Portfolio</b>			
Gross Fees	3,936,169	3,650,205	3,577,703
Waivers	(216,440)	(252)	(24)
Net Fees	3,719,729	3,649,953	3,577,679
<b>Lifestyle Blend Conservative Portfolio</b>			
Gross Fees	1,290,172	1,262,989	1,146,822
Waivers	(186,794)	(83,987)	(69,091)
Net Fees	1,103,378	1,179,002	1,077,731
<b>Lifestyle Blend Growth Portfolio</b>			
Gross Fees	3,276,978	2,986,694	2,998,894
Waivers	(96,497)	(123)	(2)
Net Fees	3,180,481	2,986,571	2,998,892
<b>Lifestyle Blend Moderate Portfolio</b>			
Gross Fees	1,425,789	1,297,856	1,225,448
Waivers	(166,456)	(68,197)	(33,693)
Net Fees	1,259,333	1,229,659	1,191,755
<b>Multimanager 2065 Lifetime Portfolio</b>			
Gross Fees	151,772	87,565	41,837
Waivers	(151,772)	(87,565)	(41,837)
Net Fees	0	0	0
<b>Multimanager 2060 Lifetime Portfolio</b>			
Gross Fees	547,250	438,704	376,417
Waivers	(547,250)	(438,704)	(376,417)
Net Fees	0	0	0
<b>Multimanager 2055 Lifetime Portfolio</b>			
Gross Fees	786,592	682,981	633,823
Waivers	(786,592)	(682,981)	(633,823)
Net Fees	0	0	0
<b>Multimanager 2050 Lifetime Portfolio</b>			
Gross Fees	1,176,739	1,073,355	1,052,452

Funds	Advisory Fee Paid in Fiscal Year Ended August 31,		
	2024 (\$)	2023 (\$)	2022 (\$)
Waivers	(1,176,739)	(1,073,355)	(1,052,452)
Net Fees	0	0	0
<b>Multimanager 2045 Lifetime Portfolio</b>			
Gross Fees	1,884,384	1,758,484	1,745,823
Waivers	(1,884,384)	(1,758,484)	(1,745,823)
Net Fees	0	0	0
<b>Multimanager 2040 Lifetime Portfolio</b>			
Gross Fees	2,014,992	1,950,664	2,005,805
Waivers	(2,014,992)	(1,950,664)	(2,005,805)
Net Fees	0	0	0
<b>Multimanager 2035 Lifetime Portfolio</b>			
Gross Fees	2,470,315	2,417,653	2,501,627
Waivers	(2,470,315)	(2,417,653)	(2,501,627)
Net Fees	0	0	0
<b>Multimanager 2030 Lifetime Portfolio</b>			
Gross Fees	2,765,607	2,832,840	2,990,287
Waivers	(2,765,607)	(2,832,840)	(2,990,287)
Net Fees	0	0	0
<b>Multimanager 2025 Lifetime Portfolio</b>			
Gross Fees	2,248,439	2,486,121	2,798,550
Waivers	(2,248,439)	(2,486,121)	(2,798,550)
Net Fees	0	0	0
<b>Multimanager 2020 Lifetime Portfolio</b>			
Gross Fees	1,224,624	1,404,867	1,665,445
Waivers	(1,224,624)	(1,404,867)	(1,665,445)
Net Fees	0	0	0
<b>Multimanager 2015 Lifetime Portfolio</b>			
Gross Fees	471,086	510,818	602,418
Waivers	(471,086)	(510,818)	(602,418)
Net Fees	0	0	0
<b>Multimanager 2010 Lifetime Portfolio</b>			
Gross Fees	355,879	386,836	427,609
Waivers	(355,879)	(386,836)	(427,609)
Net Fees	0	0	0
<b>2065 Lifetime Blend Portfolio</b>			
Gross Fees	150,477	77,177	32,486
Waivers	(150,477)	(77,177)	(32,486)
Net Fees	0	0	0
<b>2060 Lifetime Blend Portfolio</b>			
Gross Fees	531,831	379,291	275,284
Waivers	(531,831)	(379,291)	(275,284)
Net Fees	0	0	0
<b>2055 Lifetime Blend Portfolio</b>			
Gross Fees	952,411	727,639	584,061
Waivers	(952,411)	(727,639)	(584,061)
Net Fees	0	0	0
<b>2050 Lifetime Blend Portfolio</b>			
Gross Fees	1,239,058	973,614	785,880
Waivers	(1,239,058)	(973,614)	(785,880)
Net Fees	0	0	0

Funds	Advisory Fee Paid in Fiscal Year Ended August 31,		
	2024 (\$)	2023 (\$)	2022 (\$)
<b>2045 Lifetime Blend Portfolio</b>			
Gross Fees	1,549,060	1,254,624	1,033,700
Waivers	(1,549,060)	(1,254,624)	(1,033,700)
Net Fees	0	0	0
<b>2040 Lifetime Blend Portfolio</b>			
Gross Fees	1,906,987	1,463,568	1,189,579
Waivers	(1,906,987)	(1,463,568)	(1,189,579)
Net Fees	0	0	0
<b>2035 Lifetime Blend Portfolio</b>			
Gross Fees	2,399,641	1,875,301	1,513,708
Waivers	(2,399,641)	(1,875,301)	(1,513,708)
Net Fees	0	0	0
<b>2030 Lifetime Blend Portfolio</b>			
Gross Fees	2,580,152	2,032,292	1,697,577
Waivers	(2,580,152)	(2,032,292)	(1,697,577)
Net Fees	0	0	0
<b>2025 Lifetime Blend Portfolio</b>			
Gross Fees	2,211,937	1,889,690	1,560,265
Waivers	(2,023,857)	(1,575,231)	(1,418,689)
Net Fees	188,080	314,459	141,576
<b>2020 Lifetime Blend Portfolio</b>			
Gross Fees	1,119,619	1,034,617	893,174
Waivers	(1,002,648)	(832,141)	(785,458)
Net Fees	116,971	202,476	107,716
<b>2015 Lifetime Blend Portfolio</b>			
Gross Fees	352,762	306,284	267,017
Waivers	(352,762)	(306,284)	(267,017)
Net Fees	0	0	0
<b>2010 Lifetime Blend Portfolio</b>			
Gross Fees	266,832	225,977	197,575
Waivers	(266,832)	(225,977)	(197,575)
Net Fees	0	0	0
<b>New Opportunities Fund</b>			
Gross Fees	2,102,824	2,152,129	2,514,287
Waivers	(22,432)	(21,233)	(29,867)
Net Fees	2,080,392	2,130,896	2,484,420
<b>Opportunistic Fixed Income Fund</b>			
Gross Fees	805,086	731,169	827,543
Waivers	(229,523)	(280,900)	(284,111)
Net Fees	575,563	450,269	543,432
<b>Real Estate Securities Fund</b>			
Gross Fees	1,667,827	1,828,625	2,534,556
Waivers	(18,564)	(18,803)	(31,070)
Net Fees	1,649,263	1,809,822	2,503,486
<b>Science &amp; Technology Fund</b>			
Gross Fees	1,842,087	1,430,214	1,786,251
Waivers	(111,163)	(83,089)	(72,517)
Net Fees	1,730,924	1,347,125	1,713,734
<b>Small Cap Dynamic Growth Fund</b>			
Gross Fees	3,687,590	3,630,243	4,723,046

<b>Funds</b>	<b>Advisory Fee Paid in Fiscal Year Ended August 31,</b>		
	<b>2024 (\$)</b>	<b>2023 (\$)</b>	<b>2022 (\$)</b>
Waivers	(33,685)	(29,995)	(47,104)
Net Fees	3,653,905	3,600,248	4,675,942
<b>Small Cap Value Fund</b>			
Gross Fees	5,095,071	5,066,022	6,695,832
Waivers	(221,470)	(225,171)	(189,053)
Net Fees	4,873,601	4,840,851	6,506,779
<b>Strategic Income Opportunities Fund</b>			
Gross Fees	20,238,597	23,268,484	28,410,792
Waivers	(1,487,554)	(1,703,895)	(2,158,462)
Net Fees	18,751,043	21,564,589	26,252,330
<b>U.S. Sector Rotation Fund</b>			
Gross Fees	23,996,726	26,635,329	15,880,828
Waivers	(5,450,554)	(5,932,549)	(3,453,410)
Net Fees	18,546,172	20,702,780	12,427,418

### Service Agreement

Pursuant to a Service Agreement, the Advisor is responsible for providing, at the expense of the Trust, certain financial, accounting and administrative services such as legal services, tax, accounting, valuation, financial reporting and performance, compliance and service provider oversight. Pursuant to the Service Agreement, the Advisor shall determine, subject to Board approval, the expenses to be reimbursed by each fund, including an overhead allocation. The payments under the Service Agreement are not intended to provide a profit to the Advisor. Instead, the Advisor provides the services under the Service Agreement because it also provides advisory services under the Advisory Agreement. The reimbursement shall be calculated and paid monthly in arrears.

The Advisor is not liable for any error of judgment or mistake of law or for any loss suffered by a fund in connection with the matters to which the Service Agreement relates, except losses resulting from willful misfeasance, bad faith or negligence by the Advisor in the performance of its duties or from reckless disregard by the Advisor of its obligations under the Agreement.

The Service Agreement had an initial term of two years, and continues thereafter so long as such continuance is specifically approved at least annually by a majority of the Board and a majority of the Independent Trustees. The Trust, on behalf of any or all of the funds, or the Advisor may terminate the Agreement at any time without penalty on 60 days' written notice to the other party. The Agreement may be amended by mutual written agreement of the parties, without obtaining shareholder approval.

The following table shows the fees that each fund incurred and paid to the Advisor for non-advisory services pursuant to the Service Agreement for the fiscal periods ended August 31, 2024, August 31, 2023, and August 31, 2022.

<b>Fund</b>	<b>Service Fee Paid in Fiscal Year Ended August 31,</b>		
	<b>2024 (\$)</b>	<b>2023 (\$)</b>	<b>2022 (\$)</b>
Alternative Asset Allocation Fund	154,675	148,421	79,504
Blue Chip Growth Fund	777,647	682,012	656,044
Capital Appreciation Fund	320,568	278,540	247,031
Capital Appreciation Value Fund	231,346	246,495	189,257
Core Bond Fund	352,158	341,200	240,125
Disciplined Value Emerging Markets Equity Fund	35,312	35,133	26,157
Emerging Markets Debt Fund	205,459	187,036	154,938
Equity Income Fund	335,319	363,892	302,335
Floating Rate Income Fund	202,951	261,124	289,297
Fundamental Global Franchise Fund	52,238	63,893	66,708
Global Equity Fund	116,519	137,927	115,032
Health Sciences Fund	51,380	61,962	52,655
High Yield Fund	38,722	39,524	35,866
International Small Company Fund	112,565	126,184	112,349
International Strategic Equity Allocation Fund	696,987	850,320	385,503
Mid Value Fund	284,382	286,990	243,275

Fund	Service Fee Paid in Fiscal Year Ended August 31,		
	2024 (\$)	2023 (\$)	2022 (\$)
Multi-Asset High Income Fund	22,901	24,530	20,733
Lifestyle Blend Aggressive Portfolio	104,881	96,240	71,524
Lifestyle Blend Balanced Portfolio	239,467	219,426	156,226
Lifestyle Blend Conservative Portfolio	59,939	57,626	37,517
Lifestyle Blend Growth Portfolio	232,726	212,436	157,839
Lifestyle Blend Moderate Portfolio	75,251	67,602	46,094
Multimanager 2065 Lifetime Portfolio	14,847	8,649	3,242
Multimanager 2060 Lifetime Portfolio	53,826	43,520	29,129
Multimanager 2055 Lifetime Portfolio	77,527	67,876	49,081
Multimanager 2050 Lifetime Portfolio	116,277	106,859	81,638
Multimanager 2045 Lifetime Portfolio	176,731	170,289	133,793
Multimanager 2040 Lifetime Portfolio	184,041	181,742	144,372
Multimanager 2035 Lifetime Portfolio	214,466	213,724	170,287
Multimanager 2030 Lifetime Portfolio	231,711	241,693	196,859
Multimanager 2025 Lifetime Portfolio	175,326	199,164	174,380
Multimanager 2020 Lifetime Portfolio	91,387	107,297	96,518
Multimanager 2015 Lifetime Portfolio	34,035	38,142	34,026
Multimanager 2010 Lifetime Portfolio	24,887	28,193	23,600
2065 Lifetime Blend Portfolio	11,178	5,861	1,875
2060 Lifetime Blend Portfolio	39,675	28,880	15,832
2055 Lifetime Blend Portfolio	71,035	55,429	33,562
2050 Lifetime Blend Portfolio	92,426	74,119	45,183
2045 Lifetime Blend Portfolio	112,924	93,743	58,842
2040 Lifetime Blend Portfolio	128,587	101,162	62,191
2035 Lifetime Blend Portfolio	152,008	120,982	73,497
2030 Lifetime Blend Portfolio	152,953	121,876	75,974
2025 Lifetime Blend Portfolio	118,544	102,322	63,126
2020 Lifetime Blend Portfolio	55,120	50,365	31,597
2015 Lifetime Blend Portfolio	16,918	14,699	9,292
2010 Lifetime Blend Portfolio	12,317	10,342	6,521
New Opportunities Fund	57,672	60,924	50,278
Opportunistic Fixed Income Fund	24,554	23,087	21,560
Real Estate Securities Fund	47,201	53,723	52,242
Science & Technology Fund	38,679	30,826	25,637
Small Cap Dynamic Growth Fund	85,259	85,395	77,766
Small Cap Value Fund	108,273	111,510	103,543
Strategic Income Opportunities Fund	619,288	740,569	644,543
U.S. Sector Rotation Fund	743,058	887,294	373,319

## Subadvisory Agreements

**Duties of the Subadvisors.** Under the terms of each of the current subadvisory agreements, including multiple sub-subadvisory arrangements (each a “Subadvisory Agreement” and collectively, the “Subadvisory Agreements”), the subadvisors manage the investment and reinvestment of the assets of the funds, subject to the supervision of the Board and the Advisor. In addition, for a fund with a sub-subadvisory arrangement as indicated in its Prospectus, the activities of the sub-subadvisor are subject to the supervision of that fund’s subadvisor. Each subadvisor formulates a continuous investment program for each such fund consistent with its investment objectives and policies outlined in the Prospectus. Each subadvisor implements such programs by purchases and sales of securities and regularly reports to the Advisor and the Board with respect to the implementation of such programs. Each subadvisor, at its expense, furnishes all necessary investment and management facilities, including salaries of personnel required for it to execute its duties, as well as administrative facilities, including bookkeeping, clerical personnel, and equipment necessary for the conduct of the investment affairs of the assigned funds. Additional information about the funds’ portfolio managers, including other accounts managed, ownership of fund shares, and compensation structure, can be found at Appendix B to this SAI.

The Advisor has delegated to the subadvisors the responsibility to vote all proxies relating to the securities held by the funds. See “Other Services — Proxy Voting” below, for additional information.



**Subadvisory Fees.** As compensation for its services, each subadvisor receives fees from the Advisor computed separately for each fund. In respect of a sub-subadvisory agreement, the fees are paid by the subadvisor to the entity providing the sub-subadvisory services described below.

**Subadvisory Arrangement for Emerging Markets Debt Fund.** In rendering investment advisory services to Emerging Markets Debt Fund, Manulife IM (US), the subadvisor to the fund, may use the portfolio management, research and other resources of Manulife Investment Management (Hong Kong) Limited (“Manulife IM (HK)”), an affiliate of Manulife IM (US). Manulife IM (HK) is not registered with the SEC as an investment advisor under the Advisers Act. Manulife IM (US) has entered into a memorandum of understanding and supervisory agreement (collectively, the “Participating Affiliate Agreement”) with Manulife IM (HK) pursuant to which Manulife IM (HK) is considered a participating affiliate of the subadvisor as that term is used in relief granted by the staff of the SEC allowing U.S. registered investment advisors to use portfolio management or research resources of advisory affiliates subject to the supervision of a registered advisor. Investment professionals from Manulife IM (HK) may render portfolio management, research and other services to Emerging Markets Debt Fund under the Participating Affiliate Agreement and are subject to supervision by Manulife IM (US).

**Sub-Subadvisory Arrangements.** Under a sub-subadvisory arrangement, the sub-subadvisor provides certain investment advisory services to the fund's subadvisor for the benefit of the fund. In each case, the subadvisor pays the sub-subadvisor, as full compensation for all services provided under the sub-subadvisory arrangement, a portion of its subadvisory fee. The Trust does not incur any expenses in connection with any sub-subadvisor's services other than the advisory fee.

Fund	Subadvisor	Sub-subadvisor
Capital Appreciation Value Fund	T. Rowe Price Associates, Inc.	T. Rowe Price Investment Management, Inc.
High Yield Fund	Western Asset Management Company, LLC	Western Asset Management Company Limited

**Affiliated Subadvisors.** The Advisor and the Affiliated Subadvisors are controlled by Manulife Financial.

**Advisory arrangements involving Affiliated Subadvisors and investment in affiliated underlying funds present certain conflicts of interest.** For each fund subadvised by an Affiliated Subadvisor, the Affiliated Subadvisor will benefit from increased subadvisory fees. In addition, MFC will benefit, not only from the net advisory fee retained by the Advisor but also from the subadvisory fee paid by the Advisor to the Affiliated Subadvisor. Consequently, the Affiliated Subadvisors and MFC may be viewed as benefiting financially from: (i) the appointment of or continued service of Affiliated Subadvisors to manage the funds; and (ii) the allocation of the assets of the funds to the funds having Affiliated Subadvisors. Similarly, the Advisor may be viewed as having a conflict of interest in the allocation of the assets of the funds to affiliated underlying funds as opposed to unaffiliated underlying funds. However, both the Advisor, in recommending to the Board the appointment or continued service of Affiliated Subadvisors, and such Subadvisors, in allocating the assets of the funds, have a fiduciary duty to act in the best interests of the funds and their shareholders. The Advisor has a duty to recommend that Affiliated Subadvisors be selected, retained, or replaced only when the Advisor believes it is in the best interests of shareholders. In addition, under the Trust's “Manager of Managers” exemptive order received from the SEC, the Trust is required to obtain shareholder approval of any subadvisory agreement appointing an Affiliated Subadvisor as the subadvisor except as otherwise permitted by applicable SEC No-Action Letter to a fund (in the case of a new fund, the initial sole shareholder of the fund, an affiliate of the Advisor and MFC, may provide this approval). Similarly, each Affiliated Subadvisor has a duty to allocate assets to Affiliated Subadvised funds, and affiliated underlying funds more broadly, only when it believes this is in shareholders' best interests and without regard for the financial incentives inherent in making such allocations. The Independent Trustees are aware of and monitor these conflicts of interest.

#### Additional Information Applicable to Subadvisory Agreements

**Term of each Subadvisory Agreement.** Each Subadvisory Agreement will initially continue in effect as to a fund for a period no more than two years from the date of its execution (or the execution of an amendment making the agreement applicable to that fund) and thereafter if such continuance is specifically approved at least annually either: (a) by the Trustees; or (b) by the vote of a majority of the outstanding voting securities of that fund. In either event, such continuance also shall be approved by the vote of the majority of the Trustees who are not interested persons of any party to the Subadvisory Agreements.

Any required shareholder approval of any continuance of any Subadvisory Agreement shall be effective with respect to any fund if a majority of the outstanding voting securities of that fund votes to approve such continuance, even if such continuance may not have been approved by a majority of the outstanding voting securities of: (a) any other series of the Trust affected by the Subadvisory Agreement; or (b) all of the series of the Trust.

**Failure of Shareholders to Approve Continuance of any Subadvisory Agreement.** If the outstanding voting securities of any fund fail to approve any continuance of any Subadvisory Agreement, the party may continue to act as investment subadvisor with respect to such fund pending the required approval of the continuance of the Subadvisory Agreement or a new agreement with either that party or a different subadvisor, or other definitive action.

**Termination of a Subadvisory Agreement.** A Subadvisory Agreement may be terminated at any time without the payment of any penalty on 60 days' written notice to the other party or parties to the Agreement, and also to the relevant fund. The following parties may terminate a Subadvisory Agreement:

- the Board;
- with respect to any fund, a majority of the outstanding voting securities of such fund;
- the Advisor; and
- the applicable subadvisor.

A Subadvisory Agreement will automatically terminate in the event of its assignment or upon termination of the Advisory Agreement.

**Amendments to the Subadvisory Agreements.** A Subadvisory Agreement may be amended by the parties to the agreement, provided that the amendment is approved by the vote of a majority of the outstanding voting securities of the relevant fund (except as noted below) and by the vote of a majority of the Independent Trustees. The required shareholder approval of any amendment to a Subadvisory Agreement shall be effective with respect to any fund if a majority of the outstanding voting securities of that fund votes to approve the amendment, even if the amendment may not have been approved by a majority of the outstanding voting securities of: (a) any other series of the Trust affected by the amendment; or (b) all the series of the Trust.

As noted under “Who’s who — Investment advisor” in the Prospectus, an SEC order permits the Advisor, subject to approval by the Board and a majority of the Independent Trustees, to appoint a subadvisor (other than an Affiliated Subadvisor), or change a subadvisory fee or otherwise amend a subadvisory agreement (other than with an Affiliated Subadvisor) pursuant to an agreement that is not approved by shareholders.

## Other Services

**Proxy Voting.** Based on the terms of the current Subadvisory Agreements, the Trust’s proxy voting policies and procedures (the “Trust Procedures”) delegate to the subadvisors of each of its funds the responsibility to vote all proxies relating to securities held by that fund in accordance with the subadvisor’s proxy voting policies and procedures. A subadvisor has a duty to vote or not vote such proxies in the best interests of the fund it subadvises and its shareholders, and to avoid the influence of conflicts of interest. In the event that the Advisor assumes day-to-day management responsibilities for the fund, the Trust’s Procedures delegate proxy voting responsibilities to the Advisor. Complete descriptions of the Trust Procedures and the proxy voting procedures of the Advisor and the subadvisors are set forth in Appendix C to this SAI.

It is possible that conflicts of interest could arise for a subadvisor when voting proxies. Such conflicts could arise, for example, when a subadvisor or its affiliate has an existing business relationship with the issuer of the security being voted or with a third party that has an interest in the vote. A conflict of interest also could arise when a fund, its Advisor or principal underwriter or any of their affiliates has an interest in the vote.

In the event a subadvisor becomes aware of a material conflict of interest, the Trust Procedures generally require the subadvisor to follow any conflicts procedures that may be included in the subadvisor’s proxy voting procedures. Although conflicts procedures will vary among subadvisors, they generally include one or more of the following:

- (a) voting pursuant to the recommendation of a third party voting service;
- (b) voting pursuant to pre-determined voting guidelines; or
- (c) referring voting to a special compliance or oversight committee.

The specific conflicts procedures of each subadvisor are set forth in its proxy voting procedures included in Appendix C. While these conflicts procedures may reduce the influence of conflicts of interest on proxy voting, such influence will not necessarily be eliminated.

Although a subadvisor may have a duty to vote all proxies on behalf of the fund that it subadvises, it is possible that the subadvisor may not be able to vote proxies under certain circumstances. For example, it may be impracticable to translate in a timely manner voting materials that are written in a foreign language or to travel to a foreign country when voting in person rather than by proxy is required. In addition, if the voting of proxies for shares of a security prohibits a subadvisor from trading the shares in the marketplace for a period of time, the subadvisor may determine that it is not in the best interests of the fund to vote the proxies. In addition, consistent with its duty to vote proxies in the best interests of a fund’s shareholders, a subadvisor may refrain from voting one or more of the fund’s proxies if the subadvisor believes that the costs of voting such proxies may outweigh the potential benefits. For example, the subadvisor may choose not to recall securities where the subadvisor believes the costs of voting may outweigh the potential benefit of voting. A subadvisor also may choose not to recall securities that have been loaned in order to vote proxies for shares of the security since the fund would lose security lending income if the securities were recalled.

Information regarding how a fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30th is available: (1) without charge, upon request, by calling 800-225-5291; (2) on [www.jhinvestments.com](http://www.jhinvestments.com); and (3) on the SEC’s website at [sec.gov](http://sec.gov).

## DISTRIBUTION AGREEMENTS

The Trust has a Distribution Agreement with John Hancock Investment Management Distributors LLC, an affiliate of the Advisor, and the principal underwriter of the funds, located at 200 Berkeley Street, Boston, Massachusetts 02116. Under the Distribution Agreement, the Distributor is obligated to use its best efforts to sell shares of each class of the funds. Shares of the funds also are sold by selected broker-dealers, banks and registered investment advisors (“Selling Firms”) that have entered into selling agreements with the Distributor. These Selling Firms are authorized to designate other intermediaries to receive purchase and redemption orders on behalf of the funds. The Distributor accepts orders for the purchase of the shares of the funds that are continually offered at the NAV next determined, plus any applicable sales charge. Class I, Class NAV, Class R2, Class R4, Class R5,

Class R6, and Class 1 shares of the funds are offered without a front-end sales load or CDSC. In connection with the sale of Class A shares, the Distributor and Selling Firms typically receive compensation from a sales charge imposed at the time of sale. In the case of both Class A shares and Class C shares where a CDSC is applicable, the Selling Firms receive compensation immediately, but the Distributor is compensated on a deferred basis. Neither the Distributor nor Selling Firms receive any compensation with respect to the sale of Class R6 shares of the funds.

With respect to share classes other than Class R6, the Distributor may make, either from Rule 12b-1 distribution fees, if applicable, or out of its own resources, additional payments to financial intermediaries (firms), such as broker-dealers, banks, registered investment advisors, independent financial planners, and retirement plan administrators. These payments are sometimes referred to as “revenue sharing.” No such payments are made with respect to the funds’ Class R6 shares.

The funds do not issue share certificates. Shares are electronically recorded. The Board reserves the right to change or waive a fund’s minimum investment requirements and to reject any order to purchase shares (including purchase by exchange) when, in the judgment of the Advisor or the relevant subadvisor, such rejection is in the fund’s best interest.

**Underwriting Commissions.** The following table shows the underwriting commissions that the Distributor charged and retained with respect to transactions in Class A and Class C shares of the funds for the fiscal periods ended August 31, 2024, August 31, 2023, and August 31, 2022.

Fund	Share Class	Fiscal Period Ended August 31,					
		2024 (\$)		2023 (\$)		2022 (\$)	
		Amount Charged	Amount Retained	Amount Charged	Amount Retained	Amount Charged	Amount Retained
Alternative Asset Allocation Fund	Class A	22,638	3,741	70,022	11,491	42,376	6,761
	Class C	2,523	0	261	0	388	0
Blue Chip Growth Fund	Class A	749,279	125,280	560,088	92,799	1,081,113	175,933
	Class C	1,094	0	1,472	0	2,420	0
Disciplined Value Emerging Markets Equity Fund	Class A	15,503	2,755	11,753	1,947	22,532	3,478
	Class C	0	0	0	0	106	0
Emerging Markets Debt Fund	Class A	177	24	379	48	2,049	305
	Class C	0	0	0	0	120	0
Equity Income Fund	Class A	156,038	26,720	165,954	28,429	229,801	39,163
	Class C	146	0	1,461	815	155	0
Floating Rate Income Fund	Class A	48,216	10,209	47,055	9,727	143,914	30,830
	Class C	807	0	3,028	0	2,535	0
Fundamental Global Franchise Fund	Class A	2,247	360	3,880	657	6,477	1,087
Global Equity Fund	Class A	22,769	3,937	14,458	2,495	25,844	5,230
	Class C	47	0	3	0	43	0
International Small Company Fund	Class A	14,806	2,595	31,966	5,443	60,096	10,210
	Class C	1	0	0	0	22	0
Multi-Asset High Income Fund	Class A	30	4	478	63	6,101	833

Fund	Share Class	Fiscal Period Ended August 31,					
		2024 (\$)		2023 (\$)		2022 (\$)	
		Amount Charged	Amount Retained	Amount Charged	Amount Retained	Amount Charged	Amount Retained
	Class C	0	0	0	0	0	0
Lifestyle Blend Aggressive Portfolio	Class A	4,407	708	3,307	561	2,584	415
Lifestyle Blend Balanced Portfolio	Class A	3,062	490	5,772	935	12,750	2,265
Lifestyle Blend Conservative Portfolio	Class A	1,217	196	10,080	2,044	1,130	180
Lifestyle Blend Growth Portfolio	Class A	10,091	1,704	4,029	692	2,181	354
Lifestyle Blend Moderate Portfolio	Class A	1,517	233	921	141	1,253	188
2065 Lifetime Blend Portfolio	Class A	3,031	482	527	93	134	24
2060 Lifetime Blend Portfolio	Class A	7,133	1,104	381	71	342	54
2055 Lifetime Blend Portfolio	Class A	3,000	506	3,764	618	292	39
2050 Lifetime Blend Portfolio	Class A	6,626	1,080	2,074	341	3,069	482
2045 Lifetime Blend Portfolio	Class A	4,628	726	3,061	487	2,693	441
2040 Lifetime Blend Portfolio	Class A	2,419	403	863	157	4,268	785
2035 Lifetime Blend Portfolio	Class A	5,672	933	1,633	289	1,636	245
2030 Lifetime Blend Portfolio	Class A	2,862	438	5,146	818	6,953	1,105
2025 Lifetime Blend Portfolio	Class A	4,212	780	4,401	830	192	33
2020 Lifetime Blend Portfolio	Class A	0	0	4,983	842	0	0
2015 Lifetime Blend Portfolio	Class A	10	2	8,543	1,524	23	4
2010 Lifetime Blend Portfolio	Class A	0	0	216	32	0	0
Multimanager 2065 Lifetime Portfolio	Class A	4,199	691	3,404	530	519	88
Multimanager 2060 Lifetime Portfolio	Class A	7,267	1,200	7,142	1,177	7,433	1,218
Multimanager 2055 Lifetime Portfolio	Class A	9,134	1,551	5,537	939	10,186	1,710
Multimanager 2050 Lifetime Portfolio	Class A	11,643	2,002	10,761	1,818	10,661	1,739

Fund	Share Class	Fiscal Period Ended August 31,					
		2024 (\$)		2023 (\$)		2022 (\$)	
		Amount Charged	Amount Retained	Amount Charged	Amount Retained	Amount Charged	Amount Retained
Multimanager 2045 Lifetime Portfolio	Class A	9,648	1,643	11,134	1,798	14,471	2,236
Multimanager 2040 Lifetime Portfolio	Class A	13,181	2,258	20,879	3,595	29,995	4,926
Multimanager 2035 Lifetime Portfolio	Class A	13,282	2,285	30,409	5,326	23,392	3,920
Multimanager 2030 Lifetime Portfolio	Class A	17,317	2,942	18,142	3,000	35,877	5,399
Multimanager 2025 Lifetime Portfolio	Class A	8,747	1,463	12,057	2,100	21,511	5,251
Multimanager 2020 Lifetime Portfolio	Class A	3,717	583	2,684	458	9,474	1,553
Multimanager 2015 Lifetime Portfolio	Class A	8,724	1,602	1,733	289	2,138	305
Multimanager 2010 Lifetime Portfolio	Class A	1,151	181	559	92	1,288	169
New Opportunities Fund	Class A	42,834	7,294	33,175	5,543	48,975	7,389
	Class C	89	0	73	0	55	0
Opportunistic Fixed Income Fund	Class A	33,357	5,611	13,036	2,397	1,338	210
	Class C	10	0	0	0	0	0
Real Estate Securities Fund	Class A	8,515	1,466	1,591	263	6,575	1,107
	Class C	0	0	0	0	0	0
Small Cap Dynamic Growth Fund	Class A	3,745	611	8,689	1,417	11,647	2,130
	Class C	60	0	0	0	0	0
Small Cap Value Fund	Class A	40,759	7,021	27,465	4,597	45,250	7,878
Strategic Income Opportunities Fund	Class A	118,183	16,237	116,327	17,543	159,292	23,681
	Class C	773	0	1,335	0	3,711	0

**Distribution Plans.** The Board has adopted distribution plans with respect to Class A, Class C, Class R2, Class R4, Class R5, and Class 1 shares pursuant to Rule 12b-1 under the 1940 Act (the “Rule 12b-1 Plans”). Under the Rule 12b-1 Plans, a fund may pay distribution and service fees based on average daily net assets attributable to those classes, at the maximum aggregate annual rates shown in the following table. However, the service portion of the Rule 12b-1 fees borne by a class of shares of a fund will not exceed 0.25% of average daily net assets attributable to such class of shares.

<b>Share Class</b>	<b>Rule 12b-1 Fee (%)</b>
Class A (Each fund other than Floating Rate Income Fund, Multi-Asset High Income Fund, New Opportunities Fund, Opportunistic Fixed Income Fund, Real Estate Securities Fund, and Small Cap Dynamic Growth Fund)	0.30
Class A (Floating Rate Income Fund, Multi-Asset High Income Fund, New Opportunities Fund, Opportunistic Fixed Income Fund, Real Estate Securities Fund, and Small Cap Dynamic Growth Fund)	0.25
Class C	1.00
Class R2	0.25
Class R4 <sup>1</sup>	0.25
Class R5	0.00
Class 1	0.05

<sup>1</sup> The Distributor has contractually agreed to limit the Rule 12b-1 distribution and service fees for Class R4 shares of Alternative Asset Allocation Fund, Global Equity Fund, New Opportunities Fund, the 2010-2065 Lifetime Blend Portfolios and the 2010-2065 Multimanager Lifetime Portfolios to 0.15% until December 31, 2025.

The distribution portion of the fees payable pursuant to the Rule 12b-1 Plans may be spent on any activities or expenses primarily intended to result in the sale of shares of the particular class, including but not limited to: (i) compensation to Selling Firms and others (including affiliates of the Distributor) that are engaged in or support the sale of fund shares; and (ii) marketing, promotional and overhead expenses incurred in connection with the distribution of fund shares. The service portion of the fees payable pursuant to the Rule 12b-1 Plans may be used to compensate Selling Firms and others for providing personal and account maintenance services to shareholders. The fees paid under the Class 1 shares' Rule 12b-1 Plans also may be used for certain shareholder and administrative services.

The Rule 12b-1 Plans and all amendments were approved by the Board, including a majority of the Independent Trustees, by votes cast in person at meetings called for the purpose of voting on the Rule 12b-1 Plans. Pursuant to the Rule 12b-1 Plans, at least quarterly, the Distributor provides the Board with a written report of the amounts expended under the Rule 12b-1 Plans and the purpose for which these expenditures were made. The Board reviews these reports on a quarterly basis to determine the continued appropriateness of such expenditures.

Each Rule 12b-1 Plan provides that it will continue in effect only so long as its continuance is approved at least annually by a majority of both the Board and the Independent Trustees. Each Rule 12b-1 Plan provides that it may be terminated without penalty: (a) by a vote of a majority of the Independent Trustees; and (b) by a vote of a majority of the fund's outstanding shares of the applicable class, in each case upon 60 days' written notice to the Distributor. Each Rule 12b-1 Plan further provides that it may not be amended to increase materially the maximum amount of the fees for the services described therein without the approval of a majority of the outstanding shares of the class of a fund that has voting rights with respect to the Rule 12b-1 Plan. The Rule 12b-1 Plans provide that no material amendment to the Rule 12b-1 Plans will be effective unless it is approved by a majority vote of the Board and the Independent Trustees of the Trust. The holders of Class A, Class C, Class R2, Class R4, Class R5, and Class 1 shares have exclusive voting rights with respect to the Rule 12b-1 Plans applicable to their class of shares. In adopting the Rule 12b-1 Plans, the Board, including the Independent Trustees, concluded that, in their judgment, there is a reasonable likelihood that the Rule 12b-1 Plans will benefit the holders of the applicable classes of shares of each fund.

Class I, Class NAV, and Class R6 shares of the funds are not subject to any Rule 12b-1 Plan. Expenses associated with the obligation of the Distributor to use its best efforts to sell Class I, Class NAV, and Class R6 shares will be paid by the Advisor or by the Distributor and will not be paid from the fees paid under the Rule 12b-1 Plan for any other class of shares. In addition, expenses associated with the obligation of the Distributor to use its best efforts to sell Class R5 shares will be paid by the Advisor or by the Distributor and will not be paid by the funds.

Amounts paid to the Distributor by any class of shares of a fund will not be used to pay the expenses incurred with respect to any other class of shares of that fund; provided, however, that expenses attributable to the fund as a whole will be allocated, to the extent permitted by law, according to a formula based upon gross sales dollars and/or average daily net assets of each such class, as may be approved from time to time by vote of a majority of the Trustees. From time to time, a fund may participate in joint distribution activities with other funds and the costs of those activities will be borne by the fund in proportion to the relative NAVs of the fund and the other funds.

Each Rule 12b-1 Plan recognizes that the Advisor may use its management fee revenue under the Advisory Agreement with a fund as well as its past profits or other resources from any source to make payments with respect to expenses incurred in connection with the distribution of shares of the fund. To the extent that the payment of management fees by a fund to the Advisor should be deemed to be the indirect financing of any activity primarily intended to result in the sale of shares of a class within the meaning of Rule 12b-1, such payments are deemed to be authorized by the Rule 12b-1 Plan.

During the fiscal period ended August 31, 2024, the following amounts were paid to the Distributor pursuant to each fund's Rule 12b-1 Plans.

<b>Fund</b>	<b>Share Class</b>	<b>Rule 12b-1 Service Fee Payments (\$)</b>	<b>Rule 12b-1 Distribution Fee Payments (\$)</b>
Alternative Asset Allocation Fund	Class A	147,421	29,001
Alternative Asset Allocation Fund	Class C	15,366	45,928

<b>Fund</b>	<b>Share Class</b>	<b>Rule 12b-1 Service Fee Payments (\$)</b>	<b>Rule 12b-1 Distribution Fee Payments (\$)</b>
Alternative Asset Allocation Fund	Class R2	3,501	0
Alternative Asset Allocation Fund	Class R4	195	0
Blue Chip Growth Fund	Class 1	846,160	0
Blue Chip Growth Fund	Class A	2,522,887	496,306
Blue Chip Growth Fund	Class C	117,052	349,877
Capital Appreciation Fund	Class 1	321,644	0
Core Bond Fund	Class 1	60,183	0
Disciplined Value Emerging Markets Equity Fund	Class A	97,598	19,200
Disciplined Value Emerging Markets Equity Fund	Class C	2,896	8,657
Emerging Markets Debt Fund	Class A	4,879	960
Emerging Markets Debt Fund	Class C	537	1,604
Equity Income Fund	Class 1	88,670	0
Equity Income Fund	Class A	365,310	71,865
Equity Income Fund	Class C	3,714	11,100
Floating Rate Income Fund	Class 1	7,584	0
Floating Rate Income Fund	Class A	318,717	0
Floating Rate Income Fund	Class C	31,808	95,074
Fundamental Global Franchise Fund	Class A	17,455	3,434
Global Equity Fund	Class A	141,772	27,890
Global Equity Fund	Class C	4,905	14,662
Global Equity Fund	Class R2	254	0
Global Equity Fund	Class R4	101	0
High Yield Fund	Class 1	97,583	0
International Small Company Fund	Class A	128,476	25,273
International Small Company Fund	Class C	853	2,549
Multi-Asset High Income Fund	Class A	14,644	0
Multi-Asset High Income Fund	Class C	1,171	3,499
Lifestyle Blend Aggressive Portfolio	Class 1	214,740	0
Lifestyle Blend Aggressive Portfolio	Class A	190,742	37,523
Lifestyle Blend Balanced Portfolio	Class 1	447,903	0
Lifestyle Blend Balanced Portfolio	Class A	704,170	138,525
Lifestyle Blend Conservative Portfolio	Class 1	97,516	0
Lifestyle Blend Conservative Portfolio	Class A	248,157	48,818
Lifestyle Blend Growth Portfolio	Class 1	471,959	0
Lifestyle Blend Growth Portfolio	Class A	474,483	93,341
Lifestyle Blend Moderate Portfolio	Class 1	124,200	0
Lifestyle Blend Moderate Portfolio	Class A	303,283	59,662
Multimanager 2065 Lifetime Portfolio	Class 1	34,095	0
Multimanager 2065 Lifetime Portfolio	Class A	2,342	460
Multimanager 2065 Lifetime Portfolio	Class R2	163	0
Multimanager 2065 Lifetime Portfolio	Class R4	92	0
Multimanager 2060 Lifetime Portfolio	Class 1	112,354	0
Multimanager 2060 Lifetime Portfolio	Class A	28,213	5,550
Multimanager 2060 Lifetime Portfolio	Class R2	2,562	0
Multimanager 2060 Lifetime Portfolio	Class R4	100	0
Multimanager 2055 Lifetime Portfolio	Class 1	153,795	0



<b>Fund</b>	<b>Share Class</b>	<b>Rule 12b-1 Service Fee Payments (\$)</b>	<b>Rule 12b-1 Distribution Fee Payments (\$)</b>
Multimanager 2055 Lifetime Portfolio	Class A	82,180	16,166
Multimanager 2055 Lifetime Portfolio	Class R2	3,086	0
Multimanager 2055 Lifetime Portfolio	Class R4	71	0
Multimanager 2050 Lifetime Portfolio	Class 1	216,549	0
Multimanager 2050 Lifetime Portfolio	Class A	203,978	40,127
Multimanager 2050 Lifetime Portfolio	Class R2	10,136	0
Multimanager 2050 Lifetime Portfolio	Class R4	1,031	0
Multimanager 2045 Lifetime Portfolio	Class 1	326,333	0
Multimanager 2045 Lifetime Portfolio	Class A	375,639	73,896
Multimanager 2045 Lifetime Portfolio	Class R2	16,711	0
Multimanager 2045 Lifetime Portfolio	Class R4	533	0
Multimanager 2040 Lifetime Portfolio	Class 1	335,070	0
Multimanager 2040 Lifetime Portfolio	Class A	424,063	83,422
Multimanager 2040 Lifetime Portfolio	Class R2	14,561	0
Multimanager 2040 Lifetime Portfolio	Class R4	624	0
Multimanager 2035 Lifetime Portfolio	Class 1	387,836	0
Multimanager 2035 Lifetime Portfolio	Class A	492,392	96,864
Multimanager 2035 Lifetime Portfolio	Class R2	23,731	0
Multimanager 2035 Lifetime Portfolio	Class R4	340	0
Multimanager 2030 Lifetime Portfolio	Class 1	410,157	0
Multimanager 2030 Lifetime Portfolio	Class A	570,226	112,175
Multimanager 2030 Lifetime Portfolio	Class R2	24,173	0
Multimanager 2030 Lifetime Portfolio	Class R4	1,056	0
Multimanager 2025 Lifetime Portfolio	Class 1	301,155	0
Multimanager 2025 Lifetime Portfolio	Class A	481,019	94,627
Multimanager 2025 Lifetime Portfolio	Class R2	17,755	0
Multimanager 2025 Lifetime Portfolio	Class R4	772	0
Multimanager 2020 Lifetime Portfolio	Class 1	130,142	0
Multimanager 2020 Lifetime Portfolio	Class A	391,140	76,946
Multimanager 2020 Lifetime Portfolio	Class R2	11,378	0
Multimanager 2020 Lifetime Portfolio	Class R4	397	0
Multimanager 2015 Lifetime Portfolio	Class 1	41,403	0
Multimanager 2015 Lifetime Portfolio	Class A	191,565	37,685
Multimanager 2015 Lifetime Portfolio	Class R2	1,193	0
Multimanager 2015 Lifetime Portfolio	Class R4	27	0
Multimanager 2010 Lifetime Portfolio	Class 1	37,047	0
Multimanager 2010 Lifetime Portfolio	Class A	97,364	19,153
Multimanager 2010 Lifetime Portfolio	Class R2	741	0
2065 Lifetime Blend Portfolio	Class 1	21,865	0
2065 Lifetime Blend Portfolio	Class A	12,909	2,540
2065 Lifetime Blend Portfolio	Class R4	164	0
2060 Lifetime Blend Portfolio	Class 1	58,632	0
2060 Lifetime Blend Portfolio	Class A	83,852	16,495
2060 Lifetime Blend Portfolio	Class R4	1,916	0
2055 Lifetime Blend Portfolio	Class 1	103,431	0
2055 Lifetime Blend Portfolio	Class A	173,724	34,175
2055 Lifetime Blend Portfolio	Class R4	2,790	0
2050 Lifetime Blend Portfolio	Class 1	127,385	0

<b>Fund</b>	<b>Share Class</b>	<b>Rule 12b-1 Service Fee Payments (\$)</b>	<b>Rule 12b-1 Distribution Fee Payments (\$)</b>
2050 Lifetime Blend Portfolio	Class A	255,073	50,179
2050 Lifetime Blend Portfolio	Class R4	3,394	0
2045 Lifetime Blend Portfolio	Class 1	160,088	0
2045 Lifetime Blend Portfolio	Class A	303,887	59,781
2045 Lifetime Blend Portfolio	Class R4	5,560	0
2040 Lifetime Blend Portfolio	Class 1	180,681	0
2040 Lifetime Blend Portfolio	Class A	311,815	61,341
2040 Lifetime Blend Portfolio	Class R4	2,345	0
2035 Lifetime Blend Portfolio	Class 1	217,564	0
2035 Lifetime Blend Portfolio	Class A	367,719	72,338
2035 Lifetime Blend Portfolio	Class R4	7,233	0
2030 Lifetime Blend Portfolio	Class 1	202,831	0
2030 Lifetime Blend Portfolio	Class A	401,311	78,946
2030 Lifetime Blend Portfolio	Class R4	9,664	0
2025 Lifetime Blend Portfolio	Class 1	135,397	0
2025 Lifetime Blend Portfolio	Class A	467,003	91,870
2025 Lifetime Blend Portfolio	Class R4	3,922	0
2020 Lifetime Blend Portfolio	Class 1	57,080	0
2020 Lifetime Blend Portfolio	Class A	258,125	50,779
2020 Lifetime Blend Portfolio	Class R4	2,459	0
2015 Lifetime Blend Portfolio	Class 1	16,259	0
2015 Lifetime Blend Portfolio	Class A	74,187	14,594
2015 Lifetime Blend Portfolio	Class R4	229	0
2010 Lifetime Blend Portfolio	Class 1	18,034	0
2010 Lifetime Blend Portfolio	Class A	32,382	6,371
2010 Lifetime Blend Portfolio	Class R4	121	0
New Opportunities Fund	Class 1	10,779	0
New Opportunities Fund	Class A	622,573	0
New Opportunities Fund	Class C	4,238	12,666
New Opportunities Fund	Class R2	701	0
New Opportunities Fund	Class R4	91	0
Opportunistic Fixed Income Fund	Class 1	30,836	0
Opportunistic Fixed Income Fund	Class A	83,735	0
Opportunistic Fixed Income Fund	Class C	3,349	10,009
Real Estate Securities Fund	Class 1	108,077	0
Real Estate Securities Fund	Class A	15,133	0
Real Estate Securities Fund	Class C	182	543
Small Cap Value Fund	Class A	110,042	21,648
Small Cap Dynamic Growth Fund	Class A	60,451	0
Small Cap Dynamic Growth Fund	Class C	690	2,061
Strategic Income Opportunities Fund	Class A	692,295	136,189
Strategic Income Opportunities Fund	Class C	57,379	171,509
Strategic Income Opportunities Fund	Class R2	8,058	0

**Class R Service Plans.** The Trust has adopted a separate service plan with respect to Class R2, Class R4, and Class R5 shares of the applicable funds (the “Class R Service Plans”). The Class R Service Plans authorize a fund to pay securities dealers, plan administrators or other service organizations who agree to provide certain services to retirement plans, or plan participants holding shares of the fund a service fee of up to a specified percentage of the fund’s average daily net assets attributable to the applicable class of shares held by such plan participants. The percentages are 0.25% for Class R2 shares, 0.10% for Class R4 shares, and 0.05% for Class R5 shares. The services may include (a) acting, directly or through an agent, as the shareholder

and nominee for all plan participants; (b) maintaining account records for each plan participant that beneficially owns the applicable class of shares; (c) processing orders to purchase, redeem and exchange the applicable class of shares on behalf of plan participants, and handling the transmission of funds representing the purchase price or redemption proceeds; (d) addressing plan participant questions regarding their accounts and the funds; and (e) other services related to servicing such retirement plans.

## SALES COMPENSATION

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As part of their business strategy, the funds, along with the Distributor, pay compensation to Selling Firms that sell the shares of the funds. These firms typically pass along a portion of this compensation to the shareholder's broker or financial professional.

The primary sources of Selling Firm compensation payments for sales of shares of the funds are: (1) the Rule 12b-1 fees that are applicable to the class of shares being sold and that are paid out of a fund's assets; and (2) in the case of Class A and Class C shares, sales charges paid by investors. The sales charges and Rule 12b-1 fees are detailed in the relevant Prospectus and under "Distribution Agreements," "Sales Charges on Class A and Class C Shares," and "Deferred Sales Charge on Class A and Class C Shares" in this SAI. For Class I shares, the Distributor may make a one-time payment at the time of initial purchase out of its own resources to a Selling Firm that sells Class I shares of the funds. This payment may not exceed 0.15% of the amount invested.

**Initial Compensation.** Whenever an investor purchases Class A or Class C shares of a fund, the Selling Firm receives a reallowance/payment/commission as described in the section "First Year Broker or Other Selling Firm Compensation."

**Annual Compensation.** Except as provided below, for Class A share purchases of a fund, beginning with the first year an investment is made, the Selling Firm receives an annual Rule 12b-1 fee of 0.25% of its average daily net assets invested in the fund. This Rule 12b-1 fee is paid monthly in arrears.

For Class A investments of \$1 million or more in most funds, investments by certain retirement plans where a finder's fee has been paid, and investments made in Class C shares of a fund, beginning in the second year after an investment is made, the Selling Firm receives an annual Rule 12b-1 service fee of up to 0.25% of its average daily net (eligible) assets invested in the fund. The term "(eligible) assets" used in this context refers to shares held for more than one year. In addition, beginning in the second year after an investment is made in Class C shares of a fund, the Distributor will pay the Selling Firm a distribution fee in an amount not to exceed 0.75% of the average daily net (eligible) assets invested in the fund. These service and distribution fees are paid monthly in arrears.

For Class R2 and Class R4 shares of a fund, beginning in the first year after an investment is made, the Selling Firm receives an annual Rule 12b-1 service fee of 0.25% of its average daily net (eligible) assets, except that the annual Rule 12b-1 distribution and service fee payable to Selling Firms for Class R4 shares of certain funds is limited to 0.15% of the average daily net assets of Class R4 shares for each such fund until December 31, 2025, as described in each such fund's Class R4 Prospectus.

The Distributor may pay all or part of the Rule 12b-1 fees applicable to Class 1 shares of a fund to one or more affiliated and unaffiliated insurance companies that have issued group annuity contracts for which the fund serves as an investment vehicle as compensation for providing some or all of the types of services contemplated by the Class 1 Rule 12b-1 Plan. In addition, as further compensation for providing these services, the Advisor, but not any of the funds, pays each Affiliated Insurance Company an administrative fee equal to 0.25% of the total average daily net assets of the funds attributable to variable contracts issued by the Affiliated Insurance Company.

For more information, see the table below under the column captioned "Selling Firm receives Rule 12b-1 service fee." These service and distribution fees are paid monthly in arrears.

**Additional Payments to Financial Intermediaries.** Shares of the funds are primarily sold through financial intermediaries (firms), such as broker-dealers, banks, registered investment advisors, independent financial planners, and retirement plan administrators. In addition to sales charges, which are payable by shareholders, and Rule 12b-1 distribution fees, which are paid by the funds, the Advisor, the Distributor or another affiliate makes additional payments to firms out of its own resources. These payments are sometimes referred to as "revenue sharing." Many firms involved in the sale of fund shares receive one or more types of these cash payments. The categories of payments that the Advisor, the Distributor or another affiliate provides to firms are described below. These categories are not mutually exclusive and the Advisor, the Distributor or another affiliate may make additional types of revenue sharing payments in the future. Some firms receive payments under more than one or all categories. These payments assist in the efforts of the Advisor, the Distributor or another affiliate to promote the sale of the funds' shares. The Advisor, the Distributor or another affiliate 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 and are an important factor in a firm's willingness to support the sale of the funds through its distribution system. To the extent firms receiving such payments purchase shares of the funds on behalf of their clients, the Advisor and/or the Distributor benefit from increased management and other fees with respect to those assets. The Advisor, the Distributor or another affiliate determines which firms to make payments to and the extent of the payments it is willing to make. The Advisor, the Distributor or another affiliate generally chooses to compensate firms that have a strong capability to distribute shares of the funds and that are willing to cooperate with the promotional efforts of the Advisor, the Distributor or another affiliate. The Advisor, the Distributor or another affiliate does not make an independent assessment of the cost of providing such services.

The provision of these additional payments, the varying fee structures and the basis on which a firm compensates its registered representatives or salespersons creates an incentive for a particular firm, registered representative, or salesperson to highlight, feature or recommend funds, including the funds, or other investments based, at least in part, on the level of compensation paid. Additionally, if greater payments are made with respect to one mutual fund complex than another, a firm has an incentive to recommend one fund complex over another. Similarly, if a firm receives greater compensation for one share class versus another, that firm has an incentive to recommend the share class with the greater compensation. Shareholders should consider whether such incentives exist when evaluating any recommendations from a firm to purchase or sell shares of the funds and when considering which share class is most appropriate. Shareholders should ask their salesperson or visit their firm's website for more information about the additional payments they receive and any potential conflicts of interest, as well as for information regarding any fees and/or commissions the firm charges. Firms may categorize and disclose these arrangements differently than the Distributor and its affiliates.

As of August 31, 2024, the following member firms of the Financial Industry Regulatory Authority, Inc. ("FINRA") have arrangements in effect with the Advisor, the Distributor or another affiliate pursuant to which the firm is entitled to a revenue sharing payment at an annual rate of up to 0.25% of the value of the fund shares sold or serviced by the firm:

**Business Partner Firms**

- Ameriprise Financial Services, Inc.
- Avantax Wealth Management
- Avantax Planning Partners, Inc.
- Ascensus LLC
- Banc of America/Merrill Lynch
- BOK Financial Securities, Inc.
- Centaurus Financial, Inc.
- Cetera - Advisor Network LLC
- Cetera - Advisors LLC
- Cetera - Financial Institutions
- Cetera - Financial Specialists, Inc.
- Charles Schwab
- Commonwealth Financial Network
- Concourse Financial Group Securities
- Crown Capital Securities L.P.
- DA Davidson & Co Inc.
- Edward D. Jones & Co. LP
- Fidelity - Fidelity Brokerage Services LLC
- Fidelity - Fidelity Investments Institutional Operations Company, Inc.
- Fidelity - National Financial Services LLC
- Fifth Third Securities, Inc.
- First Command Financial Planning
- First Horizon Advisors
- Geneos Wealth Management
- GWFS Equities, Inc.
- HUB International Ltd
- Independent Financial Group
- J.P. Morgan Securities LLC

**Business Partner Firms**

- Key Investment Services
- LPL Financial LLC
- MML Investor Services, Inc.
- Money Concepts Capital Corp.
- Morgan Stanley Wealth Management, LLC
- Northwestern Mutual Investment Services, LLC
- Osaic - American Portfolios Financial Services, Inc.
- Osaic - FSC Securities Corporation
- Osaic - Osaic Institutions, Inc.
- Osaic - Osaic Services, Inc.
- Osaic - Osaic Wealth, Inc.
- Osaic - Woodbury Financial Services
- Osaic - Securities America, Inc.
- Osaic - Triad Advisors, LLC.
- Principal Securities, Inc.
- Raymond James and Associates, Inc.
- Raymond James Financial Services, Inc.
- RBC Capital Markets Corporation
- Robert W. Baird & Co.
- Sanctuary Wealth Group, LLC
- Stifel, Nicolaus, & Co, Inc.
- TD Ameritrade
- The Investment Center, Inc.
- Transamerica Financial Advisors, Inc.
- UBS Financial Services, Inc.
- Unionbanc Investment Services
- Wells Fargo Advisors

The Advisor, the Distributor or another affiliate also has arrangements with intermediaries that are not members of FINRA.

The Advisor, the Distributor or another affiliate may revise the terms of any existing revenue sharing arrangement, and may enter into additional revenue sharing arrangements with other firms in the future.

**Sales and Asset Based Payments.** The Advisor, the Distributor or another affiliate makes revenue sharing payments as incentives to certain firms to promote and sell shares of the funds. The Advisor, the Distributor or another affiliate hopes to benefit from revenue sharing by increasing the funds' net assets, which, as well as benefiting the funds, would result in additional management and other fees for the Advisor and its affiliates. In consideration for revenue sharing compensation, some firms will feature certain funds in their sales systems or give the Advisor, the Distributor or another affiliate additional access to members of their sales forces or management. In addition, some firms agree to participate in the marketing efforts of the Advisor, the Distributor or another affiliate by allowing the Advisor, the Distributor or another affiliate to participate in conferences, seminars or other programs

attended by the firm's sales force. Although certain firms seek revenue sharing payments to offset costs incurred by the firm in servicing the firm's clients that have invested in the funds, such firms may still earn a profit on these payments. Revenue sharing payments provide a firm with an incentive to recommend the funds.

The payments to firms generally are negotiated based on a number of factors including, but not limited to, quality of service, reputation in the industry, ability to attract and retain assets, target markets, customer relationships, and relationship with the Advisor, the Distributor or another affiliate. No one factor is determinative of the type or amount of additional compensation to be provided. The amount of these payments, as determined from time to time by the Advisor, the Distributor or another affiliate in its sole discretion, may be different for different firms. For example, one way in which revenue sharing payments made by the Advisor, the Distributor or another affiliate are calculated is on sales of shares of the funds ("Sales-Based Payments"). Such payments can also be calculated on the average daily net assets of the applicable funds attributable to that particular financial intermediary or on another subset of assets of funds in the John Hancock Fund Complex ("Asset-Based Payments"). Sales-Based Payments primarily create incentives for firms to sell shares of the funds and Asset-Based Payments primarily create incentives for firms to retain previously sold shares of the funds in investor accounts. The Advisor, the Distributor or another affiliate pays firms either or both Sales-Based Payments and Asset-Based Payments. The compensation arrangements described in this section are not mutually exclusive, and a single firm may receive multiple types of compensation. Such payments may be calculated by reference to the gross or net sales by such person, the average net assets of shares held by the customers of such person, the number of accounts of the funds attributable to such person, on the basis of a flat fee or a negotiated lump sum payment for services provided, or otherwise.

**Administrative, Technology, and Processing Support Payments.** The Advisor, the Distributor or another affiliate also pays certain firms that sell shares of the funds for certain administrative services, including recordkeeping and sub-accounting shareholder accounts, to the extent that the funds do not pay for these costs directly. The Advisor, the Distributor or another affiliate also makes payments to certain firms that sell shares of the funds in connection with client account maintenance support, statement preparation and transaction processing. The types of payments that the Advisor, the Distributor or another affiliate makes under this category include, among others, payment of ticket charges per purchase or exchange order placed by a financial intermediary, payment of networking fees in connection with certain fund trading systems, or one-time payments for ancillary services such as setting up funds on a firm's fund trading system. The Advisor, the Distributor or another affiliate also makes platform support payments to some firms for the purpose of supporting services provided by a financial firm's servicing of shareholder accounts, including, but not limited to, platform education and communications, relationship management support, development to support new or changing products, eligibility for inclusion on sample fund line-ups, trading or order taking platforms and related infrastructure/technology and/or legal, risk management and regulatory compliance infrastructure in support of investment related products, programs and services. In addition, the Advisor, the Distributor or another affiliate may pay for certain services including technology, operations, tax, "due diligence," or audit consulting services.

**Retirement Plan Program Servicing Payments.** The Advisor, the Distributor or another affiliate may make payments to certain financial intermediaries who sell fund shares through retirement plan programs. A financial intermediary may perform retirement plan program services itself or may arrange with a third party to perform retirement plan program services. In addition to participant recordkeeping, reporting or transaction processing, retirement plan program services may include: services rendered to a plan in connection with fund/investment selection and monitoring; employee enrollment and education; plan balance rollover or separation; or other similar services.

**Marketing Support Payments.** The Advisor, the Distributor or another affiliate makes payments to some firms for marketing support services, including: providing periodic and ongoing education and training and support of firm personnel regarding the funds; disseminating to firm personnel information and product marketing materials regarding the funds; explaining to firms' clients the features and characteristics of the funds; conducting due diligence regarding the funds; granting access (in some cases on a preferential basis over other competitors) to sales meetings, sales representatives and management representatives of the firm; and providing business planning assistance, marketing support, advertising and other services.

**Other Cash Payments.** From time to time, the Advisor, the Distributor or another affiliate provides, either from Rule 12b-1 distribution fees or out of its own resources, additional compensation to firms that sell or arrange for the sale of shares of the funds. Such compensation provided by the Advisor, the Distributor or another affiliate may take various forms, including payments for the receipt of analytical data in relation to sales of fund shares, financial assistance to firms that enable the Advisor, the Distributor or another affiliate to participate in and/or present at conferences or seminars, sales or training programs for invited registered representatives and other employees, client entertainment, client and investor events, and other firm-sponsored events, and travel expenses, including lodging incurred by registered representatives and other employees in connection with client prospecting, retention and due diligence trips. Other compensation may be offered to the extent not prohibited by federal or state laws or any self-regulatory agency, such as FINRA. The Advisor, the Distributor or another affiliate makes payments for entertainment events it deems appropriate, subject to its guidelines and applicable law. These payments vary depending upon the nature of the event or the relationship.

In certain circumstances, the Advisor, the Distributor or another affiliate has other relationships with some firms relating to the provisions of services to the funds, such as providing omnibus account services or transaction processing services, or effecting portfolio transactions for the funds. If a firm provides these services, the Advisor or the funds may compensate the firm for these services. In addition, in certain circumstances, some firms have other compensated or uncompensated relationships with the Advisor or its affiliates that are not related to the funds.

**First Year Broker or Other Selling Firm Compensation**

	Investor pays sales charge (% of offering price) <sup>1</sup>	Selling Firm receives commission (%) <sup>2</sup>	Selling Firm Receives Rule 12b-1 service fee (%)	Total Selling Firm compensation (%) <sup>3,4</sup>
<b>Class A investments of less than \$1 million (Equity Funds and Alternative Funds)<sup>5</sup></b>				
Less than \$49,999	5.00	4.26	0.25	4.50
\$50,000–\$99,999	4.50	3.76	0.25	4.00
\$100,000–\$249,999	3.50	2.86	0.25	3.10
\$250,000–\$499,999	2.50	2.11	0.25	2.35
\$500,000–\$999,999	2.00	1.61	0.25	1.85
<b>Class A investments of less than \$500,000 (Emerging Markets Debt Fund, Opportunistic Fixed Income Fund and Strategic Income Opportunities Fund)<sup>5</sup></b>				
Less than \$100,000	4.00	3.50	0.25	3.75
\$100,000–\$249,999	3.50	3.00	0.25	3.25
\$250,000–\$499,999	2.50	2.05	0.25	2.30
<b>Class A investments of less than \$250,000 (Floating Rate Income Fund)<sup>5</sup></b>				
Less than \$100,000	2.50	2.00	0.25	2.25
\$100,000–\$249,999	2.00	1.50	0.25	1.75
<b>Class A investments of less than \$250,000 (Multi-Asset High Income Fund)<sup>5</sup></b>				
Less than \$50,000	4.50	4.05	0.25	4.30
\$50,000–\$99,999	3.50	3.05	0.25	3.30
\$100,000–\$249,999	3.00	2.55	0.25	2.80
<b>Class A investments of \$1 million or more (excluding Floating Rate Income Fund, Multi-Asset High Income Fund, Emerging Markets Debt Fund, Opportunistic Fixed Income Fund and Strategic Income Opportunities Fund)<sup>6</sup></b>				
First \$1–\$4,999,999	0.00	0.75	0.25	1.00
Next \$1–\$5M above that	0.00	0.25	0.25	0.50
Next \$1 or more above that	0.00	0.00	0.25	0.25
<b>Class A investments of \$500,000 or more (Emerging Markets Debt Fund, Opportunistic Fixed Income Fund and Strategic Income Opportunities Fund)<sup>6</sup></b>				
First \$1–\$4,999,999	0.00	0.75	0.25	1.00
Next \$1–\$5M above that	0.00	0.25	0.25	0.50
Next \$1 or more above that	0.00	0.00	0.25	0.25
<b>Class A investments of \$250,000 or more (Floating Rate Income Fund)<sup>6</sup></b>				
First \$1–\$9,999,999	0.00	0.25	0.25	0.50
Next \$1 or more above that	0.00	0.00	0.25	0.25
<b>Class A investments of \$250,000 or more (Multi-Asset High Income Fund)<sup>6</sup></b>				
First \$1–\$4,999,999	0.00	0.75	0.25	1.00
Next \$1–\$5M above that	0.00	0.25	0.25	0.50
Next \$1 or more above that	0.00	0.00	0.25	0.25
<b>Class C investments<sup>7</sup></b>				
All amounts	0.00	0.75	0.25	1.00
<b>Class R2 investments<sup>5</sup></b>				



## First Year Broker or Other Selling Firm Compensation

	Investor pays sales charge (% of offering price) <sup>1</sup>	Selling Firm receives commission (%) <sup>2</sup>	Selling Firm Receives Rule 12b-1 service fee (%)	Total Selling Firm compensation (%) <sup>3,4</sup>
All amounts	0.00	0.00	0.25	0.25
<b>Class R4 investments<sup>5</sup></b>				
All amounts	0.00	0.00	0.15	0.15
<b>Class R5 investments</b>				
All amounts	0.00	0.00	0.00	0.00
<b>Class 1 investments</b>				
All amounts	0.00	0.00	0.00	0.00
<b>Class I Investments<sup>8</sup></b>				
All amounts	0.00	0.00	0.00	0.00
<b>Class R6 investments</b>				
All amounts	0.00	0.00	0.00	0.00

- 1 See "Sales Charges on Class A and Class C Shares" for discussion on how to qualify for a reduced sales charge. The Distributor may take recent redemptions into account in determining if an investment qualifies as a new investment.
- 2 For Class A investments under \$1 million (under \$500,000 for Emerging Markets Debt Fund, Opportunistic Fixed Income Fund and Strategic Income Opportunities Fund, and under \$250,000 for Floating Rate Income Fund), a portion of the Selling Firm's commission is paid out of the front-end sales charge.
- 3 Selling Firm commission, Rule 12b-1 service fee, and any underwriter fee percentages are calculated from different amounts, and therefore may not equal the total Selling Firm compensation percentages due to rounding, when combined using simple addition.
- 4 The Distributor retains the balance.
- 5 For purchases of Class A, Class R2, and Class R4 shares, beginning with the first year an investment is made, the Selling Firm receives an annual Rule 12b-1 service fee paid monthly in arrears. See "Distribution Agreements" for a description of Class A, Class R2, and Class R4 Rule 12b-1 Plan charges and payments.
- 6 Certain retirement platforms may invest in Class A shares without being subject to sales charges. Purchases via these platforms may pay a commission from the first dollar invested. Additionally, commissions (up to 1.00%) are paid to dealers who initiate and are responsible for certain Class A share purchases not subject to sales charges. In both cases, the Selling Firm receives Rule 12b-1 fees in the first year as a percentage of the amount invested. After the first year, the Selling Firm receives Rule 12b-1 fees as a percentage of average daily net eligible assets paid monthly in arrears.
- 7 For Class C shares, the Selling Firm receives Rule 12b-1 fees in the first year as a percentage of the amount invested. After the first year, the Selling Firm receives Rule 12b-1 fees as a percentage of average daily net eligible assets paid monthly in arrears.
- 8 The Distributor may make a one-time payment at time of initial purchase out of its own resources to a Selling Firm that sells Class I shares of the funds. This payment may be up to 0.15% of the amount invested.

## NET ASSET VALUE

The NAV for each class of shares of each fund is normally determined once daily as of the close of regular trading on the NYSE (typically 4:00 P.M. Eastern time, on each business day that the NYSE is open). Each class of shares of each 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 a fund is available on our website at [jhinvestments.com](http://jhinvestments.com).

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 Advisor'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 SEC 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.

The Board has designated the funds' advisor as the valuation designee to perform fair value functions for each fund in accordance with the advisor's valuation policies and procedures. As valuation designee, the advisor will determine the fair value, in good faith, of securities and other assets held by each fund for which market quotations are not readily available and, among other things, will assess and manage material risks associated with fair value determinations, select, apply and test fair value methodologies, and oversee and evaluate pricing services and other valuation agents used in valuing a fund's investments. The advisor is subject to Board oversight and reports to the Board information regarding the fair valuation process and related material matters. The advisor carries out its responsibilities as valuation designee through its Pricing Committee.

Portfolio securities are valued by various methods that are generally described below. Portfolio securities also may be fair valued by the Advisor's Pricing Committee in certain instances pursuant to procedures established by the Advisor and adopted by the Board. 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. Equity securities traded principally in foreign markets are typically valued using the last sale price or official closing price in the relevant exchange or market, as adjusted by an independent pricing vendor to reflect fair value as of the close of the NYSE. On any day a foreign market is closed and the NYSE is open, any foreign securities will typically be valued using the last price or official closing price obtained from the relevant exchange on the prior business day adjusted based on information provided by an independent pricing vendor to reflect fair value as of the close of the NYSE. Debt obligations are typically 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. Forward foreign currency contracts are valued at the prevailing forward rates which are based on foreign currency exchange spot rates and forward points supplied by an independent pricing vendor. Exchange-traded options are valued at the mid-price of the last quoted bid and ask prices. Futures contracts whose settlement prices are determined as of the close of the NYSE are typically valued based on the settlement price, while other futures contracts are typically valued at the last traded price on the exchange on which they trade as of the close of the NYSE. Foreign equity index futures that trade in the electronic trading market subsequent to the close of regular trading may be valued at the last traded price in the electronic trading market as of the close of the NYSE, or may be fair valued based on fair value adjustment factors provided by an independent pricing vendor in order to adjust for events that may occur between the close of foreign exchanges or markets and the close of the NYSE. Swaps and unlisted options are generally valued using evaluated prices obtained from an independent pricing vendor. 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 and assumptions to derive values, including transaction data, broker-dealer quotations, credit quality information, general market conditions, news, and other factors and assumptions. The fund may receive different prices when it sells odd-lot 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 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. Nevertheless, market quotations, official closing prices, or information furnished by a pricing vendor could be inaccurate, which could lead to a security being valued incorrectly.

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 Board's valuation designee, the Advisor. 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 a 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 a 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.

## **POLICY REGARDING DISCLOSURE OF PORTFOLIO HOLDINGS**

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The Board has adopted a Policy Regarding Disclosure of Portfolio Holdings, to protect the interests of the shareholders of the funds and to address potential conflicts of interest that could arise between the interests of shareholders and the interests of the Advisor, or the interests of the funds' subadvisors, principal underwriter or affiliated persons of the Advisor, subadvisors or principal underwriter. The Trust's general policy with respect to the release of a fund's portfolio holdings to unaffiliated persons is to do so only in limited circumstances and only to provide nonpublic information regarding portfolio holdings to any person, including affiliated persons, on a "need to know" basis and, when released, to release such information only as consistent with applicable legal requirements and the fiduciary duties owed to shareholders. The Trust applies its policy uniformly to all potential recipients of such information, including individual and institutional investors, intermediaries, affiliated persons of a fund, and all third party service providers and rating agencies.

The Trust posts to its website at [jhinvestments.com](http://jhinvestments.com) complete portfolio holdings a number of days after each calendar month end as described in the Prospectus. Each fund also discloses its complete portfolio holdings information as of the end of the third month of every fiscal quarter on Form N-PORT

within 60 days of the end of the fiscal quarter and on Form N-CSR within 70 days after the second and fourth quarter ends of the Trust's fiscal year. The portfolio holdings information in Form N-PORT is not required to be delivered to shareholders, but is made public through the SEC electronic filings. Shareholders can access the complete portfolio holdings information of a fund's portfolio holdings online and upon request.

Firms that provide administrative, custody, financial, accounting, legal or other services to a fund may receive nonpublic information about a fund's portfolio holdings for purposes relating to their services. Additionally, portfolio holdings information for a fund that is not publicly available will be released only pursuant to the exceptions described in the Policy Regarding Disclosure of Portfolio Holdings. A fund's material nonpublic holdings information may be provided to the following unaffiliated persons as part of the investment activities of the fund: entities that, by explicit agreement, are required to maintain the confidentiality of the information disclosed; rating organizations, such as Moody's, S&P, Fitch, Morningstar and Lipper, Vestek (Thomson Financial) or other entities for the purpose of compiling reports and preparing data; proxy voting services for the purpose of voting proxies; entities providing computer software; courts (including bankruptcy courts) or regulators with jurisdiction over the Trust and its affiliates; and institutional traders to assist in research and trade execution. Exceptions to the portfolio holdings release policy can be approved only by the Trust's CCO or the CCO's duly authorized delegate after considering: (a) the purpose of providing such information; (b) the procedures that will be used to ensure that such information remains confidential and is not traded upon; and (c) whether such disclosure is in the best interest of the shareholders.

As of August 31, 2024, the entities that may receive information described in the preceding paragraph, and the purpose for which such information is disclosed, are as presented in the table below. Portfolio holdings information is provided as frequently as daily with a one-day lag.

Entity Receiving Portfolio Information	Disclosure Purpose
Abel Noser (f.k.a. Trade Informatics), (f.k.a. SJ Levinson)	Trade Execution Analysis
Acadia	Messaging application to be used for margins
Accenture	Operational Functions
Alter Domus	Senior Loan Servicing
Bank of New York Mellon	Back Office Functions, Middle Office Functions, Reconciliation Services
Bloomberg L.P.	Pricing and Risk Analysis, Reporting Agency, Order Management & Fixed Income Attribution, Master Data Management, Portfolio Analysis
Broadridge Financial Solutions	Proxy Voting, Software Vendor
Brown Brothers Harriman & Co.	Reconciliation, Corporate Actions
Capital Institutional Services (CAPIS)	Broker Dealer, Commission Recapture, Transition Services
Cassini	Initial Margin calculation for bi-lateral OTC swaps
Charles River	Trading and Guideline Monitoring
Citi (FCM)	Clearing for ETD and Swaps
Citibank	Cash & Securities Reconciliation
Citicorp Global Transactions Services	Middle Office Functions
Clearwater	Analysis & Reporting Services
CloudMargin	Collateral Management Tool
Confluence Technologies	Consulting
DataLend	Securities Lending Analytics
Depository Trust and Clearing Corp	Various services to support settlement
DG3	Financial Reporting, Type Setting
Donnelley Financial Solutions	Financial Reporting, Printing
DTCC CTM	Trade Confirmation
DUCO	Reconciliation services
Dynamo Software	Fair Value and Private Transactions Support
Eagle Investment Systems	Performance, Portfolio Accounting
Electra Information Systems	Reconciliation
Ernst & Young	Tax Reporting
FactSet	Data Gathering, Analytics, Performance, Reconciliation Equity Attribution, Client Reporting
FINASTRA	FX Confirmation
Foley Hoag	Foreign Currency Trade Review
FX Transparency	Analysis & Evaluation of FX transactions
Gainskeeper	Wash Sales, REIT Data
Glass Lewis	Proxy Voting
Goldman Sachs (GSAL)	Securities Lending
ICELink	Credit Derivative Trade Confirmation

Entity Receiving Portfolio Information	Disclosure Purpose
IHS Markit	Service Provider, Operational Functions, Data Management, Bank Loan confirmation, Settlement Platform
Insignis	F&O Reconciliation
Institutional Shareholder Services (ISS)	Proxy Voting, Class Action
Interactive Data	Pricing
ITG	Cash and Position Reconciliation
KPMG	Tax Reporting
Law Firm of Davis and Harman	Development of Revenue Ruling
Lipper	Ratings, Survey Service
Markitwire	Rates Derivative Trade Confirmation
Milestone	Service Provider-Valuation Oversight
Morningstar, Inc.	Ratings, Surveys
MSCI Inc.	Portfolio Liquidity Evaluation Services and Analytics
National Financial Services	Securities Lending
Northern Trust	Back Office Functions
OSTTRA TradeServ	Bi-Lateral Credit Derivative Trade Confirmation
OSTTRA TriResolve	Portfolio reconciliation and exception management
PricewaterhouseCoopers LLP	Audit Services
Proximity	Proxy Voting
Rimes / Matrix Software Platform	Enterprise Data Management System, replacing Pace
RSM US LLP	Consulting
Russell Implementation Services	Transition Services
S&P Global	Corporate Actions monitoring
SS&C Advent (Apx Advent)	Cash & Securities Reconciliation
SS&C Sylvan	Performance
SS&C Technologies	Reconciliation, Trade Settlement
Star Compliance	Code of Ethics Monitoring
State Street	Collateral Services, Middle-office operations, Fund Administration Functions, Liquidity
State Street Closed End Financing	All SS lending funds
State Street Investment Management Solutions	Operational Functions
SWIFT	Accounting Messages, Custody Messages, Trade Messaging
Tri-Optima	FX Reconciliation, Operational Functions
T-Scape	Corporate Action Management System
WNS	Back office and operational processes services
Wolters Kluwer	Tax, Audit

The CCO is required to pre-approve the disclosure of nonpublic information regarding a fund's portfolio holdings to any affiliated persons of the Trust. The CCO will use the following three considerations before approving disclosure of a fund's nonpublic information to affiliated persons: (a) the purpose of providing such information; (b) the procedures that will be used to ensure that such information remains confidential and is not traded upon; and (c) whether such disclosure is in the best interest of the shareholders.

The CCO shall report to the Board whenever additional disclosures of a fund's portfolio holdings are approved. The CCO's report shall be presented at the Board meeting following such approval.

When the CCO believes that the disclosure of a fund's nonpublic information to an unaffiliated person presents a potential conflict of interest between the interest of the shareholders and the interest of affiliated persons of the Trust, the CCO shall refer the potential conflict to the Board. The Board shall then permit such disclosure of a fund's nonpublic information only if in its reasonable business judgment it concludes that such disclosure will be in the best interests of the Trust's shareholders.

The receipt of compensation by a fund, the Advisor, a subadvisor or an affiliate as consideration for disclosing a fund's nonpublic portfolio holdings information is not deemed a legitimate business purpose and is strictly forbidden.

Registered investment companies and separate accounts that are advised or subadvised by the funds' subadvisors may have investment objectives and strategies and, therefore, portfolio holdings, that potentially are similar to those of a fund. Neither such registered investment companies and separate accounts nor the funds' subadvisors are subject to the Trust's Policy Regarding Disclosure of Portfolio Holdings, and may be subject to different

portfolio holdings disclosure policies. The funds' subadvisors may not, and the Trust's Board cannot, exercise control over policies applicable to separate subadvised funds and accounts.

In addition, the Advisor or the funds' subadvisors may receive compensation for furnishing to separate account clients (including sponsors of wrap accounts) model portfolios, the composition of which may be similar to those of a particular fund. Such clients have access to their portfolio holdings and are not subject to the Trust's Policy Regarding Disclosure of Portfolio Holdings. In general, the provision of portfolio management services and/or model portfolio information to wrap program sponsors is subject to contractual confidentiality provisions that the sponsor will only use such information in connection with the program, although there can be no assurance that this would be the case in an agreement between any particular fund subadvisor that is not affiliated with the Advisor and a wrap account sponsor. Finally, the Advisor or the funds' subadvisors may distribute to investment advisory clients analytical information concerning a model portfolio, which information may correspond substantially to the characteristics of a particular fund's portfolio, provided that the applicable fund is not identified in any manner as being the model portfolio.

The potential provision of information in the various ways discussed in the preceding paragraph is not subject to the Trust's Policy Regarding Disclosure of Portfolio Holdings, as discussed above, and is not deemed to be the disclosure of a fund's nonpublic portfolio holdings information. As a result of the funds' inability to control the disclosure of information as noted above, there can be no guarantee that this information would not be used in a way that adversely impacts a fund. Nonetheless, each fund has oversight processes in place to attempt to minimize this risk.

## SALES CHARGES ON CLASS A AND CLASS C SHARES

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Class A and Class C shares of the funds, as applicable, are offered at a price equal to their NAV plus a sales charge that, in the case of Class A shares, is imposed at the time of purchase (the "initial sales charge"), or, in the case of Class C shares, on a contingent deferred basis (the "contingent deferred sales charge" or "CDSC").

The Trustees reserve the right to change or waive a fund's minimum investment requirements and to reject any order to purchase shares (including purchase by exchange) when in the judgment of the Advisor such rejection is in the fund's best interest.

The availability of certain sales charge waivers and discounts will depend on whether you purchase your shares directly from the funds or through a financial intermediary. Intermediaries may have different policies and procedures regarding the availability of front-end sales charge waivers or CDSC waivers (See Appendix 1 to the Prospectus, "Intermediary sales charge waivers," which includes information about specific sales charge waivers applicable to the intermediaries identified therein).

The sales charges applicable to purchases of Class A shares of a fund are described in the Prospectus. Please note, these waivers are distinct from those described in Appendix 1 to the Prospectus, "Intermediary sales charge waivers," and are not intended to describe the sales load cost structure of, or be exclusive to, any particular intermediary. Methods of obtaining reduced sales charges referred to generally in the Prospectus are described in detail below. In calculating the sales charge applicable to current purchases of Class A shares of a fund, the investor is entitled to accumulate current purchases with the current offering price of the Class A, Class C, Class I, Class R6, or all Class R shares of the John Hancock funds owned by the investor (see "Combination and Accumulation Privileges" below).

In order to receive the reduced sales charge, the investor must notify his or her financial professional and/or the financial professional must notify the funds' transfer agent, John Hancock Signature Services, Inc. ("Signature Services") at the time of purchase of the Class A shares, about any other John Hancock funds owned by the investor, the investor's spouse and their children under the age of 21 (see "Combination and Accumulation Privileges" below). **This includes investments held in an IRA, including those held at a broker or financial professional other than the one handling the investor's current purchase. Additionally, individual purchases by a trustee(s) or other fiduciary(ies) also may be aggregated if the investments are for a single trust estate or for a group retirement plan. Assets held within a group retirement plan may not be combined with any assets held by those same participants outside of the plan.**

John Hancock will credit the combined value, at the current offering price, of all eligible accounts to determine whether an investor qualifies for a reduced sales charge on the current purchase. Signature Services will automatically link certain accounts registered in the same client name, with the same taxpayer identification number, for the purpose of qualifying an investor for lower initial sales charge rates. An investor must notify Signature Services and his or her broker-dealer (financial professional) at the time of purchase of any eligible accounts held by the investor's spouse or children under 21 in order to ensure these assets are linked to the investor's accounts. Also, see Appendix 1 to the Prospectus, "Intermediary sales charge waivers," for more information regarding the availability of sales charge waivers through particular intermediaries.

**Without Sales Charges.** Class A shares may be offered without a front-end sales charge or CDSC to various individuals and institutions as follows:

- A Trustee or officer of the Trust; a director or officer of the Advisor and its affiliates, subadvisors or Selling Firms; employees or sales representatives of any of the foregoing; retired officers, employees or directors of any of the foregoing; a member of the immediate family (spouse, child, grandparent, grandchild, parent, sibling, mother-in-law, father-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, niece, nephew and same sex domestic partner; "Immediate Family") of any of the foregoing; or any fund, pension, profit sharing or other benefit plan for the individuals described above.
- A broker, dealer, financial planner, consultant or registered investment advisor that uses fund shares in certain eligible retirement platforms, fee-based investment products or services made available to their clients.
- Financial intermediaries who offer shares to self-directed investment brokerage accounts that may or may not be charged a transaction fee. Also, see

Appendix 1 to the Prospectus, “Intermediary sales charge waivers,” for more information regarding the availability of sales charge waivers through particular intermediaries.

- Individuals transferring assets held in a SIMPLE IRA, SEP, or SARSEP invested in John Hancock funds directly to an IRA.
- Individuals converting assets held in an IRA, SIMPLE IRA, SEP, or SARSEP invested in John Hancock funds directly to a Roth IRA.
- Individuals recharacterizing assets from an IRA, Roth IRA, SEP, SARSEP or SIMPLE IRA invested in John Hancock funds back to the original account type from which it was converted.
- Terminating participants in a pension, profit sharing or other plan qualified under Section 401(a) of the Code, or described in Section 457(b) of the Code, (i) that is funded by certain John Hancock group annuity contracts, (ii) for which John Hancock Trust Company serves as trustee or custodian, or (iii) the trustee or custodian of which has retained RPS as a service provider, rolling over assets (directly or within 60 days after distribution) from such a plan (or from a John Hancock Managed IRA or John Hancock Annuities IRA into which such assets have already been rolled over) to a John Hancock custodial IRA or John Hancock custodial Roth IRA or other John Hancock branded IRA offered through Manulife | John Hancock Brokerage Services LLC that invests in John Hancock funds, or the subsequent establishment of or any rollover into a new John Hancock fund account by such terminating participants and/or their Immediate Family (as defined above), including subsequent investments into such accounts, and that are held directly at John Hancock funds or at the PFS Financial Center.
- Participants in a terminating pension, profit sharing or other plan qualified under Section 401(a) of the Code, or described in Section 457(b) of the Code (the assets of which, immediately prior to such plan's termination, were (a) held in certain John Hancock group annuity contracts, (b) in trust or custody by John Hancock Trust Company, or (c) by a trustee or custodian which has retained John Hancock RPS as a service provider, but have been transferred from such contracts or trust funds and are held either: (i) in trust by a distribution processing organization; or (ii) in a custodial IRA or custodial Roth IRA sponsored by an authorized third party trust company and made available through John Hancock), rolling over assets (directly or within 60 days after distribution) from such a plan to a John Hancock custodial IRA or John Hancock custodial Roth IRA or other John Hancock branded IRA offered through Manulife | John Hancock Brokerage Services LLC that invests in John Hancock funds, or the subsequent establishment of or any rollover into a new John Hancock fund account by such participants and/or their Immediate Family (as defined above), including subsequent investments into such accounts, and that are held directly at John Hancock funds or at the PFS Financial Center.
- Participants actively enrolled in a John Hancock RPS plan account (or an account the trustee of which has retained John Hancock RPS as a service provider) rolling over or transferring assets into a new John Hancock custodial IRA or John Hancock custodial Roth IRA or other John Hancock branded IRA offered through Manulife | John Hancock Brokerage Services LLC that invests in John Hancock funds through John Hancock PFS (to the extent such assets are otherwise prohibited from rolling over or transferring into such participants John Hancock RPS plan account), including subsequent investments into such accounts, and that are held directly at John Hancock funds or at the John Hancock PFS Financial Center.
- Individuals rolling over assets held in a John Hancock custodial 403(b)(7) account into a John Hancock custodial IRA account.
- Individuals exchanging shares held in an eligible fee-based program for Class A Shares, provided however, subsequent purchases in Class A Shares will be subject to applicable sales charges.
- Former employees/associates of John Hancock, its affiliates or agencies rolling over (directly or indirectly within 60 days after distribution) to a new John Hancock custodial IRA or John Hancock custodial Roth IRA from the John Hancock Employee Investment-Incentive Plan (TIP), John Hancock Savings Investment Plan (SIP) or the John Hancock Pension Plan and such participants and their Immediate Family (as defined above) subsequently establishing or rolling over assets into a new John Hancock account through John Hancock PFS, including subsequent investments into such accounts and which are held directly at John Hancock funds or at the John Hancock PFS Financial Center.
- Participants in group retirement plans that are eligible and permitted to purchase Class A shares. This waiver is contingent upon the group retirement plan being in a recordkeeping arrangement and does not apply to group retirement plans transacting business with a fund through a brokerage relationship in which sales charges are customarily imposed. In addition, this waiver does not apply to a group retirement plan that leaves its current recordkeeping arrangement and subsequently transacts business with the fund through a brokerage relationship in which sales charges are customarily imposed. Whether a sales charge waiver is available to your group retirement plan through its record keeper depends upon the policies and procedures of your intermediary. Please consult your financial professional for further information.

NOTE: Rollover investments to Class A shares from assets withdrawn from SIMPLE 401(k), TSA, 457, 403(b), 401(k), Money Purchase Pension Plan, Profit-Sharing Plan, and any other qualified plans as described in Code Sections 401(a), 403(b), or 457 and not specified above as waiver-eligible, will be subject to applicable sales charges.

- A member of a class action lawsuit against insurance companies who is investing settlement proceeds.

**In-Kind Re-Registrations.** A shareholder who has previously paid a sales charge, withdraws funds via a tax-reportable transaction from one John Hancock fund account and reregisters those assets directly to another John Hancock fund account, without the assets ever leaving the John Hancock Fund Complex, may do so without paying a sales charge. The beneficial owner must remain the same, i.e., in-kind.

NOTE: Rollover investments to Class A shares from assets withdrawn from SIMPLE 401(k), TSA, 457, 403(b), 401(k), Money Purchase Pension Plan, Profit-Sharing Plan, and any other qualified plans as described in Sections 401(a), 403(b), or 457 of the Code are not eligible for this provision, and will be subject to applicable sales charges.

Class A shares also may be purchased without an initial sales charge in connection with certain liquidation, merger or acquisition transactions involving other investment companies or personal holding companies.



## Reducing Class A Sales Charges

**Combination and Accumulation Privileges.** In calculating the sales charge applicable to purchases of Class A shares made at one time, the purchases will be combined to reduce sales charges if made by an individual, his or her spouse, and their children under the age of 21 when purchasing securities in the following:

- his or her own individual or their joint account;
- his or her trust account of which one of the above persons is the grantor or the beneficial owner;
- a Uniform Gift/Transfer to Minor Account or Coverdell Education Savings Account ("ESA") in which one of the above persons is the custodian or beneficiary;
- a single participant retirement/benefit plan account, as long as it is established solely for the benefit of the individual account owner;
- an IRA, including traditional IRAs, Roth IRAs, and SEP IRAs; and
- his or her sole proprietorship.

Group Retirement Plans, including 403(b)(7), Money Purchase Pension Plans, Profit-Sharing Plans, SARSEPs, and Simple IRAs with multiple participants may combine Class A share purchases to reduce their sales charge.

Individual qualified and non-qualified investments can be combined to take advantage of this privilege; however, assets held within a group retirement plan may not be combined with any assets held by those same participants outside of the plan.

Class A investors also may reduce their Class A sales charge by taking into account not only the amount being invested but also the current offering price of all the Class A, Class C, Class I, Class R6, and all Class R shares of all funds in the John Hancock Fund Complex already held by such persons. However, Class A shares of John Hancock Money Market Fund, a series of John Hancock Current Interest (the "Money Market Fund"), will be eligible for the accumulation privilege only if the investor has previously paid a sales charge on the amount of those shares. To receive a reduced sales charge, the investor must tell his or her financial professional or Signature Services at the time of the purchase about any other John Hancock funds held by that investor, his or her spouse, and their children under the age of 21. Further information about combined purchases, including certain restrictions on combined group purchases, is available from Signature Services or a Selling Firm's representative.

**Group Investment Program.** Under the Combination and Accumulation Privileges, all members of a group may combine their individual purchases of Class A shares to potentially qualify for breakpoints in the sales charge schedule. This feature is provided to any group that: (1) has been in existence for more than six months, (2) has a legitimate purpose other than the purchase of fund shares at a discount for its members, (3) utilizes salary deduction or similar group methods of payment, and (4) agrees to allow sales materials of the funds in its mailings to its members at a reduced or no cost to the Distributor.

**Letter of Intention.** Reduced Class A sales charges are applicable to investments made pursuant to an LOI, which should be read carefully prior to its execution by an investor. All investors have the option of making their investments over a specified period of thirteen (13) months. An individual's non-retirement and qualified retirement plan investments can be combined to satisfy an LOI. The retirement accounts eligible for combination include traditional IRAs, Roth IRAs, Coverdell ESAs, SEPs, SARSEPs, and SIMPLE IRAs. Since some assets are held in omnibus accounts, an investor wishing to count those eligible assets towards a Class A purchase must notify Signature Services and his or her financial professional of these holdings. The aggregate amount of such an investment must be equal to or greater than a fund's first breakpoint level (generally \$50,000 or \$100,000 depending on the specific fund) over a period of 13 months from the date of the LOI. Any shares for which no sales charge was paid will not be credited as purchases made under the LOI.

The sales charge applicable to all amounts invested after an LOI is signed is computed as if the aggregate amount intended to be invested had been invested immediately. If such aggregate amount is not actually invested, the difference in the sales charge actually paid and the sales charge that would have been paid had the LOI not been in effect is due from the investor. In such cases, the sales charge applicable will be assessed based on the amount actually invested. However, for the purchases actually made within the specified period of 13 months, the applicable sales charge will not be higher than that which would have applied (including accumulations and combinations) had the LOI been for the amount actually invested. The asset inclusion criteria stated under the Combination and Accumulation Privilege applies to accounts eligible under the LOI. If such assets exceed the LOI amount at the conclusion of the LOI period, the LOI will be considered to have been met.

The LOI authorizes Signature Services to hold in escrow sufficient Class A shares (approximately 5% of the aggregate) to make up any difference in sales charges on the amount intended to be invested and the amount actually invested, until such investment is completed within the 13-month period. At that time, the escrowed shares will be released. If the total investment specified in the LOI is not completed, the shares held in escrow may be redeemed and the proceeds used as required to pay such sales charge as may be due. By signing the LOI, the investor authorizes Signature Services to act as his or her attorney-in-fact to redeem any escrowed Class A shares and adjust the sales charge, if necessary. An LOI does not constitute a binding commitment by an investor to purchase, or by a fund to sell, any additional Class A shares, and may be terminated at any time.

## Deferred Sales Charge on Class A and Class C Shares

Class A shares are available with no front-end sales charge on investments of \$1 million (\$500,000 for Emerging Markets Debt Fund, Opportunistic Fixed Income Fund and Strategic Income Opportunities Fund, and \$250,000 for Floating Rate Income Fund) or more. Class C shares are purchased at NAV without the imposition of an initial sales charge. In each of these cases, the funds will receive the full amount of the purchase payment. Also, see

Appendix 1 to the Prospectus “Intermediary sales charge waivers,” for more information regarding the availability of sales charge waivers through particular intermediaries.

**Contingent Deferred Sales Charge.** There is a CDSC on any Class A shares upon which a commission or finder’s fee was paid that are sold within one year (0.75% within 18 months for Emerging Markets Debt Fund, Opportunistic Fixed Income Fund and Strategic Income Opportunities Fund and 0.50% within 18 months for Floating Rate Income Fund) of purchase. Class C shares that are redeemed within one year of purchase will be subject to a CDSC at the rates set forth in the applicable Prospectus as a percentage of the dollar amount subject to the CDSC. The CDSC will be assessed on an amount equal to the lesser of the current market value or the original purchase cost of the Class A or Class C shares being redeemed. No CDSC will be imposed on increases in account value above the initial purchase prices or on shares derived from reinvestment of dividends or capital gains distributions.

In determining whether a CDSC applies to a redemption, the calculation will be determined in a manner that results in the lowest possible rate being charged. It will be assumed that a shareholder’s redemption comes first from shares the shareholder has held beyond the one-year (18-month for Emerging Markets Debt Fund, Floating Rate Income Fund, Opportunistic Fixed Income Fund and Strategic Income Opportunities Fund) CDSC redemption period for Class A or one-year CDSC redemption period for Class C shares, or those the shareholder acquired through dividend and capital gain reinvestment. For this purpose, the amount of any increase in a share’s value above its initial purchase price is not subject to a CDSC. Thus, when a share that has appreciated in value is redeemed during the CDSC period, a CDSC is assessed only on its initial purchase price.

When requesting a redemption for a specific dollar amount, a shareholder should state if proceeds to equal the dollar amount requested are required. If not stated, only the specified dollar amount will be redeemed from the shareholder’s account and the proceeds will be less any applicable CDSC.

With respect to a CDSC imposed on a redemption of Class A shares, proceeds from the imposition of a CDSC are paid to the Distributor and are used in whole or in part by the Distributor to defray its expenses related to paying a commission or finder’s fee in connection with the purchase at NAV of Class A shares with a value of \$1 million (\$500,000 for Emerging Markets Debt Fund, Opportunistic Fixed Income Fund and Strategic Income Opportunities Fund, and \$250,000 for Floating Rate Income Fund) or more.

With respect to a CDSC imposed on a redemption of Class C shares, proceeds from the imposition of a CDSC are paid to the Distributor and are used in whole or in part by the Distributor to defray its expenses related to providing distribution-related services to the funds in connection with the sale of Class C shares, such as the payment of compensation to select Selling Firms for selling Class C shares. The combination of the CDSC and the distribution and service fees facilitates the ability of the funds to sell Class C shares without a sales charge being deducted at the time of the purchase.

**Waiver of Contingent Deferred Sales Charge.** The CDSC will be waived on redemptions of Class A and Class C shares, unless stated otherwise, in the circumstances defined below:

For all account types:

- Redemptions of Class A shares by a group retirement plan that continues to offer the same or another John Hancock mutual fund as an investment to its participants.
- Redemptions made pursuant to a fund’s right to liquidate an account if the investor owns shares worth less than the stated account minimum in the section “Small accounts” in the Prospectus.
- Redemptions made under certain liquidation, merger or acquisition transactions involving other investment companies or personal holding companies.
- Redemptions due to death or disability. (Does not apply to trust accounts unless trust is being dissolved.)
- Redemptions made under the Reinstatement Privilege, as described in “Sales Charge Reductions and Waivers” in the Prospectus.
- Redemption of Class C shares made under a systematic withdrawal plan or redemptions for fees charged by planners or advisors for advisory services, as long as the shareholder’s annual redemptions do not exceed 12% of the account value, including reinvested dividends, at the time the systematic withdrawal plan was established and 12% of the value of subsequent investments (less redemptions) in that account at the time Signature Services is notified. (Please note that this waiver does not apply to systematic withdrawal plan redemptions of Class A shares that are subject to a CDSC).
- Rollovers, contract exchanges or transfers of John Hancock custodial 403(b)(7) account assets required by Signature Services as a result of its decision to discontinue maintaining and administering 403(b)(7) accounts.

For Retirement Accounts (such as traditional, Roth IRAs and Coverdell ESAs, SIMPLE IRAs, SIMPLE 401(k), Rollover IRA, TSA, 457, 403(b), 401(k), Money Purchase Pension Plan, Profit-Sharing Plan and other plans as described in the Code) unless otherwise noted.

- Redemptions made to effect mandatory or life expectancy distributions under the Code. (Waiver based on required minimum distribution calculations for John Hancock mutual fund IRA assets only.)
- Returns of excess contributions made to these plans.
- Redemptions made to effect certain distributions, as outlined in the following table, to participants or beneficiaries from employer sponsored retirement plans under sections 401(a) (such as Money Purchase Pension Plans and Profit-Sharing Plan/401(k) Plans), 403(b), 457 and 408 (SEPs and SIMPLE IRAs) of the Code.

Please see the following table for some examples.



Type of Distribution	401(a) Plan (401(k), MPP, PSP) & 457	403(b)	Roth IRA & Coverdell ESA	IRA, SEP IRA & Simple IRA	Non-Retirement
Death or Disability	Waived	Waived	Waived	Waived	Waived
Over 70½ (or 72, in the case of individuals for whom the minimum distribution requirements begin at age 72)	Waived	Waived	Waived <sup>1</sup>	Waived <sup>1</sup>	12% of account value annually in periodic payments
Between 59½ and 70½ (or 72, in the case of individuals for whom the minimum distribution requirements begin at age 72)	Waived	Waived	12% of account value annually in periodic payments	Waived for Life Expectancy or 12% of account value annually in periodic payments	12% of account value annually in periodic payments
Under 59½ (Class C only)	Waived for annuity payments (72t <sup>2</sup> ) or 12% of account value annually in periodic payments	Waived for annuity payments (72t) or 12% of account value annually in periodic payments	12% of account value annually in periodic payments	Waived for annuity payments (72t) or 12% of account value annually in periodic payments	12% of account value annually in periodic payments
Termination of Plan	Not Waived	Waived	N/A	N/A	N/A
Hardships	Waived	Waived	N/A	N/A	N/A
Qualified Domestic Relations Orders	Waived	Waived	N/A	N/A	N/A
Termination of Employment Before Normal Retirement Age	Waived	Waived	N/A	N/A	N/A
Return of Excess	Waived	Waived	Waived	Waived	N/A

<sup>1</sup> External direct rollovers and transfer of assets are excluded.

<sup>2</sup> Refers to withdrawals from retirement accounts under Section 72(t) of the Code.

If a shareholder qualifies for a CDSC waiver under one of these situations, Signature Services must be notified at the time of redemption. The waiver will be granted once Signature Services has confirmed that the shareholder is entitled to the waiver.

## SPECIAL REDEMPTIONS

Although it would not normally do so, each fund has the right to pay the redemption price of its shares in whole or in part in portfolio securities as prescribed by the Trustees. When a shareholder sells any securities received in a redemption of fund shares, the shareholder will incur a brokerage charge. Any such securities would be valued for the purposes of fulfilling such a redemption request in the same manner as they are in computing the fund's NAV.

The Trust has adopted Procedures Regarding Redemptions in Kind by Affiliates (the "Procedures") to facilitate the efficient and cost effective movement of assets of a fund and other funds managed by the Advisor or its affiliates ("affiliated funds") in connection with certain investment and marketing strategies. It is the position of the SEC that the 1940 Act prohibits an investment company, such as each fund, from satisfying a redemption request from a shareholder that is affiliated with the investment company by means of an in-kind distribution of portfolio securities. However, under a no-action letter issued by the SEC staff, a redemption in kind to an affiliated shareholder is permissible provided certain conditions are met. The Procedures, which are intended to conform to the requirements of this no-action letter, allow for in-kind redemptions by fund and affiliated fund shareholders subject to specified conditions, including that:

- the distribution is effected through a pro rata distribution of securities of the distributing fund or affiliated fund;
- the distributed securities are valued in the same manner as they are in computing the fund's or affiliated fund's NAV;
- neither the affiliated shareholder nor any other party with the ability and the pecuniary incentive to influence the redemption in kind may select or influence the selection of the distributed securities; and
- the Board, including a majority of the Independent Trustees, must determine on a quarterly basis that any redemptions in kind to affiliated shareholders made during the prior quarter were effected in accordance with the Procedures, did not favor the affiliated shareholder to the detriment of any other shareholder and were in the best interests of the fund and the affiliated fund.

### Potential Adverse Effects of Large Shareholder Transactions

A fund may from time to time sell to one or more investors, including other funds advised by the Advisor or third parties, a substantial amount of its shares, and may thereafter be required to satisfy redemption requests by such shareholders. The Advisor and/or the subadvisor, as seed investors, may have significant ownership in certain funds. The Advisor and subadvisor, as applicable, face conflicts of interest when considering the effect of redemptions on any such funds and on other shareholders in deciding whether and when to redeem its respective shares. Such sales and redemptions may be very substantial relative to the size of such fund. While it is not possible to predict the overall effect of such sales and redemptions over time, such transactions may adversely affect such fund's performance to the extent that the fund is required to invest cash received in connection with a sale or to sell portfolio securities to facilitate a redemption at, in either case, a time when the fund otherwise would not invest or sell. As a result, the fund may have greater or lesser market exposure than would otherwise be the case. Such transactions also may accelerate the realization of capital gains or increase a fund's transaction costs, which would detract from fund performance.

A large redemption could significantly reduce the assets of a fund, causing decreased liquidity and, depending on any applicable expense caps and/or waivers, a higher expense ratio. If a fund is forced to sell portfolio securities that have appreciated in value, such sales may accelerate the realization of taxable income to shareholders if such sales of investments result in gains. If a fund has difficulty selling portfolio securities in a timely manner to meet a large redemption request, the fund may have to borrow money to do so. In such an instance, the fund's remaining shareholders would bear the costs of such borrowings, and such costs could reduce the fund's returns. In addition, a large redemption could result in a fund's current expenses being allocated over a smaller asset base, leading to an increase in the fund's expense ratio and possibly resulting in the fund's becoming too small to be economically viable.

**Non-U.S. market closures and redemptions.** Market closures during regular holidays in an applicable non-U.S. market that are not holidays observed in the U.S. market may prevent the fund from executing securities transactions within the normal settlement period. Unforeseeable closures of applicable non-U.S. markets may have a similar impact. During such closures, the fund may be required to rely on other methods to satisfy shareholder redemption requests, including the use of its line of credit, interfund lending facility, redemptions in kind, or such other liquidity means or facilities as the fund may have in place from time to time, or the delivery of redemption proceeds may be extended beyond the normal settlement cycle.

### ADDITIONAL SERVICES AND PROGRAMS

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**Exchange Privilege.** The Trust permits exchanges of shares of any class of a fund for shares of the same class of any other fund within the John Hancock Fund Complex offering that same class at the time of the exchange. Class I, Class R2, Class R4, Class R5, or Class R6 shareholders also may exchange their shares for Class A shares of Money Market Fund. If a shareholder exchanges into Class A shares of the Money Market Fund, any future exchanges out of Money Market Fund Class A shares must be to the same share class from which they were originally exchanged.

The registration for both accounts involved must be identical. Identical registration is determined by having the same beneficial owner on both accounts involved in the exchange.

Exchanges between funds are based on their respective NAVs. No sales charge is imposed, except on exchanges of Class A shares from Money Market Fund to another John Hancock fund, if a sales charge has not previously been paid on those shares. Shares acquired in an exchange will be subject to the CDSC rate and holding schedule of the fund in which such shares were originally purchased if and when such shares are redeemed. For Class C shares, this will have no impact on shareholders because the CDSC rates and holding schedules are the same for all Class C shares across the John Hancock Fund Complex. For Class A shares, certain funds within the John Hancock Fund Complex have different CDSC rates and holding schedules and shareholders should review the Prospectus for funds with Class A shares before considering an exchange. For purposes of determining the holding period for calculating the CDSC, shares will continue to age from their original purchase date.

If a group retirement plan, whose financial advisor has received finder's fee compensation on the plan's investments, exchanges all its Class A assets out of a John Hancock fund to a non-John Hancock investment, a CDSC may apply.

Each fund reserves the right to require that previously exchanged shares (and reinvested dividends) be in the fund for 90 days before a shareholder is permitted a new exchange.

An exchange of shares is treated as a redemption of shares of one fund and the purchase of shares of another for federal income tax purposes. An exchange may result in a taxable gain or loss. See "Additional Information Concerning Taxes."

**Conversion Privilege.** Provided a fund's eligibility requirements are met, and to the extent the referenced share class is offered by the fund, an investor in the fund pursuant to a fee-based, wrap or other investment platform program of certain firms, as determined by the fund, may be afforded an opportunity to make a conversion of (i) Class A and/or Class C shares (not subject to a CDSC) also owned by the investor in the same fund to Class I shares or Class R6 shares of the fund; or (ii) Class I shares also owned by the investor in the same fund to Class R6 shares of the same fund. Investors that no longer participate in a fee-based, wrap, or other investment platform program of certain firms may be afforded an opportunity to make a conversion to Class A shares of the same fund. Class C shares may be converted to Class A at the request of the applicable financial intermediary after the expiration of the CDSC period, provided that the financial intermediary through which a shareholder purchased or holds Class C shares has records verifying that the Class C share CDSC period has expired and the position is held in an omnibus or dealer-controlled account. The fund may in its sole discretion permit a conversion of one share class to another share class of the same fund in certain circumstances other than those described above.

In addition, Trustees, employees of the Advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned, may make a conversion of Class A or Class I shares also owned by the investor in the same fund to Class R6 shares. If Class R6 shares are unavailable, such investors may make a conversion of Class A shares in the same fund to Class I shares.

The conversion of one share class to another share class of the same fund in the particular circumstances described above, should not cause the investor to realize taxable gain or loss. For further details, see "Additional Information Concerning Taxes" for information regarding the tax treatment of such conversions.

**Systematic Withdrawal Plan.** The Trust permits the establishment of a Systematic Withdrawal Plan. Payments under this plan represent proceeds arising from the redemption of fund shares. Since the redemption price of fund shares may be more or less than the shareholder's cost, depending upon the market value of the securities owned by a fund at the time of redemption, the distribution of cash pursuant to this plan may result in realization of gain or loss for purposes of federal, state and local income taxes. The maintenance of a Systematic Withdrawal Plan concurrently with purchases of additional shares of a fund could be disadvantageous to a shareholder because of the initial sales charge payable on such purchases of Class A shares, if applicable, and the CDSC imposed on redemptions of Class C shares and because redemptions are taxable events. Therefore, a shareholder should not purchase shares at the same time that a Systematic Withdrawal Plan is in effect. Each fund reserves the right to modify or discontinue the Systematic Withdrawal Plan of any shareholder on 30 days' prior written notice to such shareholder, or to discontinue the availability of such plan in the future. The shareholder may terminate the plan at any time by giving proper notice to Signature Services.

**Monthly Automatic Accumulation Program ("MAAP").** This program is explained in a Prospectus that describes Class A or Class C shares. The program, as it relates to automatic investment checks, is subject to the following conditions:

- The investments will be drawn on or about the day of the month indicated;
- The privilege of making investments through the MAAP may be revoked by Signature Services without prior notice if any investment is not honored by the shareholder's bank. The bank shall be under no obligation to notify the shareholder as to the nonpayment of any checks; and
- The program may be discontinued by the shareholder either by calling Signature Services or upon written notice to Signature Services that is received at least five (5) business days prior to the due date of any investment.

**Reinstatement or Reinvestment Privilege.** If Signature Services and the financial professional are notified prior to reinvestment, a shareholder who has redeemed fund shares may, within 120 days after the date of redemption, reinvest, without payment of a sales charge any part of the redemption proceeds in shares back into the same share class of the same John Hancock fund and account from which it was removed, subject to the minimum investment limit of that fund. The proceeds from the redemption of Class A shares of a fund may be reinvested at NAV without paying a sales charge for Class A shares of the fund. If a CDSC was paid upon a redemption, a shareholder may reinvest the proceeds from this redemption at NAV in additional shares of the same class, fund, and account from which the redemption was made. The shareholder's account will be credited with the amount of any CDSC charged upon the prior redemption and the new shares will continue to be subject to the CDSC. The holding period of the shares acquired through reinvestment will, for purposes of computing the CDSC payable upon a subsequent redemption, include the holding period of the redeemed shares.

Redemption proceeds that are otherwise prohibited from being reinvested in the same account or the same fund may be invested in another account for the same shareholder in the same share class of the same fund (or different John Hancock fund if the original fund is no longer available) without paying a sales charge. Any such reinvestment is subject to the minimum investment limit.

A fund may refuse any reinvestment request and may change or cancel its reinvestment policies at any time.

A redemption or exchange of fund shares is a taxable transaction for federal income tax purposes even if the reinvestment privilege is exercised, and any gain or loss realized by a shareholder on the redemption or other disposition of fund shares will be treated for tax purposes as described under the caption "Additional Information Concerning Taxes."

**Section 403(b)(7) Accounts.** Section 403(b)(7) of the Code permits public school employers and employers of certain types of tax-exempt organizations to establish for their eligible employees custodial accounts for the purpose of providing for retirement income for such employees. Treasury regulations impose certain conditions on exchanges between one custodial account intended to qualify under Section 403(b)(7) (the "exchanged account") and another contract or custodial account intended to qualify under Section 403(b) (the "replacing account") under the same employer plan (a "Section 403(b) Plan"). Specifically, the replacing account agreement must include distribution restrictions that are no less stringent than those imposed under the exchanged account agreement, and the employer must enter into an agreement with the custodian (or other issuer) of the replacing account under which the employer and the custodian (or other issuer) of the replacing account will from time to time in the future provide each other with certain information.

Due to Treasury regulations:

- 1 The funds do not accept requests to establish new John Hancock custodial 403(b)(7) accounts intended to qualify as a Section 403(b) Plan.
- 2 The funds do not accept requests for exchanges or transfers into John Hancock custodial 403(b)(7) accounts (i.e., where the investor holds the replacing account).
- 3 The funds require certain signed disclosure documentation in the event:
  - A shareholder established a John Hancock custodial 403(b)(7) account with a fund prior to September 24, 2007; and

- A shareholder directs the fund to exchange or transfer some or all of the John Hancock custodial 403(b)(7) account assets to another custodial 403(b) contract or account (i.e., where the exchanged account is with the fund).

**4** The funds do not accept salary deferrals into custodial 403(b)(7) accounts.

In the event that a fund does not receive the required documentation, and the fund is nonetheless directed to proceed with the transfer, the transfer may be treated as a taxable transaction.

## **PURCHASES AND REDEMPTIONS THROUGH THIRD PARTIES**

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Shares of the funds may be purchased or redeemed through certain Selling Firms. Selling Firms may charge the investor additional fees for their services. A fund will be deemed to have received a purchase or redemption order when an authorized Selling Firm, or if applicable, a Selling Firm's authorized designee, receives the order. Orders may be processed at the NAV next calculated after the Selling Firm receives the order. The Selling Firm must segregate any orders it receives after the close of regular trading on the NYSE and transmit those orders to the fund for execution at the NAV next determined. Some Selling Firms that maintain network/omnibus/nominee accounts with a fund for their clients charge an annual fee on the average net assets held in such accounts for accounting, servicing, and distribution services they provide with respect to the underlying fund shares. This fee is paid by the Advisor, the fund and/or the Distributor.

Certain accounts held on a fund's books, known as omnibus accounts, contain the investments of multiple underlying clients that are invested in shares of the funds. These underlying client accounts are maintained by entities such as financial intermediaries. Indirect investments in a John Hancock fund through a financial intermediary such as, but not limited to: a broker-dealer, a bank (including a bank trust department), an investment advisor, a record keeper or trustee of a retirement plan or qualified tuition plan or a sponsor of a fee-based program that maintains an omnibus account with a fund for trading on behalf of its customers, may be subject to guidelines, conditions, services and restrictions that are different from those discussed in a fund's Prospectus. These differences may include, but are not limited to: (i) eligibility standards to purchase, exchange, and sell shares depending on that intermediary's policies; (ii) availability of sales charge waivers and fees; (iii) minimum and maximum initial and subsequent purchase amounts; and (iv) unavailability of LOI privileges. With respect to the availability of sales charge waivers and fees, and LOI privileges, see Appendix 1 to the Prospectus, "Intermediary sales charge waivers." Additional conditions may apply to an investment in a fund, and the investment professional or intermediary may charge a transaction-based, administrative or other fee for its services. These conditions and fees are in addition to those imposed by a fund and its affiliates.

## **DESCRIPTION OF FUND SHARES**

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The Trustees are responsible for the management and supervision of the Trust. The Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest of each fund or other series of the Trust without par value. Under the Declaration of Trust, the Trustees have the authority to create and classify shares of beneficial interest in separate series and classes without further action by shareholders. As of the date of this SAI, the Trustees have authorized shares of 72 series of the Trust. Additional series may be added in the future. The Trustees also have authorized the issuance of nine classes of shares of the funds, designated as Class A, Class C, Class I, Class R2, Class R4, Class R5, Class R6, Class NAV, and Class 1. Additional classes of shares may be authorized in the future.

Each share of each class of a fund represents an equal proportionate interest in the aggregate net assets attributable to that class of the fund. Holders of each class of shares have certain exclusive voting rights on matters relating to their respective distribution plan, if any. The different classes of a fund may bear different expenses relating to the cost of holding shareholder meetings necessitated by the exclusive voting rights of any class of shares.

Dividends paid by a fund, if any, with respect to each class of shares will be calculated in the same manner, at the same time and on the same day and will be in the same amount, except for differences resulting from the fact that: (i) the distribution and service fees, if any, relating to each class of shares will be borne exclusively by that class, and (ii) each class of shares will bear any class expenses properly allocable to that class of shares. Similarly, the NAV per share may vary depending on which class of shares is purchased. No interest will be paid on uncashed dividend or redemption checks.

In the event of liquidation, shareholders of each class are entitled to share pro rata in the net assets of a fund that are available for distribution to these shareholders. Shares entitle their holders to one vote per share (and fractional votes for fractional shares), are freely transferable and have no preemptive, subscription or conversion rights. When issued, shares are fully paid and non-assessable, except as set forth below.

Unless otherwise required by the 1940 Act or the Declaration of Trust, the Trust has no intention of holding annual meetings of shareholders. Trust shareholders may remove a Trustee by the affirmative vote of at least two-thirds of the Trust's outstanding shares and the Trustees shall promptly call a meeting for such purpose when requested to do so in writing by the record holders of not less than 10% of the outstanding shares of the Trust. Shareholders may, under certain circumstances, communicate with other shareholders in connection with a request for a special meeting of shareholders. However, at any time that less than a majority of the Trustees holding office were elected by the shareholders, the Trustees will call a special meeting of shareholders for the purpose of electing Trustees.

Under Massachusetts law, shareholders of a Massachusetts business trust could, under certain circumstances, be held personally liable for acts or obligations of such trust or a series thereof. However, the Declaration of Trust contains an express disclaimer of shareholder liability for acts, obligations or affairs of the Trust. The Declaration of Trust also provides for indemnification out of the Trust's assets for all losses and expenses of any shareholder held personally liable by reason of being or having been a shareholder. The Declaration of Trust also provides that no series of the Trust shall be liable for

the liabilities of any other series. Furthermore, no series of the Trust shall be liable for the liabilities of any other fund within the John Hancock Fund Complex. Liability is therefore limited to circumstances in which a fund itself would be unable to meet its obligations, and the possibility of this occurrence is remote.

The Declaration of Trust also provides that the Board may approve mergers without shareholder approval, in accordance with the 1940 Act.

Each fund reserves the right to reject any application that conflicts with the fund's internal policies or the policies of any regulatory authority. The Distributor does not accept starter, credit card, or third party checks. All checks returned by the post office as undeliverable will be reinvested at NAV in the fund or funds from which a redemption was made or dividend paid. Information provided on the account application may be used by the funds to verify the accuracy of the information or for background or financial history purposes. A joint account will be administered as a joint tenancy with right of survivorship, unless the joint owners notify Signature Services of a different intent. A shareholder's account is governed by the laws of The Commonwealth of Massachusetts. For telephone transactions, the transfer agent will take measures to verify the identity of the caller, such as asking for name, account number, Social Security, or other taxpayer ID number and other relevant information. If appropriate measures are taken, the transfer agent is not responsible for any losses that may occur to any account due to an unauthorized telephone call. Also, for shareholders' protection, telephone redemptions are not permitted on accounts whose names or addresses have changed within the past 30 days. Proceeds from telephone transactions can be mailed only to the address of record.

Except as otherwise provided, shares of a fund generally may be sold only to U.S. citizens, U.S. residents, and U.S. domestic corporations, partnerships, trusts or estates. For purposes of this policy, U.S. citizens and U.S. residents must reside in the U.S. and U.S. domestic corporations, partnerships, trusts, and estates must have a U.S. address of record.

The Trust's amended and restated Declaration of Trust: (i) sets forth certain duties, responsibilities, and powers of the Trustees; (ii) clarifies that, other than as provided under federal securities laws, the shareholders may only bring actions involving a fund derivatively; (iii) provides that any action brought by a shareholder related to a fund will be brought in Massachusetts state or federal court, and that, if a claim is brought in a different jurisdiction and subsequently changed to a Massachusetts venue, the shareholder will be required to reimburse the fund for such expenses; and (iv) clarifies that shareholders are not intended to be third-party beneficiaries of fund contracts. The foregoing description of the Declaration of Trust is qualified in its entirety by the full text of the Declaration of Trust, effective as of January 22, 2016, which is available by writing to the Secretary of the Trust at 200 Berkeley Street, Boston, Massachusetts 02116, and also on the SEC's and Secretary of the Commonwealth of Massachusetts' websites.

## SAMPLE CALCULATION OF MAXIMUM OFFERING PRICE

Class A shares are sold with a maximum initial sales charge of 5.00%, 4.50%, 4.00% or 2.50%. Class C shares are sold at NAV without any initial sales charges and with a 1.00% CDSC on shares redeemed within 12 months of purchase. Class I, Class NAV, Class R2, Class R4, Class R5, Class R6, and Class 1 shares of each fund, as applicable, are sold at NAV without any initial sales charges or CDSCs. The following tables show the maximum offering price per share of each class of each fund using the fund's relevant NAV as of August 31, 2024.

Fund	NAV and Redemption Price per Class A Share (\$)	Maximum Sales Charge (5.00% of offering price, unless otherwise noted) (\$)	Maximum Offering Price to Public (\$)
Alternative Asset Allocation Fund	15.96	0.84	16.80
Blue Chip Growth Fund	57.03	3.00	60.03
Disciplined Value Emerging Markets Equity Fund	10.81	0.57	11.38
Emerging Markets Debt Fund	7.84	0.33	8.17
Equity Income Fund	21.09	1.11	22.20
Floating Rate Income Fund	7.65	0.20	7.85
Fundamental Global Franchise Fund	12.29	0.65	12.94
Global Equity Fund	13.74	0.72	14.46
International Small Company Fund	11.39	0.60	11.99
Lifestyle Blend Aggressive Portfolio	13.56	0.71	14.27
Lifestyle Blend Balanced Portfolio	11.74	0.62	12.36
Lifestyle Blend Conservative Portfolio	10.33	0.54	10.87
Lifestyle Blend Growth Portfolio	12.88	0.68	13.56
Lifestyle Blend Moderate Portfolio	11.08	0.58	11.66
2065 Lifetime Blend Portfolio	14.44	0.76	15.20
2060 Lifetime Blend Portfolio	16.02	0.84	16.86
2055 Lifetime Blend Portfolio	14.65	0.77	15.42
2050 Lifetime Blend Portfolio	14.82	0.78	15.60
2045 Lifetime Blend Portfolio	14.39	0.76	15.15
2040 Lifetime Blend Portfolio	13.95	0.73	14.68

<b>Fund</b>	<b>NAV and Redemption Price per Class A Share (\$)</b>	<b>Maximum Sales Charge (5.00% of offering price, unless otherwise noted) (\$)</b>	<b>Maximum Offering Price to Public (\$)</b>
2035 Lifetime Blend Portfolio	13.25	0.70	13.95
2030 Lifetime Blend Portfolio	12.51	0.66	13.17
2025 Lifetime Blend Portfolio	11.77	0.62	12.39
2020 Lifetime Blend Portfolio	11.18	0.59	11.77
2015 Lifetime Blend Portfolio	10.68	0.56	11.24
2010 Lifetime Blend Portfolio	10.33	0.54	10.87
Multi-Asset High Income Fund	9.17	0.43	9.60
Multimanager 2065 Lifetime Portfolio	13.32	0.70	14.02
Multimanager 2060 Lifetime Portfolio	13.87	0.73	14.60
Multimanager 2055 Lifetime Portfolio	12.20	0.64	12.84
Multimanager 2050 Lifetime Portfolio	12.60	0.66	13.26
Multimanager 2045 Lifetime Portfolio	10.65	0.56	11.21
Multimanager 2040 Lifetime Portfolio	10.74	0.57	11.31
Multimanager 2035 Lifetime Portfolio	10.42	0.55	10.97
Multimanager 2030 Lifetime Portfolio	10.07	0.53	10.60
Multimanager 2025 Lifetime Portfolio	9.44	0.50	9.94
Multimanager 2020 Lifetime Portfolio	8.53	0.45	8.98
Multimanager 2015 Lifetime Portfolio	7.85	0.41	8.26
Multimanager 2010 Lifetime Portfolio	7.89	0.42	8.31
New Opportunities Fund	26.30	1.38	27.68
Opportunistic Fixed Income Fund	12.24	0.51	12.75
Real Estate Securities Fund	12.84	0.68	13.52
Small Cap Dynamic Growth Fund	17.42	0.92	18.34
Small Cap Value Fund	18.61	0.98	19.59
Strategic Income Opportunities Fund	10.12	0.42	10.54

<b>Fund</b>	<b>NAV, Shares Offering Price, and Redemption Price per Share</b>							
	<b>Class C</b>	<b>Class I</b>	<b>Class R2</b>	<b>Class R4</b>	<b>Class R5</b>	<b>Class R6</b>	<b>Class NAV</b>	<b>Class 1</b>
Alternative Asset Allocation Fund	15.96	15.99	15.94	16.00	N/A	16.01	N/A	N/A
Blue Chip Growth Fund	51.66	N/A	N/A	N/A	N/A	N/A	59.82	59.48
Capital Appreciation Fund	N/A	N/A	N/A	N/A	N/A	N/A	16.73	16.56
Capital Appreciation Value Fund	N/A	N/A	N/A	N/A	N/A	N/A	10.16	N/A
Core Bond Fund	N/A	N/A	N/A	N/A	N/A	N/A	11.19	11.21
Disciplined Value Emerging Markets Equity Fund	10.81	10.81	N/A	N/A	N/A	10.79	10.81	N/A
Emerging Markets Debt Fund	7.82	7.84	7.82	N/A	N/A	7.83	7.83	N/A
Equity Income Fund	21.17	N/A	N/A	N/A	N/A	N/A	21.08	21.12
Floating Rate Income Fund	7.68	7.64	N/A	N/A	N/A	7.66	7.65	7.64
Fundamental Global Franchise Fund	N/A	12.48	N/A	N/A	N/A	12.52	12.52	N/A
Global Equity Fund	13.63	13.76	13.77	13.76	N/A	13.75	13.76	N/A
Health Sciences Fund	N/A	N/A	N/A	N/A	N/A	N/A	5.47	N/A
High Yield Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.16
International Small Company Fund	11.39	11.39	N/A	N/A	N/A	11.44	11.40	N/A
International Strategic Equity Allocation Fund	N/A	N/A	N/A	N/A	N/A	N/A	10.53	N/A
Lifestyle Blend Aggressive Portfolio	N/A	N/A	N/A	N/A	N/A	13.59	N/A	13.57
Lifestyle Blend Balanced Portfolio	N/A	N/A	N/A	N/A	N/A	11.74	N/A	11.73
Lifestyle Blend Conservative Portfolio	N/A	N/A	N/A	N/A	N/A	10.34	N/A	10.33
Lifestyle Blend Growth Portfolio	N/A	N/A	N/A	N/A	N/A	12.92	N/A	12.89
Lifestyle Blend Moderate Portfolio	N/A	N/A	N/A	N/A	N/A	11.08	N/A	11.08
2065 Lifetime Blend Portfolio	N/A	N/A	N/A	14.45	N/A	14.45	N/A	14.46
2060 Lifetime Blend Portfolio	N/A	N/A	N/A	16.02	N/A	16.03	N/A	16.03



Fund	NAV, Shares Offering Price, and Redemption Price per Share							
	Class C	Class I	Class R2	Class R4	Class R5	Class R6	Class NAV	Class 1
2055 Lifetime Blend Portfolio	N/A	N/A	N/A	14.63	N/A	14.65	N/A	14.66
2050 Lifetime Blend Portfolio	N/A	N/A	N/A	14.81	N/A	14.81	N/A	14.82
2045 Lifetime Blend Portfolio	N/A	N/A	N/A	14.35	N/A	14.41	N/A	14.40
2040 Lifetime Blend Portfolio	N/A	N/A	N/A	13.95	N/A	13.96	N/A	13.95
2035 Lifetime Blend Portfolio	N/A	N/A	N/A	13.25	N/A	13.26	N/A	13.26
2030 Lifetime Blend Portfolio	N/A	N/A	N/A	12.51	N/A	12.53	N/A	12.52
2025 Lifetime Blend Portfolio	N/A	N/A	N/A	11.76	N/A	11.78	N/A	11.77
2020 Lifetime Blend Portfolio	N/A	N/A	N/A	11.16	N/A	11.20	N/A	11.18
2015 Lifetime Blend Portfolio	N/A	N/A	N/A	10.67	N/A	10.69	N/A	10.69
2010 Lifetime Blend Portfolio	N/A	N/A	N/A	10.33	N/A	10.34	N/A	10.33
Mid Value Fund	N/A	N/A	N/A	N/A	N/A	N/A	18.41	N/A
Multi-Asset High Income Fund	9.12	9.18	N/A	N/A	N/A	9.19	9.73	N/A
Multimanager 2065 Lifetime Portfolio	N/A	13.35	13.33	13.34	13.36	13.36	N/A	13.35
Multimanager 2060 Lifetime Portfolio	N/A	13.94	13.86	13.92	13.92	13.95	N/A	13.94
Multimanager 2055 Lifetime Portfolio	N/A	12.25	12.18	12.24	12.26	12.26	N/A	12.25
Multimanager 2050 Lifetime Portfolio	N/A	12.65	12.59	12.61	12.66	12.67	N/A	12.64
Multimanager 2045 Lifetime Portfolio	N/A	10.77	10.71	10.70	10.81	10.77	N/A	10.79
Multimanager 2040 Lifetime Portfolio	N/A	10.86	10.78	10.76	10.88	10.84	N/A	10.85
Multimanager 2035 Lifetime Portfolio	N/A	10.49	10.49	10.51	10.54	10.53	N/A	10.55
Multimanager 2030 Lifetime Portfolio	N/A	10.05	9.96	10.00	10.03	10.03	N/A	10.04
Multimanager 2025 Lifetime Portfolio	N/A	9.40	9.34	9.40	9.39	9.38	N/A	9.39
Multimanager 2020 Lifetime Portfolio	N/A	8.56	8.48	8.48	8.53	8.51	N/A	8.53
Multimanager 2015 Lifetime Portfolio	N/A	7.85	7.79	7.87	7.84	7.86	N/A	7.85
Multimanager 2010 Lifetime Portfolio	N/A	7.90	7.88	N/A	7.90	7.91	N/A	7.91
New Opportunities Fund	24.02	26.76	26.30	26.65	N/A	26.92	N/A	27.16
Opportunistic Fixed Income Fund	12.19	12.25	N/A	N/A	N/A	12.26	N/A	12.24
Real Estate Securities Fund	12.86	12.85	N/A	N/A	N/A	12.82	N/A	12.82
Science & Technology Fund	N/A	N/A	N/A	N/A	N/A	N/A	2.18	N/A
Small Cap Dynamic Growth Fund	16.40	17.74	N/A	N/A	N/A	17.92	17.93	N/A
Small Cap Value Fund	N/A	18.68	N/A	N/A	N/A	18.69	18.67	N/A
Strategic Income Opportunities Fund	10.12	10.12	10.13	N/A	N/A	10.13	10.11	N/A
U.S. Sector Rotation Fund	N/A	N/A	N/A	N/A	N/A	N/A	11.99	N/A

## ADDITIONAL INFORMATION CONCERNING TAXES

The following discussion is a general and abbreviated summary of certain tax considerations affecting the funds and their shareholders. No attempt is made to present a detailed explanation of all federal, state, local and foreign tax concerns, and the discussions set forth here and in the Prospectus do not constitute tax advice. Investors are urged to consult their own tax advisors with specific questions relating to federal, state, local or foreign taxes.

Each fund is treated as a separate entity for accounting and tax purposes and intends to qualify as a RIC under Subchapter M of the Code for each taxable year. In order to qualify for the special tax treatment accorded RICs and their shareholders, a fund must, among other things:

- derive at least 90% of its gross income from dividends, interest, payments with respect to certain securities loans, and gains from the sale or other disposition of stock, securities, and foreign currencies, or other income (including but not limited to gains from options, futures, or forward contracts) derived with respect to its business of investing in such stock, securities, or currencies, and net income derived from interests in qualified publicly traded partnerships (as defined below);
- distribute with respect to each taxable year at least the sum of 90% of its investment company taxable income (as that term is defined in the Code without regard to the deduction for dividends paid—generally, taxable ordinary income and the excess, if any, of net short-term capital gains over net long-term capital losses) and 90% of net tax-exempt interest income, for such year; and
- diversify its holdings so that, at the end of each quarter of the fund's taxable year: (i) at least 50% of the market value of the fund's total assets is represented by cash and cash items, U.S. government securities, securities of other RICs, and other securities limited in respect of any one issuer to a value not greater than 5% of the value of the fund's total assets and not more than 10% of the outstanding voting securities of such issuer; and (ii) not more than 25% of the value of the fund's total assets is invested (x) in the securities (other than those of the U.S. government



or other RICs) of any one issuer or of two or more issuers that the fund controls and that are engaged in the same, similar, or related trades or businesses, or (y) in the securities of one or more qualified publicly traded partnerships (as defined below).

With respect to gains from the sale or other disposition of foreign currencies, the Treasury Department can, by regulation, exclude from qualifying income foreign currency gains which are not directly related to a RIC's principal business of investing in stock (or options or futures with respect to stock or securities), but no regulations have been proposed or adopted pursuant to this grant of regulatory authority.

In general, for purposes of the 90% gross income requirement described in paragraph (a) above, income derived from a partnership will be treated as qualifying income only to the extent such income is attributable to items of income of the partnership which would be qualifying income if realized by the RIC. However, 100% of the net income derived from an interest in a "qualified publicly traded partnership" will be treated as qualifying income. A "qualified publicly traded partnership" is a publicly traded partnership that satisfies certain requirements with respect to the type of income it produces. In addition, although in general the passive loss rules of the Code do not apply to RICs, such rules do apply to a RIC with respect to items attributable to an interest in a qualified publicly traded partnership. Finally, for purposes of paragraph (c) above, the term "outstanding voting securities of such issuer" will include the equity securities of a qualified publicly traded partnership. If a fund invests in publicly traded partnerships, it might be required to recognize in its taxable year income in excess of its cash distributions from such publicly traded partnerships during that year. Such income, even if not reported to a fund by the publicly traded partnerships until after the end of that year, would nevertheless be subject to the RIC income distribution requirements and would be taken into account for purposes of the 4% excise tax described below.

Each fund may use "equalization payments" in determining the portion of its net investment income and net realized capital gains that have been distributed. A fund that elects to use equalization payments will allocate a portion of its investment income and capital gains to the amounts paid in redemption of fund shares, and such income and gains will be deemed to have been distributed by the fund for purposes of the distribution requirements described above. This may have the effect of reducing the amount of income and gains that the fund is required to distribute to shareholders in order for the fund to avoid federal income tax and excise tax and also may defer the recognition of taxable income by shareholders. This process does not affect the tax treatment of redeeming shareholders and, since the amount of any undistributed income and/or gains will be reflected in the value of the fund's shares, the total return on a shareholder's investment will not be reduced as a result of the fund's distribution policy. The IRS has not published any guidance concerning the methods to be used in allocating investment income and capital gain to redemptions of shares. In the event that the IRS determines that a fund is using an improper method of allocation and has under-distributed its net investment income or net realized capital gains for any taxable year, such fund may be liable for additional federal income or excise tax or may jeopardize its treatment as a RIC.

A fund may invest in certain commodity investments including commodity-based ETFs. Under an IRS revenue ruling effective after September 30, 2006, income from certain commodities-linked derivatives in which certain funds invest is not considered qualifying income for purposes of the 90% qualifying income test. This ruling limits the extent to which a fund may receive income from such commodity-linked derivatives to a maximum of 10% of its annual gross income.

As a result of qualifying as a RIC, a fund will not be subject to U.S. federal income tax on its investment company taxable income (as that term is defined in the Code, determined without regard to the deduction for dividends paid) and net capital gain (i.e., the excess of its net realized long-term capital gain over its net realized short-term capital loss), if any, that it distributes to its shareholders in each taxable year, provided that it distributes to its shareholders at least the sum of 90% of its investment company taxable income and 90% of its net exempt interest income for such taxable year.

A fund will be subject to a non-deductible 4% excise tax to the extent that the fund does not distribute by the end of each calendar year: (a) at least 98% of its ordinary income for the calendar year; (b) at least 98.2% of its capital gain net income for the one-year period ending, as a general rule, on October 31 of each year; and (c) 100% of the undistributed ordinary income and capital gain net income from the preceding calendar years (if any). For this purpose, any income or gain retained by a fund that is subject to corporate tax will be considered to have been distributed by year-end. To the extent possible, each fund intends to make sufficient distributions to avoid the application of both federal income and excise taxes. Under current law, distributions of net investment income and net capital gain are not taxed to a life insurance company to the extent applied to increase the reserves for the company's variable annuity and life insurance contracts.

If a fund fails to meet the annual gross income test or asset diversification test or fails to satisfy the 90% distribution requirement as described above, for any taxable year, the fund would incur income tax as a regular corporation on its taxable income and net capital gains for that year, it would lose its deduction for dividends paid to shareholders, and it would be subject to certain gain recognition and distribution requirements upon requalification. Further distributions of income by the fund to its shareholders would be treated as dividend income, although distributions to individual shareholders generally would constitute qualified dividend income subject to reduced federal income tax rates if the shareholder satisfies certain holding period requirements with respect to its shares in the fund and distributions to corporate shareholders generally should be eligible for the DRD. Compliance with the RIC 90% qualifying income test and with the asset diversification requirements is carefully monitored by the Advisor and the subadvisors and it is intended that each fund will comply with the requirements for qualification as a RIC.

If a fund fails to meet the annual gross income test described above, the fund will nevertheless be considered to have satisfied the test if (i) (a) such failure is due to reasonable cause and not due to willful neglect and (b) the fund reports the failure, and (ii) the fund pays an excise tax equal to the excess non-qualifying income. If a fund fails to meet the asset diversification test described above with respect to any quarter, the fund will nevertheless be considered to have satisfied the requirements for such quarter if the fund cures such failure within six months and either: (i) such failure is de minimis; or (ii) (a) such failure is due to reasonable cause and not due to willful neglect; and (b) the fund reports the failure and pays an excise tax.

A fund may make investments that produce income that is not matched by a corresponding cash distribution to the fund, such as investments in pay-in-kind bonds or in obligations such as certain Brady Bonds and zero-coupon securities having OID (i.e., an amount equal to the excess of the stated redemption price of the security at maturity over its issue price), or market discount (i.e., an amount equal to the excess of the stated redemption price at maturity of the security (appropriately adjusted if it also has OID) over its basis immediately after it was acquired) if the fund elects to accrue market discount on a current basis. In addition, income may continue to accrue for federal income tax purposes with respect to a non-performing investment. Any such income would be treated as income earned by the fund and therefore would be subject to the distribution requirements of the Code. Because such income may not be matched by a corresponding cash distribution to the fund, the fund may be required to borrow money or dispose of other securities to be able to make distributions to its investors. In addition, if an election is not made to currently accrue market discount with respect to a market discount bond, all or a portion of any deduction for any interest expense incurred to purchase or hold such bond may be deferred until such bond is sold or otherwise disposed of.

Investments in debt obligations that are at risk of or are in default present special tax issues for a fund. Tax rules are not entirely clear about issues such as when a fund may cease to accrue interest, OID, or market discount, when and to what extent deductions may be taken for bad debts or worthless securities, how payments received on obligations in default should be allocated between principal and income, and whether exchanges of debt obligations in a workout context are taxable. These and other issues will be addressed by a fund that holds such obligations in order to reduce the risk of distributing insufficient income to preserve its status as a RIC and seek to avoid becoming subject to federal income or excise tax.

A fund may make investments in convertible securities and exchange traded notes. Convertible debt ordinarily is treated as a “single property” consisting of a pure debt interest until conversion, after which the investment becomes an equity interest. If the security is issued at a premium (i.e., for cash in excess of the face amount payable on retirement), the creditor-holder may amortize the premium over the life of the bond. If the security is issued for cash at a price below its face amount, the creditor-holder must accrue OID in income over the life of the debt. The creditor-holder’s exercise of the conversion privilege is treated as a nontaxable event. Mandatorily convertible debt, such as an exchange traded note issued in the form of an unsecured obligation that pays a return based on the performance of a specified market index, currency or commodity, is often treated as a contract to buy or sell the reference property rather than debt. Similarly, convertible preferred stock with a mandatory conversion feature is ordinarily, but not always, treated as equity rather than debt. In general, conversion of preferred stock for common stock of the same corporation is tax-free. Conversion of preferred stock for cash is a taxable redemption. Any redemption premium for preferred stock that is redeemable by the issuing company might be required to be amortized under OID principles.

Certain funds may engage in hedging or derivatives transactions involving foreign currencies, forward contracts, options and futures contracts (including options, futures and forward contracts on foreign currencies) and short sales (see “Hedging and Other Strategic Transactions”). Such transactions will be subject to special provisions of the Code that, among other things, may affect the character of gains and losses realized by a fund (that is, may affect whether gains or losses are ordinary or capital), accelerate recognition of income of a fund and defer recognition of certain of the fund’s losses. These rules could therefore affect the character, amount and timing of distributions to shareholders. The futures that are traded on a regulated exchange, such as NYSE or NASDAQ, will be treated as Code Section 1256 contracts, and the capital gain/loss will be reflected as 40% short-term capital gain/loss and 60% long-term capital gain/loss. Any futures that are not traded on a regulated exchange will follow the 365 day rule of short-term capital or long-term capital treatment. In addition, these provisions: (1) will require a fund to “mark-to-market” certain types of positions in its portfolio (that is, treat them as if they were closed out); and (2) may cause a fund to recognize income without receiving cash with which to pay dividends or make distributions in amounts necessary to satisfy the distribution requirement and avoid the 4% excise tax. Each fund intends to monitor its transactions, will make the appropriate tax elections and will make the appropriate entries in its books and records when it acquires any option, futures contract, forward contract or hedged investment in order to mitigate the effect of these rules.

Foreign exchange gains and losses realized by a fund in connection with certain transactions involving foreign currency denominated debt securities, certain foreign currency options, foreign currency forward contracts, foreign currencies, or payables or receivables denominated in a foreign currency are subject to Section 988 of the Code, which generally causes such gains and losses to be treated as ordinary income and losses and may affect the amount, timing and character of distributions to shareholders. If the net foreign exchange loss for a year treated as ordinary loss under Section 988 were to exceed a fund’s investment company taxable income computed without regard to such loss, the resulting overall ordinary loss for such year would not be deductible by the fund or its shareholders in future years. Under such circumstances, distributions paid by the fund could be deemed return of capital.

Certain funds may be required to account for their transactions in forward rolls or swaps, caps, floors and collars in a manner that, under certain circumstances, may limit the extent of their participation in such transactions. Additionally, a fund may be required to recognize gain, but not loss, if a swap or other transaction is treated as a constructive sale of an appreciated financial position in a fund’s portfolio. Additionally, some countries restrict repatriation which may make it difficult or impossible for a fund to obtain cash corresponding to its earnings or assets in those countries. However, a fund must distribute to shareholders for each taxable year substantially all of its net income and net capital gains, including such income or gain, to qualify as a RIC and avoid liability for any federal income or excise tax. Therefore, a fund may have to dispose of its portfolio securities under disadvantageous circumstances to generate cash, or borrow cash, to satisfy these distribution requirements.

Certain funds may invest in REITs and/or MLPs. Effective for taxable years beginning after December 31, 2017 and before January 1, 2026, the Code generally allows individuals and certain non-corporate entities a deduction for 20% of “qualified publicly traded partnership income,” such as income from MLPs, and a deduction for 20% of qualified REIT dividends. Treasury regulations allow a RIC to pass the character of its qualified REIT dividends through to its shareholders provided certain holding period requirements are met. A similar pass-through by RICs of qualified publicly traded

partnership income is not currently available. As a result, an investor who invests directly in MLPs will be able to receive the benefit of such deductions, while a shareholder in a fund that invests in MLPs currently will not.

If a fund invests in stock (including an option to acquire stock such as is inherent in a convertible bond) in certain foreign corporations that receive at least 75% of their annual gross income from passive sources (such as interest, dividends, certain rents and royalties or capital gain) or hold at least 50% of their assets in investments producing such passive income (“passive foreign investment companies” or “PFICs”), the fund could be subject to federal income tax and additional interest charges on “excess distributions” received from such companies or gain from the sale of stock in such companies, even if all income or gain actually received by the fund is timely distributed to its shareholders. The fund would not be able to pass through to its shareholders any credit or deduction for such a tax.

If a fund were to invest in a PFIC and elected to treat the PFIC as a “qualified electing fund” under the Code, in lieu of the foregoing requirements, the fund would be required to include in income each year a portion of the ordinary earnings and net capital gain of the qualified electing fund, even if not distributed to the fund. Alternatively, a fund can elect to mark-to-market at the end of each taxable year its shares in a PFIC; in this case, the fund would recognize as ordinary income any increase in the value of such shares, and as ordinary loss any decrease in such value to the extent it did not exceed prior increases included in income. Under either election, a fund might be required to recognize in a year income in excess of its distributions from PFICs and its proceeds from dispositions of PFIC stock during that year, and such income would nevertheless be subject to the distribution requirements and would be taken into account for purposes of the 4% excise tax.

A fund may be subject to withholding and other taxes imposed by foreign countries with respect to its investments in foreign securities. Some tax conventions between certain countries and the U.S. may reduce or eliminate such taxes. Rather than deducting these foreign taxes, if a fund invests more than 50% of its assets in the stock or securities of foreign corporations or foreign governments at the end of its taxable year, the fund may make an election to treat a proportionate amount of eligible foreign taxes as constituting a taxable distribution to each shareholder or to a qualified fund of funds, which would, subject to certain limitations, generally allow the shareholder or the qualified fund of funds to either (i) credit that proportionate amount of taxes against U.S. Federal income tax liability as a foreign tax credit or (ii) to take that amount as an itemized deduction. A qualified fund of funds is a RIC that has at least 50% of the value of its total interests invested in other RICs at the end of each quarter for the taxable year. Such foreign taxes will reduce the amount a fund has available to distribute to shareholders.

If this election is made, a shareholder generally subject to tax will be required to include in gross income (in addition to taxable dividends actually received) his or her pro rata share of the foreign taxes paid by the fund, and may be entitled either to deduct (as an itemized deduction) his or her pro rata share of foreign taxes in computing his or her taxable income or to use it (subject to limitations) as a foreign tax credit against his or her U.S. federal income tax liability. No deduction for foreign taxes may be claimed by a shareholder who does not itemize deductions. Each shareholder will be notified after the close of the fund's taxable year whether the foreign taxes paid by the fund will “pass-through” for that taxable year.

For United States federal income tax purposes, distributions paid out of a fund's current or accumulated earnings and profits will, except in the case of distributions of qualified dividend income and capital gain dividends described below, be taxable as ordinary dividend income. Certain income distributions paid by a fund (whether paid in cash or reinvested in additional fund shares) to individual taxpayers are taxed at rates applicable to net long-term capital gains (currently 20%, 15%, or 0%, depending on an individual's level of income). This tax treatment applies only if the shareholder owns fund shares for at least 61 days during the 121-day period beginning 60 days before the fund's ex-dividend date (or 91 days during the 181-day period beginning 90 days before the fund's ex-dividend date in the case of certain preferred stock dividends paid by the fund), certain other requirements are satisfied by the shareholder, and the dividends are attributable to qualified dividend income received by the fund itself. For this purpose, “qualified dividend income” means dividends received by a fund from United States corporations and “qualified foreign corporations,” as well as certain dividends from underlying funds that are reported as qualified dividend income, provided that the fund satisfies certain holding period and other requirements in respect of the stock of such corporations and underlying funds. There can be no assurance as to what portion of a fund's dividend distributions will qualify as qualified dividend income. Dividends paid by funds that primarily invest in bonds and other debt securities generally will not qualify for the reduced tax rate applicable to qualified dividend income and will not qualify for the corporate dividends-received deduction. Distributions from a PFIC are not eligible for the reduced rate of tax on “qualified dividend income.”

If a fund should have dividend income that qualifies for the reduced tax rate applicable to qualified dividend income, the maximum amount allowable will be reported by the fund. This amount will be reflected on Form 1099-DIV for the applicable calendar year.

For purposes of the dividends received deduction available to corporations, dividends received by a fund, if any, from U.S. domestic corporations in respect of the stock of such corporations held by the fund, for U.S. federal income tax purposes, for at least 46 days (91 days in the case of certain preferred stock) during a prescribed period extending before and after each such dividend and distributed and reported by the fund may be treated as qualifying dividends. Corporate shareholders must meet the holding period requirements stated above with respect to their shares of a fund for each dividend in order to qualify for the deduction and, if they have any debt that is deemed under the Code directly attributable to such shares, may be denied a portion of the dividends received deduction. Additionally, any corporate shareholder should consult its tax advisor regarding the possibility that its tax basis in its shares may be reduced, for federal income tax purposes, by reason of “extraordinary dividends” received with respect to the shares and, to the extent such basis would be reduced below zero, that current recognition of income would be required.

Certain distributions reported by a fund as Section 163(j) interest dividends may be treated as interest income by shareholders for purposes of the tax rules applicable to interest expense limitations under Section 163(j) of the Code. Such treatment by the shareholder is generally subject to holding period requirements and other potential limitations, although the holding period requirements are generally not applicable to dividends declared by

money market funds and certain other funds that declare dividends daily and pay such dividends on a monthly or more frequent basis. The amount that a fund is eligible to report as a Section 163(j) dividend for a tax year is generally limited to the excess of the fund's business interest income over the sum of the fund's (i) business interest expense and (ii) other deductions properly allocable to the fund's business interest income.

Shareholders receiving any distribution from a fund in the form of additional shares pursuant to a dividend reinvestment plan will be treated as receiving a taxable distribution in an amount equal to the fair market value of the shares received, determined as of the reinvestment date. Shareholders who have chosen automatic reinvestment of their distributions will have a federal tax basis in each share received pursuant to such a reinvestment equal to the amount of cash they would have received had they elected to receive the distribution in cash, divided by the number of shares received in the reinvestment.

For federal income tax purposes, a fund is permitted to carry forward a net capital loss incurred in any year to offset net capital gains, if any, in any subsequent year until such loss carryforwards have been fully used. Capital losses carried forward will retain their character as either short-term or long-term capital losses. A fund's ability to utilize capital loss carryforwards in a given year or in total may be limited. To the extent subsequent net capital gains are offset by such losses, they would not result in federal income tax liability to a fund and would not be distributed as such to shareholders.

Below are the capital loss carryforwards available to the funds as of August 31, 2024 to the extent provided by regulations, to offset future net realized capital gains:

<b>Fund</b>	<b>Short-term Losses (no expiration date) (\$)</b>	<b>Long-term Losses (no expiration date) (\$)</b>	<b>Total (\$)</b>
Alternative Asset Allocation Fund	11,724,443	17,914,782	29,639,225
Blue Chip Growth Fund	0	0	0
Capital Appreciation Fund	0	0	0
Capital Appreciation Value Fund	0	0	0
Core Bond Fund	131,338,385	125,224,536	256,562,921
Disciplined Value Emerging Markets Equity Fund	0	0	0
Emerging Markets Debt Fund	23,146,877	94,623,440	117,770,317
Equity Income Fund	0	0	0
Floating Rate Income Fund	69,814,138	444,174,126	513,988,264
Fundamental Global Franchise Fund	0	0	0
Global Equity Fund	20,809,387	164,567,489	185,376,876
Health Sciences Fund	0	0	0
High Yield Fund	4,900,880	112,679,664	117,580,544
International Small Company Fund	0	0	0
International Strategic Equity Allocation Fund	119,594,732	105,815,765	225,410,497
Mid Value Fund	0	0	0
Multi-Asset High Income Fund	4,645,351	7,896,930	12,542,281
Lifestyle Blend Aggressive Portfolio	137,831	0	137,831
Lifestyle Blend Balanced Portfolio	0	39,251,037	39,251,037
Lifestyle Blend Conservative Portfolio	0	16,594,323	16,594,323
Lifestyle Blend Growth Portfolio	693,930	12,664,854	13,358,784
Lifestyle Blend Moderate Portfolio	0	16,359,377	16,359,377
2065 Lifetime Blend Portfolio	0	0	0
2060 Lifetime Blend Portfolio	315,972	361,458	677,430
2055 Lifetime Blend Portfolio	1,743,117	1,346,599	3,089,716
2050 Lifetime Blend Portfolio	3,341,487	2,918,029	6,259,516
2045 Lifetime Blend Portfolio	2,648,796	2,767,333	5,416,129
2040 Lifetime Blend Portfolio	519,350	8,211,829	8,731,179
2035 Lifetime Blend Portfolio	0	15,620,774	15,620,774
2030 Lifetime Blend Portfolio	0	22,681,914	22,681,914
2025 Lifetime Blend Portfolio	0	21,655,505	21,655,505
2020 Lifetime Blend Portfolio	0	10,910,471	10,910,471
2015 Lifetime Blend Portfolio	0	2,911,737	2,911,737
2010 Lifetime Blend Portfolio	0	1,916,950	1,916,950
Multimanager 2065 Lifetime Portfolio	0	0	0

<b>Fund</b>	<b>Short-term Losses (no expiration date) (\$)</b>	<b>Long-term Losses (no expiration date) (\$)</b>	<b>Total (\$)</b>
Multimanager 2060 Lifetime Portfolio	0	0	0
Multimanager 2055 Lifetime Portfolio	0	0	0
Multimanager 2050 Lifetime Portfolio	0	0	0
Multimanager 2045 Lifetime Portfolio	0	0	0
Multimanager 2040 Lifetime Portfolio	0	0	0
Multimanager 2035 Lifetime Portfolio	0	0	0
Multimanager 2030 Lifetime Portfolio	1,417,119	10,360,997	11,778,116
Multimanager 2025 Lifetime Portfolio	4,391,600	5,791,989	10,183,589
Multimanager 2020 Lifetime Portfolio	1,373,440	5,799,374	7,172,814
Multimanager 2015 Lifetime Portfolio	454,743	1,034,987	1,489,730
Multimanager 2010 Lifetime Portfolio	228,811	1,501,846	1,730,657
New Opportunities Fund	0	0	0
Opportunistic Fixed Income Fund	25,653,466	63,690,189	89,343,655
Real Estate Securities Fund	25,584,642	0	25,584,642
Science & Technology Fund	0	0	0
Small Cap Dynamic Growth Fund	11,834,597	0	11,834,597
Small Cap Value Fund	0	0	0
Strategic Income Opportunities Fund	121,806,605	229,930,227	351,736,832
U.S. Sector Rotation Fund	0	0	0

Distributions of net capital gain, if any, reported as capital gains dividends are taxable to a shareholder as long-term capital gains, regardless of how long the shareholder has held fund shares. A distribution of an amount in excess of a fund's current and accumulated earnings and profits will be treated by a shareholder as a return of capital which is applied against and reduces the shareholder's basis in his or her shares. To the extent that the amount of any such distribution exceeds the shareholder's basis in his or her shares, the excess will be treated by the shareholder as gain from a sale or exchange of the shares. Distributions of gains from the sale of investments that a fund owned for one year or less will be taxable as ordinary income.

In determining its net capital gain, including in connection with determining the amount available to support a capital gain dividend, its taxable income and its earnings and profits, a fund generally may elect to treat part or all of any post-October capital loss (defined as any net capital loss attributable to the portion, if any, of the taxable year after October 31 or, if there is no such loss, the net long-term capital loss or net short-term capital loss attributable to any such portion of the taxable year) or late-year ordinary loss (generally, the sum of its (i) net ordinary loss, if any, from the sale, exchange or other taxable disposition of property, attributable to the portion, if any, of the taxable year after October 31, and its (ii) other net ordinary loss, if any, attributable to the portion, if any, of the taxable year after December 31) as if incurred in the succeeding taxable year.

A fund may elect to retain its net capital gain or a portion thereof for investment and be taxed at corporate rates on the amount retained. In such case, it may designate the retained amount as undistributed capital gains in a notice to its shareholders who will be treated as if each received a distribution of his pro rata share of such gain, with the result that each shareholder will: (i) be required to report his pro rata share of such gain on his tax return as long-term capital gain; (ii) receive a refundable tax credit for his pro rata share of tax paid by the fund on the gain; and (iii) increase the tax basis for his shares by an amount equal to the deemed distribution less the tax credit.

Selling shareholders generally will recognize gain or loss in an amount equal to the difference between the shareholder's adjusted tax basis in the shares sold and the sale proceeds. Such gain or loss will be treated as capital gain or loss if the shares are capital assets in the shareholder's hands and will be long-term or short-term, depending upon the shareholder's tax holding period for the shares and subject to the special rules described below. The maximum tax rate applicable to net capital gains recognized by individuals and other non-corporate taxpayers is generally 20% for gains recognized on the sale of capital assets held for more than one year (as well as certain capital gain distributions) (15% or 0% for individuals at certain income levels).

A shareholder exchanging shares of one fund for shares of another fund will be treated for tax purposes as having sold the shares of the first fund, realizing tax gain or loss on such exchange. A shareholder exercising a right to convert one class of fund shares to a different class of shares of the same fund should not realize taxable gain or loss.

Any loss realized upon the sale or exchange of fund shares with a holding period of six months or less will be treated as a long-term capital loss to the extent of any capital gain distributions received (or amounts designated as undistributed capital gains) with respect to such shares. In addition, all or a portion of a loss realized on a sale or other disposition of fund shares may be disallowed under "wash sale" rules to the extent the shareholder acquires other shares of the same fund (whether through the reinvestment of distributions or otherwise) within a period of 61 days beginning 30 days before and ending 30 days after the date of disposition of the shares. Any disallowed loss will result in an adjustment to the shareholder's tax basis in some or all of the other shares acquired.



Sales charges paid upon a purchase of shares cannot be taken into account for purposes of determining gain or loss on a sale of the shares before the 91st day after their purchase to the extent a sales charge is reduced or eliminated in a subsequent acquisition of shares of a fund, during the period beginning on the date of such sale and ending on January 31 of the calendar year following the calendar year in which such sale was made, pursuant to a reinvestment or exchange privilege. Any disregarded amounts will result in an adjustment to the shareholder's tax basis in some or all of any other shares acquired.

The benefits of the reduced tax rates applicable to long-term capital gains and qualified dividend income may be impacted by the application of the alternative minimum tax to individual shareholders.

Certain net investment income received by an individual having adjusted gross income in excess of \$200,000 (or \$250,000 for married individuals filing jointly) will be subject to a tax of 3.8%. Undistributed net investment income of trusts and estates in excess of a specified amount also will be subject to this tax. Dividends and capital gains distributed by a fund, and gain realized on redemption of fund shares, will constitute investment income of the type subject to this tax.

Special tax rules apply to investments through defined contribution plans and other tax-qualified plans. Shareholders should consult their tax advisor to determine the suitability of shares of a fund as an investment through such plans.

Dividends and distributions on a fund's shares are generally subject to federal income tax as described herein to the extent they do not exceed the fund's realized income and gains, even though such dividends and distributions may economically represent a return of a particular shareholder's investment. Such distributions are likely to occur in respect of shares purchased at a time when a fund's NAV reflects gains that are either unrealized or realized but not distributed. Such realized gains may be required to be distributed even when a fund's NAV also reflects unrealized losses. Such gains could be substantial, and the taxes incurred by a shareholder with respect to such distributions could have a material impact on the value of the shareholder's investment.

Certain distributions declared in October, November or December to shareholders of record of such month and paid in the following January will be taxed to shareholders as if received on December 31 of the year in which they were declared. In addition, certain other distributions made after the close of a taxable year of a fund may be "spilled back" and treated as paid by the fund (except for purposes of the non-deductible 4% federal excise tax) during such taxable year. In such case, shareholders will be treated as having received such dividends in the taxable year in which the distributions were actually made.

A fund will inform its shareholders of the source and tax status of all distributions promptly after the close of each calendar year.

Each fund (or its administrative agent) must report to the IRS and furnish to shareholders the cost basis information and holding period for such fund's shares purchased on or after January 1, 2012, and repurchased by the fund on or after that date. A fund will permit shareholders to elect from among several permitted cost basis methods. In the absence of an election, each fund will use an average cost as its default cost basis method. The cost basis method that a shareholder elects may not be changed with respect to a repurchase of shares after the settlement date of the repurchase. Shareholders should consult with their tax advisors to determine the best permitted cost basis method for their tax situation and to obtain more information about how the new cost basis reporting rules apply to them.

A fund generally is required to withhold and remit to the U.S. Treasury a percentage of the taxable dividends and other distributions paid to and proceeds of share sales, exchanges, or redemptions made by any individual shareholder (including foreign individuals) who fails to furnish the fund with a correct taxpayer identification number, who has under-reported dividends or interest income, or who fails to certify to the fund that he or she is a United States person and is not subject to such withholding. The backup withholding tax rate is 24%. Distributions will not be subject to backup withholding to the extent they are subject to the withholding tax on foreign persons described in the next paragraph. Any tax withheld as a result of backup withholding does not constitute an additional tax imposed on the record owner of the account and may be claimed as a credit on the record owner's federal income tax return.

Non-U.S. investors not engaged in a U.S. trade or business with which their investment in a fund is effectively connected will be subject to U.S. federal income tax treatment that is different from that described above. Such non-U.S. investors may be subject to withholding tax at the rate of 30% (or a lower rate under an applicable tax treaty) on amounts treated as ordinary dividends from a fund. Capital gain distributions, if any, are not subject to the 30% withholding tax. Unless an effective IRS Form W-8BEN or other authorized withholding certificate is on file, backup withholding will apply to certain other payments from a fund. Non-U.S. investors should consult their tax advisors regarding such treatment and the application of foreign taxes to an investment in a fund.

Properly-reported dividends generally are exempt from U.S. federal withholding tax where they are (i) "interest-related dividends" paid in respect of a fund's "qualified net interest income" (generally, a fund's U.S. source interest income, other than certain contingent interest and interest from obligations of a corporation or partnership in which the fund is at least a 10% shareholder, reduced by expenses that are allocable to such income) or (ii) "short-term capital gain dividends" paid in respect of a fund's "qualified short-term gains" (generally, the excess of a fund's net short-term capital gain over the fund's long-term capital loss for such taxable year). Depending on its circumstances, a fund may report all, some or none of its potentially eligible dividends as such interest-related dividends or as short-term capital gain dividends and/or treat such dividends, in whole or in part, as ineligible for this exemption from withholding.

Under FATCA, a 30% U.S. withholding tax may apply to any U.S.-source “withholdable payments” made to a non-U.S. entity unless the non-U.S. entity enters into an agreement with either the IRS or a governmental authority in its own country, as applicable, to collect and provide substantial information regarding the entity’s owners, including “specified United States persons” and “United States owned foreign entities,” or otherwise demonstrates compliance with or exemption from FATCA. The term “withholdable payment” includes any payment of interest (even if the interest is otherwise exempt from the withholding rules described above) or dividends, in each case with respect to any U.S. investment. The IRS has issued proposed regulations, which have immediate effect, while pending, to eliminate the withholding tax that was scheduled to begin in 2019 with respect to U.S.-source investment sale proceeds. A specified United States person is essentially any U.S. person, other than publicly traded corporations, their affiliates, tax-exempt organizations, governments, banks, REITs, RICs, and common trust funds. A United States owned foreign entity is a foreign entity with one or more “substantial United States owners,” generally defined as United States person owning a greater than 10% interest. Non-U.S. investors should consult their own tax advisers regarding the impact of this legislation on their investment in a fund.

If a shareholder realizes a loss on disposition of a fund's shares of \$2 million or more for an individual shareholder or \$10 million or more for a corporate shareholder, the shareholder must file with the IRS a disclosure statement on Form 8886. Direct shareholders of portfolio securities are in many cases excepted from this reporting requirement, but under current guidance, shareholders of a RIC are not excepted. Future guidance may extend the current exception from this reporting requirement to shareholders of most or all RICs.

The foregoing is a general and abbreviated summary of the applicable provisions of the Code and Treasury Regulations currently in effect. It is not intended to be a complete explanation or a substitute for consultation with individual tax advisors. For the complete provisions, reference should be made to the pertinent Code sections and the Treasury Regulations promulgated thereunder. The Code and Treasury Regulations are subject to change, possibly with retroactive effect.

PORTFOLIO BROKERAGE

Pursuant to the Subadvisory Agreements, the subadvisors are responsible for placing all orders for the purchase and sale of portfolio securities of the funds. The subadvisors have no formula for the distribution of the funds’ brokerage business; rather they place orders for the purchase and sale of securities with the primary objective of obtaining the most favorable overall results for the applicable fund. The cost of securities transactions for each fund will consist primarily of brokerage commissions or dealer or underwriter spreads. Fixed-income securities and money market instruments are generally traded on a net basis and do not normally involve either brokerage commissions or transfer taxes.

Occasionally, securities may be purchased directly from the issuer. For securities traded primarily in the OTC market, the subadvisors will, where possible, deal directly with dealers who make a market in the securities unless better prices and execution are available elsewhere. Such dealers usually act as principals for their own account.

**Selection of Brokers or Dealers to Effect Trades.** In selecting brokers or dealers to implement transactions, the subadvisors will give consideration to a number of factors, including:

- price, dealer spread or commission, if any;
- the reliability, integrity and financial condition of the broker dealer;
- size of the transaction;
- difficulty of execution;
- brokerage and research services provided (unless prohibited by applicable law); and
- confidentiality and anonymity.

Consideration of these factors by a subadvisor, either in terms of a particular transaction or the subadvisor’s overall responsibilities with respect to the fund and any other accounts managed by the subadvisor, could result in the applicable fund paying a commission or spread on a transaction that is in excess of the amount of commission or spread another broker dealer might have charged for executing the same transaction.

**Securities of Regular Broker Dealers.** The table below presents information regarding the securities of the funds’ regular broker dealers (or parents of the regular broker dealers) that were held by the funds as of August 31, 2024. A “Regular Broker Dealer” of a fund is defined by the SEC as one of the 10 brokers or dealers that during the fund's most recent fiscal year: (a) received the greatest dollar amount of brokerage commissions by virtue of direct or indirect participation in the fund's portfolio transactions; (b) engaged as principal in the largest dollar amount of portfolio transactions of the fund; or (c) sold the largest dollar amount of securities of the fund.

Fund	Regular Broker Dealer	Holdings (\$000s)
Alternative Asset Allocation Fund	JPMorgan Chase & Co.	98,455
Blue Chip Growth Fund	Morgan Stanley & Company, Inc.	17,848
	State Street Corp.	23,164
	T.Rowe Price Group, Inc.	84
	The Goldman Sachs Group, Inc.	18,495
Capital Appreciation Fund	State Street Corp.	4,839



<b>Fund</b>	<b>Regular Broker Dealer</b>	<b>Holdings (\$000s)</b>
Capital Appreciation Value Fund	The Goldman Sachs Group, Inc.	18,139
	State Street Corp.	7,640
	T.Rowe Price Group, Inc.	45,607
Core Bond Fund	Bank of America Corp.	11,531
	Barclays Bank PLC	4,384
	Citigroup, Inc.	6,069
	Deutsche Bank AG	5,287
	HSBC Holdings PLC	1,934
	JPMorgan Chase & Co.	19,339
	Morgan Stanley & Company, Inc.	24,285
	Royal Bank of Canada	2,323
	State Street Corp.	70,844
	The Goldman Sachs Group, Inc.	11,970
Disciplined Value Emerging Markets Equity Fund	UBS Group AG	8,506
	N/A	N/A
	N/A	N/A
Emerging Markets Debt Fund	N/A	N/A
Equity Income Fund	Bank of America Corp.	9,181
	Citigroup, Inc.	23,229
	JPMorgan Chase & Co.	26,146
	Morgan Stanley & Company, Inc.	5,475
	State Street Corp.	1,507
	T.Rowe Price Group, Inc.	8,566
	The Goldman Sachs Group, Inc.	1,019
Floating Rate Income Fund	State Street Corp.	33,571
Fundamental Global Franchise Fund	JPMorgan Chase & Co.	3,812
Global Equity Fund	Bank of America Corp.	10,708
	JPMorgan Chase & Co.	6,960
Health Sciences Fund	State Street Corp.	1,137
	T.Rowe Price Group, Inc.	— <sup>1</sup>
High Yield Fund	Citigroup, Inc.	575
	State Street Corp.	1,259
	UBS Group AG	1,736
International Small Company Fund	N/A	N/A
International Strategic Equity Allocation Fund	Barclays Bank PLC	6,172
	Deutsche Bank AG	4,157
	HSBC Holdings PLC	22,563
	Royal Bank of Canada	23,145
	UBS Group AG	13,954
Mid Value Fund	State Street Corp.	2,009
	T.Rowe Price Group, Inc.	57,105
Multi-Asset High Income Fund	Barclays Bank PLC	574
	Citigroup, Inc.	508
	JPMorgan Chase & Co.	504
	Royal Bank of Canada	365
	The Goldman Sachs Group, Inc.	588
Lifestyle Blend Aggressive Portfolio	N/A	N/A
Lifestyle Blend Balanced Portfolio	N/A	N/A
Lifestyle Blend Conservative Portfolio	N/A	N/A
Lifestyle Blend Growth Portfolio	N/A	N/A
Lifestyle Blend Moderate Portfolio	N/A	N/A
2065 Lifetime Blend Portfolio	N/A	N/A
2060 Lifetime Blend Portfolio	N/A	N/A

Fund	Regular Broker Dealer	Holdings (\$000s)
2055 Lifetime Blend Portfolio	N/A	N/A
2050 Lifetime Blend Portfolio	N/A	N/A
2045 Lifetime Blend Portfolio	N/A	N/A
2040 Lifetime Blend Portfolio	N/A	N/A
2035 Lifetime Blend Portfolio	N/A	N/A
2030 Lifetime Blend Portfolio	N/A	N/A
2025 Lifetime Blend Portfolio	N/A	N/A
2020 Lifetime Blend Portfolio	N/A	N/A
2015 Lifetime Blend Portfolio	N/A	N/A
2010 Lifetime Blend Portfolio	N/A	N/A
Multimanager 2065 Lifetime Portfolio	N/A	N/A
Multimanager 2060 Lifetime Portfolio	N/A	N/A
Multimanager 2055 Lifetime Portfolio	N/A	N/A
Multimanager 2050 Lifetime Portfolio	N/A	N/A
Multimanager 2045 Lifetime Portfolio	N/A	N/A
Multimanager 2040 Lifetime Portfolio	N/A	N/A
Multimanager 2035 Lifetime Portfolio	N/A	N/A
Multimanager 2030 Lifetime Portfolio	N/A	N/A
Multimanager 2025 Lifetime Portfolio	N/A	N/A
Multimanager 2020 Lifetime Portfolio	N/A	N/A
Multimanager 2015 Lifetime Portfolio	N/A	N/A
Multimanager 2010 Lifetime Portfolio	N/A	N/A
New Opportunities Fund	State Street Corp.	5,268
Opportunistic Fixed Income Fund	Bank of America Corp.	130
	Barclays Bank PLC	111
	Citigroup, Inc.	138
	Deutsche Bank AG	41
	Morgan Stanley & Company, Inc.	147
	State Street Corp.	11,910
	The Goldman Sachs Group, Inc.	161
	UBS Group AG	231
Real Estate Securities Fund	State Street Corp.	2,229
Science & Technology Fund	State Street Corp.	871
	T.Rowe Price Group, Inc.	2
Small Cap Dynamic Growth Fund	State Street Corp.	5,043
Small Cap Value Fund	Deutsche Bank AG	14,200
Strategic Income Opportunities Fund	Citigroup, Inc.	4,493
	Morgan Stanley & Company, Inc.	684
	Royal Bank of Canada	18,455
	The Goldman Sachs Group, Inc.	4,857
	Bank of America Corp.	25,728
U.S. Sector Rotation Fund	Citigroup, Inc.	11,086
	JPMorgan Chase & Co.	59,906
	Morgan Stanley & Company, Inc.	12,030
	State Street Corp.	2,435
	T.Rowe Price Group, Inc.	2,199
	The Goldman Sachs Group, Inc.	15,267

**1** Amount is less than \$500.

**Soft Dollar Considerations.** In selecting brokers and dealers, the subadvisors will give consideration to the value and quality of any research, statistical, quotation, brokerage or valuation services provided by the broker or dealer to the subadvisor. In placing a purchase or sale order, unless prohibited by applicable law, the subadvisor may use a broker whose commission in effecting the transaction is higher than that of some other broker if the subadvisor determines in good faith that the amount of the higher commission is reasonable in relation to the value of the brokerage and research

services provided by such broker, viewed in terms of either the particular transaction or the subadvisor's overall responsibilities with respect to a fund and any other accounts managed by the subadvisor. In addition to statistical, quotation, brokerage or valuation services, a subadvisor may receive from brokers or dealers products or research that are used for both research and other purposes, such as administration or marketing. In such case, the subadvisor will make a good faith determination as to the portion attributable to research. Only the portion attributable to research will be paid through portfolio brokerage. The portion not attributable to research will be paid by the subadvisor. Research products and services may be acquired or received either directly from executing brokers or indirectly through other brokers in step-out transactions. A "step-out" is an arrangement by which a subadvisor executes a trade through one broker dealer but instructs that entity to step-out all or a portion of the trade to another broker dealer. This second broker dealer will clear and settle, and receive commissions for, the stepped-out portion. The second broker dealer may or may not have a trading desk of its own.

Under MiFID II, EU investment managers, including certain subadvisors to funds in the John Hancock Fund Complex, may only pay for research from brokers and dealers directly out of their own resources or by establishing "research payment accounts" for each client, rather than through client commissions. MiFID II limits the use of soft dollars by subadvisors located in the EU, if applicable, and in certain circumstances may result in other subadvisors reducing the use of soft dollars as to certain groups of clients or as to all clients.

The subadvisors also may receive research or research credits from brokers that are generated from underwriting commissions when purchasing new issues of fixed-income securities or other assets for a fund. These services, which in some cases also may be purchased for cash, include such matters as general economic and security market reviews, industry and company reviews, evaluations of securities and recommendations as to the purchase and sale of securities. Some of these services are of value to the subadvisor in advising several of its clients (including the funds), although not all of these services are necessarily useful and of value in managing the funds. The management fee paid by a fund is not reduced because a subadvisor and its affiliates receive such services.

As noted above, a subadvisor may purchase new issues of securities for a fund in underwritten fixed price offerings. In these situations, the underwriter or selling group member may provide the subadvisor with research in addition to selling the securities (at the fixed public offering price) to the funds or other advisory clients. Because the offerings are conducted at a fixed price, the ability to obtain research from a broker dealer in this situation provides knowledge that may benefit the fund, other subadvisor clients, and the subadvisor without incurring additional costs. These arrangements may not fall within the safe harbor in Section 28(e) of the Exchange Act, because the broker dealer is considered to be acting in a principal capacity in underwritten transactions. However, FINRA has adopted rules expressly permitting broker dealers to provide bona fide research to advisors in connection with fixed price offerings under certain circumstances. As a general matter in these situations, the underwriter or selling group member will provide research credits at a rate that is higher than that which is available for secondary market transactions.

Brokerage and research services provided by brokers and dealers include advice, either directly or through publications or writings, as to:

- the value of securities;
- the advisability of purchasing or selling securities;
- the availability of securities or purchasers or sellers of securities; and
- analyses and reports concerning: (a) issuers; (b) industries; (c) securities; (d) economic, political and legal factors and trends; and (e) portfolio strategy.

Research services are received primarily in the form of written reports, computer generated services, telephone contacts and personal meetings with security analysts. In addition, such services may be provided in the form of meetings arranged with corporate and industry spokespersons, economists, academicians and government representatives. In some cases, research services are generated by third parties but are provided to the subadvisor by or through a broker.

To the extent research services are used by the subadvisors, such services would tend to reduce such party's expenses. However, the subadvisors do not believe that an exact dollar value can be assigned to these services. Research services received by the subadvisors from brokers or dealers executing transactions for series of the Trust, which may not be used in connection with a fund, also will be available for the benefit of other funds managed by the subadvisors.

**Allocation of Trades by the Subadvisors.** The subadvisors manage a number of accounts other than the funds. Although investment determinations for the funds will be made by a subadvisor independently from the investment determinations it makes for any other account, investments deemed appropriate for the funds by a subadvisor also may be deemed appropriate by it for other accounts. Therefore, the same security may be purchased or sold at or about the same time for both the funds and other accounts. In such circumstances, a subadvisor may determine that orders for the purchase or sale of the same security for the funds and one or more other accounts should be combined. In this event the transactions will be priced and allocated in a manner deemed by the subadvisor to be equitable and in the best interests of the funds and such other accounts. While in some instances combined orders could adversely affect the price or volume of a security, each fund believes that its participation in such transactions on balance will produce better overall results for the fund.

For purchases of equity securities, when a complete order is not filled, a partial allocation will be made to each participating account pro rata based on the order size. For high demand issues (for example, initial public offerings), shares will be allocated pro rata by account size as well as on the basis of account objective, account size (a small account's allocation may be increased to provide it with a meaningful position), and the account's other holdings. In addition, an account's allocation may be increased if that account's portfolio manager was responsible for generating the investment idea or

the portfolio manager intends to buy more shares in the secondary market. For fixed-income accounts, generally securities will be allocated when appropriate among accounts based on account size, except if the accounts have different objectives or if an account is too small to receive a meaningful allocation. For new issues, when a complete order is not filled, a partial allocation will be made to each account pro rata based on the order size. However, if a partial allocation is too small to be meaningful, it may be reallocated based on such factors as account objectives, strategies, duration benchmarks and credit and sector exposure. For example, value funds will likely not participate in initial public offerings as frequently as growth funds. In some instances, this investment procedure may adversely affect the price paid or received by the funds or the size of the position obtainable for it. On the other hand, to the extent permitted by law, a subadvisor may aggregate securities to be sold or purchased for the funds with those to be sold or purchased for other clients that it manages in order to obtain best execution.

**Affiliated Underwriting Transactions by a Subadvisor.** The Trust has approved procedures in conformity with Rule 10f-3 under the 1940 Act whereby a fund may purchase securities that are offered in underwritings in which an affiliate of the subadvisors participates. These procedures prohibit a fund from directly or indirectly benefiting a subadvisor affiliate in connection with such underwritings. In addition, for underwritings where a subadvisor affiliate participates as a principal underwriter, certain restrictions may apply that could, among other things, limit the amount of securities that the funds could purchase.

**Brokerage Commissions Paid.** For the last three fiscal periods, the funds paid brokerage commissions in connection with portfolio transactions. Any material differences from year to year reflect an increase or decrease in trading activity by the applicable fund. The total brokerage commissions paid by the funds for the fiscal periods ended August 31, 2024, August 31, 2023, and August 31, 2022 are set forth in the table below:

Fund	Total Commissions Paid in Fiscal Period Ended August 31,		
	2024 (\$)	2023 (\$)	2022 (\$)
Alternative Asset Allocation Fund	26,033	48,923	27,618
Blue Chip Growth Fund	66,603	146,358	167,000
Capital Appreciation Fund	262,892	197,459	272,957
Capital Appreciation Value Fund	115,512	146,959	146,357
Core Bond Fund	N/A	N/A	N/A
Disciplined Value Emerging Markets Equity Fund	502,336	40,454	42,387
Emerging Markets Debt Fund	N/A	N/A	N/A
Equity Income Fund	197,883	233,689	207,074
Floating Rate Income Fund	73,418	22,457	16,260
Fundamental Global Franchise Fund	70,163	118,464	98,510
Global Equity Fund	197,282	335,036	415,918
Health Sciences Fund	70,295	46,832	55,623
High Yield Fund	2,260	1,357	5,209
International Small Company Fund	62,490	51,567	81,661
International Strategic Equity Allocation Fund	962,669	1,141,344	2,004,202
Mid Value Fund	576,774	556,688	624,792
Multi-Asset High Income Fund	21,436	28,816	37,727
Lifestyle Blend Aggressive Portfolio	15,664	21,410	19,750
Lifestyle Blend Balanced Portfolio	112,411	113,455	68,444
Lifestyle Blend Conservative Portfolio	50,358	55,662	38,147
Lifestyle Blend Growth Portfolio	73,696	74,248	59,087
Lifestyle Blend Moderate Portfolio	47,993	47,438	30,828
2065 Lifetime Blend Portfolio	4,391	2,879	1,499
2060 Lifetime Blend Portfolio	10,291	10,907	6,585
2055 Lifetime Blend Portfolio	17,640	20,586	12,458
2050 Lifetime Blend Portfolio	20,780	28,489	17,217
2045 Lifetime Blend Portfolio	31,067	41,805	23,097
2040 Lifetime Blend Portfolio	44,105	47,158	30,001
2035 Lifetime Blend Portfolio	62,613	58,969	40,031
2030 Lifetime Blend Portfolio	79,139	68,976	73,397
2025 Lifetime Blend Portfolio	75,202	70,895	69,385
2020 Lifetime Blend Portfolio	45,358	38,207	47,420
2015 Lifetime Blend Portfolio	17,259	12,937	18,320
2010 Lifetime Blend Portfolio	14,138	14,141	16,045
Multimanager 2065 Lifetime Portfolio	N/A	N/A	N/A

Fund	Total Commissions Paid in Fiscal Period Ended August 31,		
	2024 (\$)	2023 (\$)	2022 (\$)
Multimanager 2060 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2055 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2050 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2045 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2040 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2035 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2030 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2025 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2020 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2015 Lifetime Portfolio	N/A	N/A	N/A
Multimanager 2010 Lifetime Portfolio	N/A	N/A	N/A
New Opportunities Fund	64,913	110,554	130,302
Opportunistic Fixed Income Fund	34	29	2,831
Real Estate Securities Fund	236,381	310,121	283,263
Science & Technology Fund	177,530	77,265	79,605
Small Cap Dynamic Growth Fund	405,129	403,078	360,916
Small Cap Value Fund	330,568	345,304	428,902
Strategic Income Opportunities Fund	N/A	16,205	83,100
U.S. Sector Rotation Fund	145,491	289,532	274,334

**Affiliated Brokerage.** Pursuant to procedures determined by the Trustees and consistent with the above policy of obtaining best net results, a fund may execute portfolio transactions with or through brokers affiliated with the Advisor or subadvisor (“Affiliated Brokers”). Affiliated Brokers may act as broker for the funds on exchange transactions, subject, however, to the general policy set forth above and the procedures adopted by the Trustees pursuant to the 1940 Act. Commissions paid to an Affiliated Broker must be at least as favorable as those that the Trustees believe to be contemporaneously charged by other brokers in connection with comparable transactions involving similar securities being purchased or sold. A transaction would not be placed with an Affiliated Broker if the fund would have to pay a commission rate less favorable than the Affiliated Broker’s contemporaneous charges for comparable transactions for its other most favored, but unaffiliated, customers, except for accounts for which the Affiliated Broker acts as clearing broker for another brokerage firm, and any customers of the Affiliated Broker not comparable to the fund, as determined by a majority of the Trustees who are not “interested persons” (as defined in the 1940 Act) of the fund, the Advisor, the subadvisor or the Affiliated Broker. Because the Advisor or subadvisor that is affiliated with the Affiliated Broker has, as an investment advisor to the funds, the obligation to provide investment management services, which includes elements of research and related investment skills such research and related skills will not be used by the Affiliated Broker as a basis for negotiating commissions at a rate higher than that determined in accordance with the above criteria.

The Advisor’s indirect parent, Manulife Financial, is the parent of a broker dealer, JH Distributors. JH Distributors is considered an Affiliated Broker.

**Brokerage Commissions Paid to Affiliated Brokers.** For the fiscal periods ended August 31, 2024, August 31, 2023, and August 31, 2022, no commissions were paid by any of the funds to brokers affiliated with the subadvisors.

**Commission Recapture Program.** The Board has approved each fund’s participation in a commission recapture program. Commission recapture is a form of institutional discount brokerage that returns commission dollars directly to a fund. It provides a way to gain control over the commission expenses incurred by a subadvisor, which can be significant over time and thereby reduces expenses, improves cash flow and conserves assets. A fund can derive commission recapture dollars from both equity trading commissions and fixed-income (commission equivalent) spreads. From time to time, the Board reviews whether participation in the recapture program is in the best interests of the funds.

## TRANSFER AGENT SERVICES

John Hancock Signature Services, Inc., P.O. Box 219909, Kansas City, MO 64121-9909, a wholly-owned indirect subsidiary of MFC, is the transfer and dividend paying agent for the Class A, Class C, Class I, Class R2, Class R4, Class R5, and Class R6 shares of the funds, as applicable.

The fees paid to Signature Services are determined based on the cost to Signature Services of providing services to the fund and to all other John Hancock affiliated funds for which Signature Services serves as transfer agent (“Signature Services Cost”). Signature Services Cost includes: (i) an allocable portion of John Hancock corporate overhead; and (ii) out-of-pocket expenses, including payments made by Signature Services to intermediaries and other third-parties (“Subtransfer Agency Fees”) whose clients and/or customers invest in one or more funds for sub-transfer agency and administrative services provided to those clients/customers. Signature Services Cost is calculated monthly and allocated by Signature Services among three different categories as described below based generally on the Signature Services Cost associated with providing services to each category in the aggregate. Within each category, Signature Services Cost is allocated across all of the John Hancock affiliated funds and/or classes for which Signature Services provides transfer agent services, on the basis of relative average net assets.

**Retail Share Classes of Non-Municipal Bond Funds.** An amount equal to the total Signature Services Cost associated with providing services to Class A, Class C, and Class I shares of all non-municipal series of the Trust and of all other John Hancock affiliated funds for which it serves as transfer agent is allocated pro-rata based upon assets of all Class A, Class C, and Class I shares in the aggregate, without regard to fund or class.

**Retirement Share Classes.** An amount equal to the total Signature Services Cost associated with providing services to Class R2, Class R4, Class R5, and Class R6 shares of the Trust and all other John Hancock affiliated funds for which it serves as transfer agent is allocated pro-rata based upon assets of all such shares in the aggregate, without regard to fund or class. In addition, payments made to intermediaries and/or record keepers under Class R Service plans will be made by each relevant fund on a fund- and class- specific basis pursuant to the applicable plan.

**Retail Share Classes of Municipal Bond Funds.** An amount equal to the total Signature Services Cost associated with providing services to Class A, Class C, and Class I shares of all John Hancock affiliated municipal bond funds for which it serves as transfer agent is allocated pro-rata based upon assets of all such shares in the aggregate, without regard to fund or class. John Hancock municipal bond funds currently only offer Class A, Class C, Class I, and Class R6 shares. The Trust currently does not offer any municipal bond funds.

In applying the foregoing methodology, Signature Services seeks to operate its aggregate transfer agency operations on an “at cost” or “break even” basis. The allocation of aggregate transfer agency costs to categories of funds and/or classes assets seeks to ensure that shareholders of each class within each category will pay the same or a very similar level of transfer agency fees for the delivery of similar services. Under this methodology, the actual costs associated with providing particular services to a particular fund and/or share classes during a period of time, including payments to intermediaries for sub-transfer agency services to clients or customers whose assets are invested in a particular fund or share class, are not charged to and borne by that particular fund or share classes during that period. Instead, they are included in Signature Services Cost, which is then allocated to the applicable aggregate asset category described above and then allocated to all assets in that category based on relative net assets. Applying this methodology could result in some funds and/or classes having higher or lower transfer agency fees than they would have had if they bore only fund- or class-specific costs directly or indirectly attributable to them.

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## LEGAL AND REGULATORY MATTERS

There are no legal proceedings to which the Trust, the Advisor, or the Distributor is a party that are likely to have a material adverse effect on the funds or the ability of either the Advisor or the Distributor to perform its contract with the funds.

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## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The financial statements of each fund for the fiscal period ended August 31, 2024, including the related financial highlights that appear in the Prospectus, have been audited by PricewaterhouseCoopers LLP, independent registered public accounting firm, as stated in their report with respect thereto, and are incorporated herein by reference in reliance upon said report given on the authority of said firm as experts in accounting and auditing. PricewaterhouseCoopers LLP has offices at 101 Seaport Boulevard, Suite 500, Boston, Massachusetts 02210.

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## FINANCIAL STATEMENTS

The financial statements of each fund for the fiscal period ended August 31, 2024, are incorporated herein by reference from each fund's most recent Form N-CSR filing pursuant to Rule 30b2-1 under the 1940 Act.

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## CUSTODY OF PORTFOLIO SECURITIES

Except as noted below, State Street Bank and Trust Company, One Congress Street, Suite 1, Boston, Massachusetts 02114, currently acts as custodian and bookkeeping agent with respect to each fund's assets. Citibank, N.A., 388 Greenwich Street, New York, New York 10013, currently acts as custodian and bookkeeping agent with respect to the assets of Disciplined Value Emerging Markets Equity Fund, Emerging Markets Debt Fund, Fundamental Global Franchise Fund, Global Equity Fund, International Small Company Fund, and International Strategic Equity Allocation Fund. State Street and Citibank have selected various banks and trust companies in foreign countries to maintain custody of certain foreign securities. Each fund also may use special purpose custodian banks from time to time for certain assets. State Street and Citibank are authorized to use the facilities of the Depository Trust Company, the Participants Trust Company, and the book-entry system of the Federal Reserve Banks.

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## CODES OF ETHICS

The Trust, the Advisor, the Distributor and each subadvisor to the funds have adopted Codes of Ethics that comply with Rule 17j-1 under the 1940 Act. Each Code of Ethics permits personnel subject to the Code of Ethics to invest in securities, including securities that may be purchased or held by a fund.



## APPENDIX A – DESCRIPTION OF BOND RATINGS

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### DESCRIPTIONS OF CREDIT RATING SYMBOLS AND DEFINITIONS

The ratings of Moody's Investors Service, Inc. ("Moody's"), S&P Global Ratings and Fitch Ratings ("Fitch") represent their respective opinions as of the date they are expressed and not statements of fact as to the quality of various long-term and short-term debt instruments they undertake to rate. It should be emphasized that ratings are general and are not absolute standards of quality. Consequently, debt instruments with the same maturity, coupon and rating may have different yields while debt instruments of the same maturity and coupon with different ratings may have the same yield.

Ratings do not constitute recommendations to buy, sell, or hold any security, nor do they comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of any payments of any security.

#### IN GENERAL

**Moody's.** Ratings assigned on Moody's global long-term and short-term rating scales are forward-looking opinions of the relative credit risks of financial obligations issued by non-financial corporates, financial institutions, structured finance vehicles, project finance vehicles, and public sector entities.

Note that the content of this Appendix A, to the extent that it relates to the ratings determined by Moody's, is derived directly from Moody's electronic publication of "Ratings Symbols and Definitions" which is available at: <https://ratings.moodys.com/api/rmc-documents/53954>.

**S&P Global Ratings.** An S&P Global Ratings issue credit rating is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (including ratings on medium-term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The opinion reflects S&P Global Ratings' view of the obligor's capacity and willingness to meet its financial commitments as they come due, and this opinion may assess terms, such as collateral security and subordination, which could affect ultimate payment in the event of default.

Issue ratings are an assessment of default risk but may incorporate an assessment of relative seniority or ultimate recovery in the event of default. Junior obligations are typically rated lower than senior obligations, to reflect the lower priority in bankruptcy.

Note that the content of this Appendix A, to the extent that it relates to the ratings determined by S&P Global Ratings, is derived directly from S&P Global Ratings' electronic publication of "S&P's Global Ratings Definitions," which is available at: [https://www.standardandpoors.com/en\\_US/web/guest/article/-/view/sourceId/504352](https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352).

**Fitch.** Fitch Ratings publishes credit ratings that are forward-looking opinions on the relative ability of an entity or obligation to meet financial commitments. Issuer default ratings (IDRs) are assigned to corporations, sovereign entities, financial institutions such as banks, leasing companies and insurers, and public finance entities (local and regional governments). Issue level ratings are also assigned, often include an expectation of recovery and may be notched above or below the issuer level rating. Issue ratings are assigned to secured and unsecured debt securities, loans, preferred stock and other instruments. Structured finance ratings are issue ratings to securities backed by receivables or other financial assets that consider the obligations' relative vulnerability to default.

Fitch's credit rating scale for issuers and issues is expressed using the categories 'AAA' to 'BBB' (investment grade) and 'BB' to 'D' (speculative grade) with an additional +/- for AA through CCC levels indicating relative differences of probability of default or recovery for issues. The terms "investment grade" and "speculative grade" are market conventions and do not imply any recommendation or endorsement of a specific security for investment purposes. Investment grade categories indicate relatively low to moderate credit risk, while ratings in the speculative categories signal either a higher level of credit risk or that a default has already occurred.

Note that the content of this Appendix A, to the extent that it relates to the ratings determined by Fitch, is derived directly from Fitch's electronic publication of "Definitions of Ratings and Other Forms of Opinion" which is available at: <https://www.fitchratings.com/products/rating-definitions>.



## GENERAL PURPOSE RATINGS

### LONG-TERM ISSUE RATINGS

#### MOODY'S GLOBAL LONG-TERM RATING SCALE

Long-term ratings are assigned to issuers or obligations with an original maturity of eleven months or more and reflect both on the likelihood of a default or impairment on contractual financial obligations and the expected financial loss suffered in the event of default or impairment.

**Aaa:** Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.

**Aa:** Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

**A:** Obligations rated A are considered upper-medium grade and are subject to low credit risk.

**Baa:** Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

**Ba:** Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.

**B:** Obligations rated B are considered speculative and are subject to high credit risk.

**Caa:** Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.

**Ca:** Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

**C:** Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

**Note: Addition of a Modifier 1, 2 or 3:** Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms. By their terms, hybrid securities allow for the omission of scheduled dividends, interest, or principal payments, which can potentially result in impairment if such an omission occurs. Hybrid securities may also be subject to contractually allowable write-downs of principal that could result in impairment.

Together with the hybrid indicator, the long-term obligation rating assigned to a hybrid security is an expression of the relative credit risk associated with that security.

#### S&P GLOBAL RATINGS' LONG-TERM ISSUE CREDIT RATINGS

Long-term ratings are assigned to issuers or obligations with an original maturity of one year or more and reflect both on the likelihood of a default or impairment on contractual financial obligations and the expected financial loss suffered in the event of default or impairment.

**AAA:** An obligation rated 'AAA' has the highest rating assigned by S&P Global Ratings. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

**AA:** An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

**A:** An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

**BBB:** An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.

**BB, B, CCC, CC and C:** Obligations rated 'BB', 'B', 'CCC', 'CC' and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

**BB:** An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

**B:** An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments on the obligation.

**CCC:** An obligation rated 'CCC' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation. In the event of adverse business, financial or economic conditions, the obligor is not likely to have the capacity to meet its financial commitments on the obligation.

**CC:** An obligation rated 'CC' is currently highly vulnerable to nonpayment. The 'CC' rating is used when a default has not yet occurred but S&P Global Ratings expects default to be a virtual certainty, regardless of the anticipated time to default.

**C:** An obligation rated 'C' is currently highly vulnerable to nonpayment, and the obligation is expected to have lower relative seniority or lower ultimate recovery compared to obligations that are rated higher.

**D:** An obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within the next five business days in the absence of a stated grace period or within the earlier of the stated grace period or the next 30 calendar days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.

**Note: Addition of a Plus (+) or minus (-) sign:** The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

**Dual Ratings –** Dual ratings may be assigned to debt issues that have a put option or demand feature. The first component of the rating addresses the likelihood of repayment of principal and interest as due, and the second component of the rating addresses only the demand feature. The first component of the rating can relate to either a short-term or long-term transaction and accordingly use either short-term or long-term rating symbols. The second component of the rating relates to the put option and is assigned a short-term rating symbol (for example, 'AAA/A-1+' or 'A-1+/A-1'). With U.S. municipal short-term demand debt, the U.S. municipal short-term note rating symbols are used for the first component of the rating (for example, 'SP-1+/A-1+').

## **FITCH CORPORATE FINANCE OBLIGATIONS – LONG-TERM RATING SCALES**

Ratings of individual securities or financial obligations of a corporate issuer address relative vulnerability to default on an ordinal scale. In addition, for financial obligations in corporate finance, a measure of recovery given default on that liability is also included in the rating assessment. This notably applies to covered bond ratings, which incorporate both an indication of the probability of default and of the recovery given a default of this debt instrument.

**AAA:** Highest credit quality. 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

**AA:** Very high credit quality. 'AA' ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

**A:** High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

**BBB:** Good credit quality. 'BBB' ratings indicate that expectations of credit risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

**BB:** Speculative. 'BB' ratings indicate an elevated vulnerability to credit risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial alternatives may be available to allow financial commitments to be met.

**B:** Highly speculative. 'B' ratings indicate that material credit risk is present.

**CCC:** Substantial credit risk. "CCC" ratings indicate that substantial credit risk is present.

**CC:** Very high levels of credit risk. "CC" ratings indicate very high levels of credit risk.

**C:** Exceptionally high levels of credit risk. "C" indicates exceptionally high levels of credit risk.

Corporate finance defaulted obligations typically are not assigned 'RD' or 'D' ratings but are instead rated in the 'CCC' to 'C' rating categories, depending on their recovery prospects and other relevant characteristics. This approach better aligns obligations that have comparable overall expected loss but varying vulnerability to default and loss.

**Note: Addition of a Plus (+) or minus (-) sign:** Within rating categories, Fitch may use modifiers. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. For example, the rating category 'AA' has three notch-specific rating levels ('AA+', 'AA', 'AA-'; each a rating level). Such suffixes are not added to 'AAA' ratings and ratings below the 'CCC' category. For the short-term rating category of 'F1', a '+' may be appended. For Viability Ratings, the modifiers '+' or '-' may be appended to a rating to denote relative status within categories from 'aa' to 'ccc'.

## **CORPORATE AND TAX-EXEMPT COMMERCIAL PAPER RATINGS SHORT-TERM ISSUE RATINGS**

### **MOODY'S GLOBAL SHORT-TERM RATING SCALE**

Ratings assigned on Moody's global long-term and short-term rating scales are forward-looking opinions of the relative credit risks of financial obligations issued by non-financial corporates, financial institutions, structured finance vehicles, project finance vehicles, and public sector entities.

Short-term ratings are assigned to obligations with an original maturity of thirteen months or less and reflect both the likelihood of a default or impairment on contractual financial obligations and the expected financial loss suffered in the event of default or impairment.

Moody's employs the following designations to indicate the relative repayment ability of rated issuers:

- P-1:** Ratings of Prime-1 reflect a superior ability to repay short-term obligations.
- P-2:** Ratings of Prime-2 reflect a strong ability to repay short-term obligations.
- P-3:** Ratings of Prime-3 reflect an acceptable ability to repay short-term obligations.
- NP:** Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

The following table indicates the long-term ratings consistent with different short-term ratings when such long-term ratings exist. (Note: Structured finance short-term ratings are usually based either on the short-term rating of a support provider or on an assessment of cash flows available to retire the financial obligation).

LONG-TERM RATING	SHORT-TERM RATING
Aaa	Prime-1
Aa1	
Aa2	
Aa3	
A1	
A2	
A3	Prime-2
Baa1	
Baa2	
Baa3	Prime-3
Ba1, Ba2, Ba3 B1, B2, B3 Caa1, Caa2, Caa3 Ca, C	Not Prime

S&P GLOBAL RATINGS' SHORT-TERM ISSUE CREDIT RATINGS

S&P Global Ratings' short-term issue credit ratings are generally assigned to those obligations considered short-term in the relevant market, typically with an original maturity of no more than 365 days. Short-term issue credit ratings are also used to indicate the creditworthiness of an obligor with respect to put features on long-term obligations. A long-term issue credit rating is typically assigned to an obligation with an original maturity of greater than 365 days. Ratings are graded into several categories, ranging from 'A' for the highest-quality obligations to 'D' for the lowest. These categories are as follows:

- A-1:** A short-term obligation rated 'A-1' is rated in the highest category by S&P Global Ratings. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitments on these obligations is extremely strong.
- A-2:** A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitments on the obligation is satisfactory.
- A-3:** A short-term obligation rated 'A-3' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken an obligor's capacity to meet its financial commitments on the obligation.
- B:** A short-term obligation rated 'B' is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties that could lead to the obligor's inadequate capacity to meet its financial commitments.
- C:** A short-term obligation rated 'C' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation.
- D:** A short-term obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within any stated grace period. However, any stated grace period longer than five business days will be treated as five business days. The 'D' rating also will be used upon

the filing of a bankruptcy petition or the taking of a similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.

**Dual Ratings** – Dual ratings may be assigned to debt issues that have a put option or demand feature. The first component of the rating addresses the likelihood of repayment of principal and interest as due, and the second component of the rating addresses only the demand feature. The first component of the rating can relate to either a short-term or long-term transaction and accordingly use either short-term or long-term rating symbols. The second component of the rating relates to the put option and is assigned a short-term rating symbol (for example, 'AAA/A-1+' or 'A-1+/A-1'). With U.S. municipal short-term demand debt, the U.S. municipal short-term note rating symbols are used for the first component of the rating (for example, 'SP-1+/A-1+').

### **FITCH'S SHORT-TERM ISSUER OR OBLIGATION RATINGS**

A short-term issuer or obligation rating is based in all cases on the short-term vulnerability to default of the rated entity and relates to the capacity to meet financial obligations in accordance with the documentation governing the relevant obligation. Short-term deposit ratings may be adjusted for loss severity. Short-term deposit ratings may be adjusted for loss severity. Short-Term Ratings are assigned to obligations whose initial maturity is viewed as "short term" based on market convention. Typically, this means up to 13 months for corporate, sovereign, and structured obligations, and up to 36 months for obligations in U.S. public finance markets.

**F1:** Highest short-term credit quality.

Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added ("+") to denote any exceptionally strong credit feature.

**F2:** Good short-term credit quality.

Good intrinsic capacity for timely payment of financial commitments.

**F3:** Fair short-term credit quality.

The intrinsic capacity for timely payment of financial commitments is adequate.

**B:** Speculative short-term credit quality.

Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.

**C:** High short-term default risk.

Default is a real possibility.

**RD:** Restricted default.

Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Typically applicable to entity ratings only.

**D:** Default.

Indicates a broad-based default event for an entity, or the default of a short-term obligation.

### **TAX-EXEMPT NOTE RATINGS**

#### **MOODY'S U.S. MUNICIPAL SHORT-TERM DEBT RATINGS**

While the global short-term 'prime' rating scale is applied to US municipal tax-exempt commercial A-8 paper, these programs are typically backed by external letters of credit or liquidity facilities and their short-term prime ratings usually map to the long-term rating of the enhancing bank or financial institution and not to the municipality's rating. Other short-term municipal obligations, which generally have different funding sources for repayment, are rated using two additional short-term rating scales (i.e., the MIG and VMIG scale discussed below).

The Municipal Investment Grade (MIG) scale is used to rate US municipal bond anticipation notes of up to five years maturity. Municipal notes rated on the MIG scale may be secured by either pledged revenues or proceeds of a take-out financing received prior to note maturity. MIG ratings expire at the maturity of the obligation, and the issuer's long-term rating is only one consideration in assigning the MIG rating. MIG ratings are divided into three levels—MIG 1 through MIG 3—while speculative grade short-term obligations are designated SG.

**MIG 1:** This designation denotes superior credit quality. Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing.

**MIG 2:** This designation denotes strong credit quality. Margins of protection are ample, although not as large as in the preceding group.

**MIG 3:** This designation denotes acceptable credit quality. Liquidity and cash-flow protection may be narrow, and market access for refinancing is likely to be less well-established.

**SG:** This designation denotes speculative-grade credit quality. Debt instruments in this category may lack sufficient margins of protection.

Variable Municipal Investment Grade (VMIG) ratings of demand obligations with unconditional liquidity support are mapped from the short-term debt rating (or counterparty assessment) of the support provider, or the underlying obligor in the absence of third party liquidity support, with VMIG 1

corresponding to P-1, VMIG 2 to P-2, VMIG 3 to P-3 and SG to not prime. For example, the VMIG rating for an industrial revenue bond with Company XYZ as the underlying obligor would normally have the same numerical modifier as Company XYZ's prime rating. Transitions of VMIG ratings of demand obligations with conditional liquidity support, as shown in the diagram below, differ from transitions on the Prime scale to reflect the risk that external liquidity support will terminate if the issuer's long-term rating drops below investment grade.

**VMIG 1:** This designation denotes superior credit quality. Excellent protection is afforded by the superior short-term credit strength of the liquidity provider and structural and legal protections.

**VMIG 2:** This designation denotes strong credit quality. Good protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections.

**VMIG 3:** This designation denotes acceptable credit quality. Adequate protection is afforded by the satisfactory short-term credit strength of the liquidity provider and structural and legal protections.

**SG:** This designation denotes speculative-grade credit quality. Demand features rated in this category may be supported by a liquidity provider that does not have a sufficiently strong short-term rating or may lack the structural or legal protections.

\* For VRDBs supported with conditional liquidity support, short-term ratings transition down at higher long-term ratings to reflect the risk of termination of liquidity support as a result of a downgrade below investment grade.

VMIG ratings of VRDBs with unconditional liquidity support reflect the short-term debt rating (or counterparty assessment) of the liquidity support provider with VMIG 1 corresponding to P-1, VMIG 2 to P-2, VMIG 3 to P-3 and SG to not prime.

For more complete discussion of these rating transitions, please see Annex B of Moody's Methodology titled Variable Rate Instruments Supported by Conditional Liquidity Facilities.

**US Municipal Short-Term Versus Long-Term Ratings**

NOTES	LONG-TERM RATING	DEMAND OBLIGATIONS WITH CONDITIONAL LIQUIDITY SUPPORT
MIG 1	Aaa Aa1 Aa2 Aa3 A1 A2	VMIG 1
MIG 2	A3	VMIG 2
MIG 3	Baa1 Baa2 Baa3	VMIG 3* SG
SG	Ba1, Ba2, Ba3 B1, B2, B3 Caa1, Caa2, Caa3 Ca, C	

\* For SBPA-backed VRDBs, the rating transitions are higher to allow for distance to downgrade to below investment grade due to the presence of automatic termination events in the SBPAs.

**S&P GLOBAL RATINGS' MUNICIPAL SHORT-TERM NOTE RATINGS**

An S&P Global Ratings municipal note rating reflects S&P Global Ratings' opinion about the liquidity factors and market access risks unique to the notes. Notes due in three years or less will likely receive a note rating. Notes with an original maturity of more than three years will most likely receive a long-term debt rating. In determining which type of rating, if any, to assign, S&P Global Ratings' analysis will review the following considerations:

- Amortization schedule – the larger the final maturity relative to other maturities, the more likely it will be treated as a note; and
- Source of payment – the more dependent the issue is on the market for its refinancing, the more likely it will be treated as a note.

Note rating symbols are as follows:

**SP-1:** Strong capacity to pay principal and interest. An issue determined to possess a very strong capacity to pay debt service is given a plus (+) designation.

**SP-2:** Satisfactory capacity to pay principal and interest, with some vulnerability to adverse financial and economic changes over the term of the notes.

**SP-3:** Speculative capacity to pay principal and interest.

**D:** 'D' is assigned upon failure to pay the note when due, completion of a distressed debt restructuring, or the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions.

**FITCH PUBLIC FINANCE RATINGS**

See FITCH SHORT-TERM ISSUER OR OBLIGATIONS RATINGS above.

## APPENDIX B – PORTFOLIO MANAGER INFORMATION

### ALLSPRING GLOBAL INVESTMENTS, LLC

(“Allspring Investments”)

#### Core Bond Fund

#### PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED

The following table shows the portfolio managers at the subadvisor who are jointly and primarily responsible for the day-to-day management of the stated fund’s portfolio.

Fund	Portfolio Managers
Core Bond Fund	Maulik Bhansali, CFA and Jarad Vasquez

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (“performance-based fees”), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager’s investment in the fund and similarly managed accounts.

The following table provides information as of August 31, 2024:

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Maulik Bhansali, CFA	7	\$14,495.38	5	\$2,599.55	23	\$12,117.57
Jarad Vasquez	7	\$14,495.38	5	\$2,599.55	23	\$12,117.57

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Maulik Bhansali, CFA	0	\$0	0	\$0	0	\$0
Jarad Vasquez	0	\$0	0	\$0	0	\$0

#### Ownership of the Fund and Similarly Managed Accounts

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, “similarly managed accounts” include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. Each portfolio manager’s ownership of fund shares is stated in the footnote(s) below the table.

Portfolio Manager	Dollar Range of Shares Owned <sup>1</sup>
Maulik Bhansali, CFA	\$500,001–\$1,000,000
Jarad Vasquez	\$100,001–\$500,000

<sup>1</sup> As of August 31, 2024, Maulik Bhansali, CFA and Jarad Vasquez beneficially owned \$0 and \$0, respectively, of the fund.

#### POTENTIAL CONFLICTS OF INTEREST

Allspring Investments’ portfolio managers often provide investment management for separate accounts advised in the same or similar investment style as that provided to mutual funds. While management of multiple accounts could potentially lead to conflicts of interest over various issues such as trade allocation, fee disparities and research acquisition, Allspring Investments has implemented policies and procedures for the express purpose of ensuring that clients are treated fairly and that potential conflicts of interest are minimized.



The portfolio managers face inherent conflicts of interest in their day-to-day management of the Fund and other accounts because the Fund may have different investment objectives, strategies and risk profiles than the other accounts managed by the portfolio managers. For instance, to the extent that the portfolio managers manage accounts with different investment strategies than the Fund, they may from time to time be inclined to purchase securities, including initial public offerings, for one account but not for a Fund. Additionally, some of the accounts managed by the portfolio managers may have different fee structures, including performance fees, which are or have the potential to be higher or lower, in some cases significantly higher or lower, than the fees paid by the Funds. The differences in fee structures may provide an incentive to the portfolio managers to allocate more favorable trades to the higher-paying accounts.

To minimize the effects of these inherent conflicts of interest, Allspring Investments has adopted and implemented policies and procedures, including brokerage and trade allocation policies and procedures, believed to address the potential conflicts associated with managing portfolios for multiple clients and are designed to ensure that all clients are treated fairly and equitably. Accordingly, security block purchases are allocated to all accounts with similar objectives in a fair and equitable manner. Furthermore, Allspring Investments has adopted a Code of Ethics under Rule 17j-1 under the 1940 Act and Rule 204A-1 under the Investment Advisers Act of 1940 (the “Advisers Act”) to address potential conflicts associated with managing the Funds and any personal accounts the portfolio managers may maintain.

## **COMPENSATION**

The compensation structure for Allspring Investments’ portfolio managers includes a competitive fixed base salary plus variable incentives, payable annually and over a deferred period. Allspring Investments participates in third party investment management compensation surveys for market-based compensation information to help support individual pay decisions and to ensure our compensation is aligned with the marketplace. In addition to investment management compensations surveys, Allspring Investments also considers prior professional experience, tenure, seniority and a portfolio manager’s team size, scope and assets under management when determining his/her total compensation. In addition, portfolio managers, who meet the eligibility requirements, may participate in Allspring Investments’ 401(k) plan that features a limited matching contribution. Eligibility for and participation in this plan is on the same basis for all employees.

Allspring Investments’ investment incentive program plays an important role in aligning the interests of our portfolio managers, investment team members, clients and shareholders. Incentive awards for portfolio managers are determined based on a review of relative investment and business/team performance. Investment performance is generally evaluated for 1-, 3-, and 5- year performance results, with a predominant weighting on the 3- and 5- year time periods, versus the relevant benchmarks and/or peer groups consistent with the investment style.

Once determined, incentives are awarded to portfolio managers annually, with a portion awarded as annual cash and a portion awarded as deferred incentive. The long-term portion of incentives generally carry a pro-rated vesting schedule over a 3 year period. For many of our portfolio managers, Allspring Investments further requires a portion of their annual long-term award be allocated directly into each strategy they manage through a deferred compensation vehicle. In addition, our investment team members who are eligible for long term awards also have the opportunity to invest up to 100% of their awards into investment strategies they support (through a deferred compensation vehicle).

As an independent firm, approximately 20% of Allspring Group Holdings, LLC (of which Allspring Investments is a subsidiary) is owned by employees, including portfolio managers.

## AXIOM INVESTORS LLC

(“Axiom”)

### Small Cap Dynamic Growth Fund

#### PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED

The following table shows the portfolio managers at the subadvisor who are jointly and primarily responsible for the day-to-day management of the stated fund's portfolio.

Fund	Portfolio Managers
Small Cap Dynamic Growth Fund	Matthew Franco, CFA, and David Kim, CFA

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (“performance-based fees”), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager's investment in the fund and similarly managed accounts.

The following table provides information as of August 31, 2024:

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Matthew Franco, CFA	3	\$619.84	7	\$431.24	6	\$474.64
David Kim, CFA	3	\$619.84	11	\$4,971.73	5	\$348.13

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Matthew Franco, CFA	0	\$0.00	2	\$81.14	0	\$0.00
David Kim, CFA	0	\$0.00	2	\$81.14	0	\$0.00

#### Ownership of the Fund and Similarly Managed Accounts

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, “similarly managed accounts” include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. Each portfolio manager's ownership of fund shares is stated in the footnote(s) below the table.

Portfolio Manager	Dollar Range of Shares Owned <sup>1</sup>
Matthew Franco, CFA	\$100,001–\$500,000
David Kim, CFA	\$500,001–\$1,000,000

<sup>1</sup> As of August 31, 2024, Matthew Franco, CFA and David Kim, CFA beneficially owned \$0 and \$0, respectively, of the fund.

#### POTENTIAL CONFLICTS OF INTEREST

Axiom conducts an annual review of our business practices to identify those that might pose a conflict of interest between Axiom and its clients. The firm has adopted policies and procedures designed to mitigate any potential conflicts of interest. The Chief Compliance Officer assures that all relevant disclosure concerning potential conflicts of interest are included in Form ADV, and will review existing policies and procedures designed to address such conflicts and will develop and implement additional policies and procedures, as needed. Axiom summarizes the results of the annual Conflicts of Interest review in the annual review of policies and procedures in accordance with Rule 206(4)-7.

## **COMPENSATION**

All employees receive a competitive base salary and bonus. Bonuses are a function of overall firm performance as well as individual contribution to that performance. In addition, as the firm is 100% employee-owned, the opportunity to participate in the ownership through direct equity is offered to key contributors.

Portfolio Manager Compensation Structure: Base salary, equity partnership (all PMs are partners), and bonus. A percentage of the bonus is in the form of deferred compensation on a vesting schedule. Axiom's portfolio managers have a mandatory investment in the strategies they manage that are 100% vested after a 5-year period.

Analyst Compensation Structure: Base salary, equity partnership (if applicable), and bonus. A percentage of the analysts' discretionary bonus comes in the form of deferred compensation on a vesting schedule. Axiom is committed to providing a pathway for senior analysts to become partners of the firm and share in the long term economics which further aligns interests and best practices.

**BCSF ADVISORS, LP****(“Bain Capital Credit”)****Floating Rate Income Fund****PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED**

The following table shows the portfolio managers at the subadvisor who are jointly and primarily responsible for the day-to-day management of the stated fund's portfolio.

<b>Fund</b>	<b>Portfolio Managers</b>
Floating Rate Income Fund	Grayson Allison, Andrew Carlino, Kim Harris, and Nate Whittier

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (“performance-based fees”), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager’s investment in the fund and similarly managed accounts.

The following table provides information as of August 31, 2024:

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Grayson Allison	0	\$0	6	\$2,712	21	\$9,085
Andrew Carlino	0	\$0	6	\$2,712	21	\$9,085
Kim Harris	0	\$0	6	\$2,712	21	\$9,085
Nate Whittier	0	\$0	6	\$2,712	21	\$9,085

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Grayson Allison	0	\$0	1	\$156	6	\$3,386
Andrew Carlino	0	\$0	1	\$156	6	\$3,386
Kim Harris	0	\$0	1	\$156	6	\$3,386
Nate Whittier	0	\$0	1	\$156	6	\$3,386

**Ownership of Fund Shares**

The following table shows the dollar range of fund shares beneficially owned by the portfolio managers listed above as of August 31, 2024.

<b>Portfolio Manager</b>	<b>Dollar Range of Shares Owned</b>
Grayson Allison	None
Andrew Carlino	None
Kim Harris	None
Nate Whittier	None

**1** As of August 31, 2024, Grayson Allison, Andrew Carlino, Kim Harris, and Nate Whittier beneficially owned \$0, \$0, \$0, and \$0, respectively, of the fund.

**POTENTIAL CONFLICTS OF INTEREST**

As a result of arrangements with Bain Capital Credit, LP, the parent of the Sub-Adviser, and its management of other investment vehicles, there may be times when the Sub-Adviser or such persons have interests that differ from those of shareholders, giving rise to a conflict of interest.

**Conflicts Related to Obligations of Bain Capital Credit, LP or the Portfolio Managers**

Bain Capital Credit, LP employees, including the Portfolio Managers, serve, or may serve, as officers, directors, members, or principals of entities that operate in the same or a related line of business as the Fund does or of investment funds, accounts, or investment vehicles managed by Bain Capital Credit, LP and/or its affiliates. Similarly, Bain Capital Credit, LP and its affiliates may have other clients with similar, different or competing investment objectives.

In serving in these multiple capacities, they may have obligations to other clients or investors in those entities, the fulfillment of which may not be in the best interests of the Fund or our stockholders. For example, Bain Capital Credit, LP has management responsibilities for other investment funds, accounts and investment vehicles. The Sub-Adviser also provides advisory services to other investment vehicles. There is a potential that the Fund will compete with these funds, and other entities managed by Bain Capital Credit, LP and its affiliates, for capital and investment opportunities. As a result, Bain Capital Credit, LP and the Sub-Adviser, including the Portfolio Managers who are affiliated with them will face conflicts in the allocation of investment opportunities among the Fund and the investment funds, accounts and investment vehicles they and their affiliates manage. Bain Capital Credit, LP, including the Sub-Adviser, intend to allocate investment opportunities among eligible investment funds, accounts and investment vehicles in a manner that is fair and equitable over time and consistent with their allocation policy. However, the Sub-Adviser can offer no assurance that such opportunities will be allocated to the Fund fairly or equitably in the short-term or over time. There can be no assurance that the Fund will be able to participate in all investment opportunities that are suitable. It is expected that not all clients of Bain Capital Credit, LP and the Sub-Adviser, including the Fund, even those sharing a similar investment strategy, will participate in, or will receive a pro rata share of, every investment opportunity.

#### ***Restricted Ability to Enter Into Transactions with Affiliates***

If the Fund is prohibited by applicable law from investing alongside other investment funds, accounts and investment vehicles managed by Bain Capital Credit, LP and/or the Sub-Adviser with respect to an investment opportunity, the Fund will not participate in such investment opportunity. There can be no assurance that investment opportunities will be allocated to the Fund fairly or equitably in the short-term or over time.

In situations where co-investment with investment funds, accounts and investment vehicles managed by Bain Capital Credit, LP and its affiliates, including the Sub-Adviser, is not permitted or appropriate, subject to the limitations described in the preceding paragraph, Bain Capital Credit, LP and its affiliates, including the Sub-Adviser, will have a conflict in deciding which client will proceed with the investment.

#### ***Operation in a Highly Competitive Market for Investment Opportunities***

The business of investing in assets meeting the Fund's investment objective is highly competitive. Competition for investment opportunities includes a growing number of nontraditional participants, such as hedge funds, senior private debt funds, including business development companies, and other private investors, as well as more traditional lending institutions and competitors. Some of these competitors may have access to greater amounts of capital and to capital that may be committed for longer periods of time or may have different return thresholds than the Fund, and thus these competitors may have advantages not shared by the Fund. Furthermore, many of the Fund's competitors are not subject to the regulatory restrictions that the 1940 Act imposes on the Fund. Increased competition for, or a diminishment in the available supply of, investments suitable for the Fund could result in lower returns on such investments. Moreover, the identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. The Fund may incur significant expenses in connection with identifying investment opportunities and investigating other potential investments which are ultimately not consummated, including expenses relating to due diligence, transportation, legal expenses and the fees of other third party advisors.

The Fund may also compete for investment opportunities with investment funds, accounts and investment vehicles managed by Bain Capital Credit, LP and its affiliates, including the Sub-Adviser. Although opportunities will be allocated in accordance with Bain Capital Credit, LP's policies and procedures, allocations to such investment funds, accounts and investment vehicles will reduce the amount and frequency of opportunities available to the Fund and may not be in the best interests of the Fund and its shareholders. Moreover, the performance of investments will not be known at the time of allocation.

#### ***Resolution of Conflicts***

Bain Capital Credit, LP has developed processes designed to ensure that all potential conflicts of interest are disclosed. All employees must disclose their personal conflicts of interest in the firm's online compliance database. Disclosure of personal conflicts of interest must be completed by each employee upon joining Bain Capital Credit, LP and annually thereafter. The Sub-Adviser and Bain Capital Credit, LP will approach all conflicts of interest using their best judgment, but in their sole discretion. In resolving conflicts, the Sub-Adviser (and other affiliated investment advisers as applicable) will generally consider various factors, including the interests of the Fund and the funds they advise in the context of both the immediate issue at hand and the longer term course of dealing among the Fund and the funds they advise. From time to time and as required by applicable law the Sub-Adviser and other affiliated investment advisers may determine to refer certain conflicts of interest to Bain Capital, LP's Allocation Committee (the "Allocation Committee"), comprised of senior Bain Capital Credit, LP personnel, for review and resolution, particularly in situations where the Sub-Adviser and other affiliated investment advisers are unable to resolve such conflicts. Similarly, the Allocation Committee may in its sole discretion determine to review and make determinations regarding certain conflicts of interest.

When conflicts arise between the Fund, on the one hand, and another fund advised by the Sub-Adviser or an affiliated investment adviser, on the other hand, the Sub-Adviser and Bain Capital Credit, LP will seek to resolve the conflict. In doing so, it will generally consider various factors, including the interests of the Fund and the other fund with respect to the immediate issue and/or with respect to the longer term course of dealing among the Fund and the other Bain Capital Credit, LP or Sub-Adviser affiliate. In the case of such conflicts involving the Fund, the determination by Bain Capital Credit,

LP and the Sub-Advisor as to which factors are relevant, and the resolution of such conflicts will be made in their sole discretion except as required by the governing documents of the Fund. There can be no assurance that the Sub-Advisor or Bain Capital Credit, LP will be able to resolve any or all conflicts in a manner that is favorable to the Fund.

Because the portfolio managers manage assets for other pooled investment vehicles and/or other accounts (including institutional clients, pension plans and certain high net worth individuals) (collectively “Client Accounts”), or may be affiliated with such Client Accounts, there may be an incentive to favor one Client Account over another, resulting in conflicts of interest. For example, the Sub-Advisor, directly or indirectly, receives fees from Client Accounts that are higher than the fee it receives from the Fund, including performance-based fees. In those instances, a portfolio manager may have an incentive to not favor the Fund over the Client Accounts. The Sub-Advisor has adopted trade allocation and other policies and procedures that it believes are reasonably designed to address these and other conflicts of interest.

To avoid conflicts or unintended outcomes related to compensation, Bain Capital Credit, LP looks at individual performance over a 1, 3 and 5 year period. This highlights any issues related to market conditions or other factors that may skew an individual's numbers either positively or negatively. For individuals managing multiple funds, Bain Capital Credit, LP looks at performance in each individual fund and aggregate to determine overall compensation. Bain Capital Credit, LP then reviews all compensation recommendations for the entire team to ensure consistency and equity across the platform.

#### ***Allocation of Investment Opportunities Among the Fund and Other Funds Advised by Affiliated Investment Advisers***

The Sub-Advisor and Bain Capital Credit, LP sponsor and manage various investment vehicles (including managed accounts), and each expects to form new investment vehicles in the future, some of which have and will have an investment strategy or objective that overlaps (in whole or in part) with those of the Fund.

Other funds advised by affiliated investment advisers, as well as investment vehicles formed in the future, will make certain investments that are appropriate for the Fund, and the Fund may receive a smaller allocation of any such investment or no allocation at all as a result. These relationships are likely to present conflicts of interest in determining how much, if any, of certain investment opportunities to offer to the Fund. Opportunities for investments will be allocated among the Fund and other funds advised by affiliated investment advisers in a manner that the Sub-Advisor and the applicable affiliated investment advisers, believe in their sole discretion to be appropriate given factors they believe to be relevant. Such factors with respect to the Fund on the one hand, and the other funds advised by the Sub-Advisor or its affiliated investment advisers on the other, will generally include, but are not necessarily limited to, the following:

- investment objectives and investment focus;
- target's geography, nature of its business and scale;
- liquidity and reserves;
- diversification;
- lender covenants and other limitations;
- account ramp-up or liquidation status;
- amount of capital available for investment, as well as projected future capacity for investment;
- targeted rate of return;
- stage of development of the prospective investment and anticipated holding period of the prospective investment;
- portfolio composition;
- suitability as a follow-on investment;
- the availability of other suitable investments;
- risk considerations;
- cash flow considerations;
- asset class restrictions;
- industry and other allocation targets;
- minimum and maximum investment size requirements;
- tax implications;
- legal, contractual or regulatory constraints; and
- any other relevant limitations imposed by or conditions set forth in the applicable offering documents and limited partnership agreements (or analogous organizational documents) of each fund.

Bain Capital Credit, LP, the Sub-Advisor, and affiliated investment advisers have substantial discretion in allocating investment opportunities. The foregoing methodology for allocation of investment opportunities will likely vary over time and will be on a case-by-case basis. As noted, it is expected that not all clients of Bain Capital Credit, LP and the Sub-Advisor (including the Fund) will participate in, or receive a pro rata share of, every investment opportunity.

In connection with its investment activities, the Sub-Adviser and the other affiliated investment advisers have in the past and may in the future encounter situations in which they must determine how to allocate investment opportunities among various clients and other persons, which may include, but are not limited to, the following:

- 1) the Fund and other funds advised by affiliated investment advisers for which this is a suitable investment;
- 2) any co-investment vehicles that have been formed to invest side-by-side with one or more of the Fund, or other funds advised by affiliated investment advisers in all or particular transactions entered into by such fund(s) (the investors in such co-investment vehicles may include employees, business associates, and other persons related to Bain Capital Credit, LP or its personnel; individuals and entities that are also Fund shareholders; and/or individuals and entities that are not Fund shareholders ("Third Parties"));
- 3) Fund shareholders and/or Third Parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more of the Fund or other funds advised by affiliated investment advisers in particular transactions entered into by the Fund or such other funds advised by affiliated investment advisers; and
- 4) Fund shareholders and/or Third Parties acting as "co-sponsors" with the Fund with respect to a particular transaction.

The Sub-Adviser will devote to the Fund as much time as is necessary or appropriate, in its judgment, to manage the Fund's investment activities. The Sub-Adviser and its affiliates, are not restricted from forming investment funds (including investment funds that follow similar investment programs), from entering into other investment advisory or subadvisory relationships, or from engaging in other business activities. The Sub-Adviser and its affiliates currently manage accounts other than the Fund that consist of a substantial amount of assets. These activities could be viewed as creating a conflict of interest in that the time and effort of the Sub-Adviser (or the portfolio managers) will not be devoted exclusively to the business of the Fund, but will be allocated between the business of the Fund and its other business activities.

Conflicts may also arise because portfolio decisions regarding the Fund may benefit other accounts managed by the Sub-Adviser or its affiliates. For example, the sale of a long position or establishment of a short position by the Fund may impair the price of the same security sold short by (and therefore benefit) one or more affiliates or their other accounts, and the purchase of a security or covering of a short position in a security by the Fund may increase the price of the same security held by (and therefore benefit) one or more affiliates or their other accounts.

The Sub-Adviser or its affiliates and their clients may pursue or enforce rights with respect to an issuer in which the Fund has invested, and those activities may have an adverse effect on the Fund. As a result, prices, availability, liquidity and terms of the Fund's investments may be negatively impacted by the activities of the Sub-Adviser or its affiliates or their clients, and transactions for the Fund may be impaired or effected at prices or terms that may be less favorable than would otherwise have been the case.

In connection with its management of the Fund, the Sub-Adviser may have access to certain fundamental analysis and proprietary technical models developed by itself or one or more of its affiliates. The Sub-Adviser will not be under any obligation, however, to effect transactions on behalf of the Fund in accordance with these analyses and models. In addition, neither the Sub-Adviser nor its affiliates will have any obligation to make available any information regarding their proprietary activities or strategies, or the activities or strategies used for other accounts managed by them, for the benefit of the management of the Fund and it is not anticipated that the Sub-Adviser will have access to all information held by other of its affiliates for the purpose of managing the Fund. The proprietary activities or portfolio strategies of affiliates of the Sub-Adviser or the activities or strategies used for accounts managed by them or other customer accounts could conflict with the transactions and strategies employed by the Sub-Adviser in managing the Fund.

## **COMPENSATION**

Grayson Allison, Andrew Carlino, Kim Harris, Viva Hyatt and Nate Whittier of the Sub-Adviser are the Fund's portfolio managers. They have joint and primary responsibility for management of the Fund's investment portfolio. They each receive a salary, retirement plan benefits and performance-based bonus from the Sub-Adviser or its affiliates.

Bain Capital Credit's principals are motivated by their financial interest in the performance of Bain Capital Credit's respective funds. This creates a strong alignment of interests between the individual, the Firm and its investors. Bain Capital Credit is a principal investor and is typically among the largest investors in each of its funds.

Investment professionals are compensated based on individual, team and Firm performance. Bain Capital Credit's compensation structure aligns compensation with broader organizational goals to drive strong risk-adjusted performance, build cooperative, well-functioning teams and provide explicit link between performance and compensation.



**BOSTON PARTNERS GLOBAL INVESTORS, INC.**

(“Boston Partners”)

**Disciplined Value Emerging Markets Equity Fund****PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED**

The following table shows the portfolio manager at the subadvisor who is primarily responsible for the day-to-day management of the stated fund's portfolio.

<b>Fund</b>	<b>Portfolio Manager</b>
Disciplined Value Emerging Markets Equity Fund	David Kim

The following table provides information regarding other accounts for which the portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (“performance-based fees”), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is the portfolio manager’s investment in the fund and similarly managed accounts.

The following table provides information as of August 31, 2024:

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
David Kim	3	\$347	0	\$0	1	\$23

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
David Kim	0	\$0	0	\$0	0	\$0

**Ownership of the Fund and Similarly Managed Accounts**

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, “similarly managed accounts” include all accounts that are managed (i) by the same portfolio manager that is primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. The portfolio manager’s ownership of fund shares is stated in the footnote(s) below the table.

<b>Fund</b>	<b>Portfolio Manager</b>	<b>Dollar Range of Shares Owned</b>
Disciplined Value Emerging Markets Equity Fund	David Kim	None

**1** As of August 31, 2024, David Kim beneficially owned \$0 of the fund.

**POTENTIAL CONFLICTS OF INTEREST**

Compensation is determined based on several factors including performance, productivity, firm results and teamwork. Portfolio managers benefit from Boston Partners revenues and profitability. But no portfolio managers are compensated based directly on fee revenue earned by Boston Partners on particular accounts in a way that would create a material conflict of interest in favoring particular accounts over other accounts.

Execution and research services provided by brokers may not always be utilized in connection with the fund or other client accounts that may have provided the commission or a portion of the commission paid to the broker providing the services. Boston Partners allocates brokerage commissions for these services in a manner that it believes is fair and equitable and consistent with its fiduciary obligations to each of its clients.

Boston Partners views all assets under management in a particular investment strategy as one portfolio. When the firm decides that a given security warrants a 1% position in client portfolios, it buys 1% in all portfolios unless individual client guidelines prohibit the firm from purchasing the security for

such portfolio. Boston Partners generally aggregates the target share amount for each account into one large order and distributes the shares on a prorated basis across the accounts.

If a portfolio manager identifies a limited investment opportunity that may be suitable for more than one fund or other client account, the fund may not be able to take full advantage of that opportunity. To mitigate this conflict of interest, Boston Partners aggregates orders of the funds it advises with orders from each of its other client accounts in order to ensure that all clients are treated fairly and equitably over time and consistent with its fiduciary obligations to each of its clients.

Accounts are generally precluded from simultaneously holding a security long and short. There are certain circumstances that would permit a long/short portfolio to take a short position in a security that is held long in another strategy. This happens very infrequently, and the contra position is generally not related to the fundamental views of the security (i.e. - initiating a long position in a security at year-end to take advantage of tax-loss selling as a short-term investment, or initiating a position based solely on its relative weight in the benchmark). However, in certain situations, the investment constraints of a strategy, including but not limited to country, region, industry, or benchmark, may result in a different investment thesis for the same security. Each situation is fully vetted and approved by the firm's Chief Investment Officer or his designee.

## COMPENSATION

All investment professionals receive a compensation package comprised of an industry competitive base salary, a discretionary bonus and long-term incentives. Through our bonus program, key investment professionals are rewarded primarily for strong investment performance. We believe this aligns our Boston Partners team firmly with our clients' objectives and provides the financial and work environment incentives which keep our teams in place and has led to industry leading investment staff continuity and extremely low unplanned staff turnover.

Typically, bonuses are based upon a combination of one or more of the following four criteria:

- Individual Contribution: an evaluation of the professional's individual contribution based on the expectations established at the beginning of each year;
- Product Investment Performance: performance of the investment product(s) with which the individual is involved versus the pre-designed index, based on the excess return;
- Investment Team Performance: the financial results of the investment group with our client's assets;
- Firm-wide Performance: the overall financial performance of Boston Partners.
- Our long-term incentive program effectively confers a significant 20-30% ownership interest in the value of the business to key employees. Annual awards are made by the Compensation Committee and are meant to equate to an additional 10-20% of the participants cash bonus awards.

The compensation program focuses on long term performance with an emphasis on 3- and 5-year results. The timing of receiving deferred compensation reinforces this emphasis. Roughly 50% of compensation is based on qualitative measures and roughly 50% is based on quantitative measures. These compensation percentages can vary based on an individual's role in the firm.

Total revenues generated by any particular product affect the total available bonus pool for the analysts and portfolio managers associated with that product. The discretionary bonus assessment is conducted annually. Returns are evaluated on a pre-tax basis.

**Firm:** Boston Partners maintains a long-term incentive program which effectively confers a 20-30% ownership stake in Boston Partners and is funded by the profitability and growth of the business. All investment professionals participate in this plan which serves as a long-term wealth building tool that aligns the interests of our clients with the people responsible for managing their portfolios.

**Direct Investments:** Boston Partners offers or sub-advises several mutual fund vehicles that allow portfolio managers and other employees to invest directly alongside our clients. In fact, it is common for senior portfolio managers to invest \$1 million or more in the strategy or strategies that they manage. Direct investments are also facilitated through Boston Partner's 401(k) plan as Boston Partners managed mutual funds are widely available, investments are entirely voluntary, and are significantly used within the plan.

**Deferred Compensation:** An important aspect of Boston Partner's incentive program is deferred compensation. Annual incentive compensation as well as long-term incentive compensation is deferred in part or in total for typically 3 to 5 years. Deferred compensation promotes organizational stability and also facilitates significant re-investment in Boston Partners strategies. Deferred compensation is invested in established Boston Partners strategies. In addition, Boston Partners utilizes deferred compensation to fund seed investments in new investment offerings. This allows for the establishment of a portfolio, the building of a track record and ultimately bring a new investment strategy to the marketplace.

## DIMENSIONAL FUND ADVISORS LP

(“Dimensional”)

### International Small Company Fund

#### PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED

The following table shows the portfolio managers at the subadvisor who are jointly and primarily responsible for the day-to-day management of the stated funds’ portfolios.

Fund	Portfolio Managers
International Small Company Fund	Jed S. Fogdall and Joel P. Schneider

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (“performance-based fees”), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager’s investment in the fund or funds he or she manages and similarly managed accounts.

The following table provides information as of August 31, 2024:

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Jed S. Fogdall	125	\$546,807	28	\$27,164	1,094	\$42,117
Joel P. Schneider	44	\$202,673	0	\$0	2	\$7,218

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Jed S. Fogdall	0	\$0	1	\$204	4	\$1,969
Joel P. Schneider	0	\$0	0	\$0	0	\$0

#### Ownership of Fund Shares

The following table shows the dollar range of fund shares beneficially owned by the portfolio managers listed above as of August 31, 2024.

Fund	Portfolio Manager	Dollar Range of Shares Owned
International Small Company Fund	Jed S. Fogdall	None
	Joel P. Schneider	None

#### POTENTIAL CONFLICTS OF INTEREST

Actual or apparent conflicts of interest may arise when a portfolio manager has the primary day-to-day responsibilities with respect to multiple accounts. In addition to the funds, these accounts may include registered mutual funds and ETFs, other unregistered pooled investment vehicles, and other accounts managed for organizations and individuals (“Accounts”). An Account may have a similar investment objective to a fund, or may purchase, sell or hold securities that are eligible to be purchased, sold or held by a fund. Actual or apparent conflicts of interest include:

- **Time Management.** The management of the funds and/or Accounts may result in a portfolio manager devoting unequal time and attention to the management of the funds and/or Accounts. Dimensional seeks to manage such competing interests for the time and attention of portfolio managers by having portfolio managers focus on a particular investment discipline. Most Accounts managed by a portfolio manager are managed using the same investment approaches that are used in connection with the management of the funds.
- **Investment Opportunities.** It is possible that at times identical securities will be held by a fund and one or more Accounts. However, positions in the same security may vary and the length of time that a fund or an Account may choose to hold its investment in the same security may likewise vary. If a portfolio manager identifies a limited investment opportunity that may be suitable for a fund and one or more Accounts, the fund may not be able to

take full advantage of that opportunity due to an allocation of filled purchase or sale orders across the fund and other eligible Accounts. To deal with these situations, Dimensional has adopted procedures for allocating portfolio transactions across the funds and other Accounts.

- **Broker Selection.** With respect to securities transactions for the funds, Dimensional determines which broker to use to execute each order, consistent with its duty to seek best execution of the transaction. However, with respect to certain Accounts (such as separate accounts), Dimensional may be limited by the client with respect to the selection of brokers or may be instructed to direct trades through a particular broker. In these cases, Dimensional or its affiliates may place separate, non-simultaneous, transactions for a fund and another Account that may temporarily affect the market price of the security or the execution of the transaction, or both, to the detriment of a fund or an Account.
- **Performance-Based Fees.** For some Accounts, Dimensional may be compensated based on the profitability of the Account, such as by a performance-based management fee. These incentive compensation structures may create a conflict of interest for Dimensional with regard to Accounts where Dimensional is paid based on a percentage of assets because the portfolio manager may have an incentive to allocate securities preferentially to the Accounts where Dimensional might share in investment gains.
- **Investment in an Account.** A portfolio manager or his/her relatives may invest in an Account that he or she manages, and a conflict may arise where he or she may therefore have an incentive to treat an Account in which the portfolio manager or his/her relatives invest preferentially as compared to a fund or other Accounts for which he or she has portfolio management responsibilities.

Dimensional has adopted certain compliance procedures that are reasonably designed to address these types of conflicts. However, there is no guarantee that such procedures will detect each and every situation in which a conflict arises.

## COMPENSATION

Dimensional's portfolio managers receive a base salary and bonus. Compensation of a portfolio manager is determined at the discretion of Dimensional and is based on a portfolio manager's experience, responsibilities, the perception of the quality of his or her work efforts and other subjective factors. The compensation of portfolio managers is not directly based upon the performance of the funds or other accounts that the portfolio managers manage. Dimensional reviews the compensation of each portfolio manager annually and may make modifications in compensation as its Compensation Committee deems necessary to reflect changes in the market. Each portfolio manager's compensation consists of the following:

- **Base Salary.** Each portfolio manager is paid a base salary. Dimensional considers the factors described above to determine each portfolio manager's base salary.
- **Semi-Annual Bonus.** Each portfolio manager may receive a semi-annual bonus. The amount of the bonus paid to each portfolio manager is based upon the factors described above.

Portfolio managers may be awarded the right to purchase restricted shares of the stock of Dimensional, as determined from time to time by the Board of Directors of Dimensional or its delegates. Portfolio managers also participate in benefit and retirement plans and other programs available generally to all Dimensional employees.

In addition, portfolio managers may be given the option of participating in Dimensional's Long Term Incentive Plan. The level of participation for eligible employees may be dependent on overall level of compensation, among other considerations. Participation in this program is not based on or related to the performance of any individual strategies or any particular client accounts.

**GW&K INVESTMENT MANAGEMENT, LLC**

("GW&amp;K")

**New Opportunities Fund****PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED**

The following table shows the portfolio managers at the subadvisor who are jointly and primarily responsible for the day-to-day management of the stated fund's portfolio.

<b>Fund</b>	<b>Portfolio Managers</b>
New Opportunities Fund	Joseph C. Craigen, CFA and Daniel L. Miller, CFA

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance ("performance-based fees"), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager's investment in the fund and similarly managed accounts.

The following table provides information as of August 31, 2024:

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Joseph C. Craigen, CFA	3	\$902	1	\$81	182	\$171
Daniel L. Miller, CFA	9	\$3,009	11	\$2,673	6,818	\$6,689

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below. GW&K maintains policies and procedures designed to help ensure the fair and equitable treatment of all client accounts with the goal that all portfolios within a given strategy share performance that is as similar as possible excluding client specific investment guidelines or cash flows.

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Joseph C. Craigen, CFA	0	\$0	0	\$0	0	\$0
Daniel L. Miller, CFA	0	\$0	2	\$218	1	\$70

**Ownership of the Fund and Similarly Managed Accounts**

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, "similarly managed accounts" include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. Each portfolio manager's ownership of fund shares is stated in the footnote(s) below the table.

<b>Portfolio Manager</b>	<b>Dollar Range of Shares Owned<sup>1</sup></b>
Joseph C. Craigen, CFA	\$100,001–\$500,000
Daniel L. Miller, CFA	None

<sup>1</sup> As of August 31, 2024, Joseph C. Craigen, CFA and Daniel L. Miller, CFA beneficially owned \$0 and \$0, respectively, of the fund.

**POTENTIAL CONFLICTS OF INTEREST**

GW&K's portfolio managers simultaneously manage multiple types of portfolios, including separate accounts, wrap fee programs and sub advised mutual funds, according to the same or a similar investment strategy as the applicable Fund. However, the portfolios managed by a portfolio manager may not have portfolio compositions identical to those of the Fund managed by the portfolio manager due, for example, to specific investment limitations or guidelines present in some portfolios or funds but not others. The portfolio managers may purchase securities for one portfolio and not

another portfolio, and the performance of securities purchased for one portfolio may vary from the performance of securities purchased for other portfolios. A portfolio manager may place transactions on behalf of other accounts that are directly or indirectly contrary to investment decisions made on behalf of a Fund, or make investment decisions that are similar to those made for a Fund, both of which have the potential to adversely impact the Fund depending on market conditions. For example, a portfolio manager may purchase a security in one portfolio while appropriately selling that same security in another portfolio. In addition, some of these portfolios have fee structures that are or have the potential to be higher than the advisory fees paid by a Fund, which can cause potential conflicts in the allocation of investment opportunities between the Funds and the other accounts. However, the compensation structure for portfolio managers (see “Compensation” below) generally does not provide any incentive to favor one account over another because that part of a manager’s bonus based on performance is not based on the performance of one account to the exclusion of others.

While GW&K has policies and procedures to help ensure accounts are treated fairly and equitably over time not all accounts within a strategy will be managed the same at all times. Different client guidelines and/or differences within the investment strategies may lead to the use of different investment practices for accounts within the same or similar investment strategy.

## **COMPENSATION**

Portfolio Manager compensation is a process that balances investment management results over 1, 3 and 5 year periods versus the benchmark and peer universe. Compensation is comprised of a base salary which is determined by the individual’s experience and position relative to market data, as well as a bonus that incorporates 3 components:

- Performance Relative to Peers
- Risk-Adjusted Performance Relative to Index
- Discretionary

Key employees are eligible to receive distributions and other benefits represented by membership interests in accordance with the terms of the LLC agreement. Incentive compensation is paid out as cash on an annualized basis. Analyst compensation is a process that rewards achievement of performance based on security recommendations and consistent annual performance against industry benchmarks. Compensation is comprised of a base salary which is determined by the individual’s experience and position relative to market data, as well as a bonus that incorporates 2 components:

- Performance relative to sectors covered over 1, 3, 5 year time periods
- Discretionary

GW&K does not have a deferred compensation program. GW&K’s partners hold an equity interest in GW&K, and therefore receive customary partnership benefits and distributions in exchange for obligations to the partnership.

GW&K provides comprehensive benefits that are designed to meet the long-term needs of its employees and their families. Along with competitive compensation packages, GW&K offers health and dental care coverage, employer-matched 401k, tuition reimbursement, parental leave and a variety of other benefits that support a healthy work/life balance.

## JENNISON ASSOCIATES LLC

(“Jennison”)

### Capital Appreciation Fund

#### PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED

The following table shows the portfolio managers at the subadvisor who are jointly and primarily responsible for the day-to-day management of the stated fund's portfolio.

Fund	Portfolio Managers
Capital Appreciation Fund	Blair A. Boyer, Michael A. Del Balso, Natasha Kuhlkin, CFA, and Kathleen A. McCarragher

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (“performance-based fees”), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager’s investment in the fund and similarly managed accounts.

The following table provides information as of August 31, 2024:

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts <sup>1</sup>	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Blair A. Boyer	14	\$67,666	10	\$18,235	36	\$12,456
Michael A. Del Balso	7	\$18,536	6	\$5,162	3	\$554
Natasha Kuhlkin, CFA	13	\$54,098	10	\$18,047	25	\$2,963
Kathleen A. McCarragher	14	\$67,666	10	\$18,787	11	\$2,022

<sup>1</sup> Other Accounts excludes the assets and number of accounts that are managed using model portfolios.

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
Blair A. Boyer	1	\$13,568	0	\$0	0	\$0
Michael A. Del Balso	0	\$0	0	\$0	0	\$0
Natasha Kuhlkin, CFA	0	\$0	0	\$0	0	\$0
Kathleen A. McCarragher	1	\$13,568	0	\$0	0	\$0

#### Ownership of the Fund and Similarly Managed Accounts

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, “similarly managed accounts” include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. Each portfolio manager’s ownership of fund shares is stated in the footnote(s) below the table.

Portfolio Manager	Dollar Range of Shares Owned <sup>1</sup>
Blair A. Boyer	Over \$1,000,000
Michael A. Del Balso	Over \$1,000,000
Natasha Kuhlkin, CFA	Over \$1,000,000
Kathleen A. McCarragher	Over \$1,000,000



1 As of August 31, 2024, Blair A. Boyer, Michael A. Del Balso, Natasha Kuhlkin, CFA, and Kathleen A. McCarragher beneficially owned \$0, \$0, \$0, and \$0, respectively, of the fund.

## POTENTIAL CONFLICTS OF INTEREST

Jennison manages accounts with asset-based fees alongside accounts with performance-based fees. This side-by-side management creates an incentive for Jennison and its investment professionals to favor one account over another. Specifically, Jennison has the incentive to favor accounts for which it receives performance fees, and possibly take greater investment risks in those accounts in order to bolster performance and increase its fees.

Other types of side-by-side management of multiple accounts create incentives for Jennison to favor one account over another. Examples are detailed below, followed by a discussion of how Jennison addresses these conflicts.

- *Long only accounts/long-short accounts:* Jennison manages accounts in strategies that hold only long securities positions as well as accounts in strategies that are permitted to sell securities short. As a result, Jennison may hold a long position in a security in some client accounts while selling the same security short in other client accounts. For example, Jennison permits quantitatively hedged strategies to short securities that are held long in other strategies. Jennison also permits securities that are held long by one fundamental portfolio manager to be held short by another fundamental portfolio manager. Additionally, Jennison permits securities that are held long in quantitatively derived strategies to be shorted by other strategies. The strategies that sell a security short held long by another strategy could lower the price for the security held long. Similarly, if a strategy is purchasing a security that is held short in other strategies, the strategies purchasing the security could increase the price of the security held short. By the same token, sales in a long only account can increase the value of a short position while shorting could create an opportunity to purchase a long position at a lower price. As a result, we have conflicts of interest in determining the timing and direction of investments.
- *Multiple strategies:* Jennison may buy or sell, or may direct or recommend that one client buy or sell, securities of the same kind or class that are purchased or sold for another client, at prices that may be different. Jennison may also, at any time, execute trades of securities of the same kind or class in one direction for an account and in the opposite direction for another account, due to differences in investment strategy or client direction. Different strategies effecting trading in the same securities or types of securities may appear as inconsistencies in Jennison's management of multiple accounts side-by-side.
- *Investments at different levels of an issuer's capital structure:* To the extent different clients invest across multiple strategies or asset classes, Jennison may invest client assets in the same issuer, but at different levels in the capital structure. Interests in these positions could be inconsistent or in potential or actual conflict with each other.
- *Affiliated accounts/unaffiliated accounts and seeded/non-seeded accounts and accounts receiving asset allocation assets from affiliated investment advisers:* Jennison manages accounts for its affiliates and accounts in which it has an interest alongside unaffiliated accounts. This creates an incentive to favor its affiliated accounts over unaffiliated accounts. Additionally, at times Jennison's affiliates provide initial funding or otherwise invest in vehicles managed by Jennison. When an affiliate provides "seed capital" or other capital for a fund or account, it may do so with the intention of redeeming all or part of its interest at a particular future point in time or when it deems that sufficient additional capital has been invested in that fund or account. Jennison typically requests seed capital to start a track record for a new strategy or product. Managing "seeded" accounts alongside "non-seeded" accounts creates an incentive to favor the "seeded" accounts to establish a track record for a new strategy or product. Additionally, Jennison's affiliated investment advisers could allocate their asset allocation clients' assets to Jennison, which creates an incentive for Jennison to favor accounts used by its affiliate for their asset allocation clients to receive more assets from the affiliate.
- *Non-discretionary accounts or models:* Jennison provides non-discretionary model portfolios to some clients and manages other portfolios on a discretionary basis. Recommendations for some non-discretionary models that are derived from discretionary portfolios are communicated after the discretionary portfolio has traded. The non-discretionary clients could be disadvantaged if Jennison delivers the model investment portfolio to them after Jennison initiates trading for the discretionary clients. Discretionary clients could be disadvantaged if the non-discretionary clients receive their model investment portfolio and start trading before Jennison has started trading for the discretionary clients.
- *Higher fee paying accounts or products or strategies:* In general, Jennison receives more revenues from (1) larger accounts or client relationships than smaller accounts or client relationships and from (2) managing discretionary accounts than advising non-discretionary models and from (3) non-wrap fee accounts than from wrap fee accounts and from (4) charging higher fees for some strategies than others. The differences in revenue that Jennison receives could create an incentive for Jennison to favor the higher fee paying or higher revenue generating account or product or strategy over another.
- *Personal interests:* The performance of one or more accounts managed by Jennison's investment professionals is taken into consideration in determining their compensation. Jennison also manages accounts that are investment options in its employee benefit plans such as its defined contribution plans or deferred compensation arrangements and where its employees may have personally invested alongside other accounts where there is no personal interest. These factors could create an incentive for Jennison to favor the accounts where it has a personal interest over accounts where Jennison does not have a personal interest.
- *Side Letters:* Jennison has entered into side letters with respect to certain of the funds that Jennison manages, and will likely do so with respect to funds that Jennison manages in the future. Such side letters are agreements with investors in the funds (including affiliated investors) that grant such investors terms and conditions more advantageous than those granted to other investors. For example, some investors have side letters granting reduced fees or expenses, or access to more frequent or detailed information regarding the fund's investments. In some instances, Jennison could have multiple side letters with respect to a single fund, each with a different investor.

### How Jennison Addresses These Conflicts of Interest

The conflicts of interest described above create incentives for Jennison to favor one or more accounts or types of accounts over others in the allocation of investment opportunities, aggregation and timing of investments. Portfolios in a particular strategy with similar objectives are managed similarly to the extent possible. Accordingly, portfolio holdings and industry and sector exposure tend to be similar across a group of accounts in a strategy that have similar objectives, which tends to minimize the potential for conflicts of interest among accounts within a product strategy. While these accounts have many similarities, the investment performance of each account will be different primarily due to differences in guidelines, individual portfolio manager's decisions, timing of investments, fees, expenses and cash flows.

Additionally, Jennison has developed policies and procedures that seek to address, mitigate and assess these conflicts of interest.

- Jennison has adopted trade aggregation and allocation procedures that seek to treat all clients (including affiliated accounts) fairly. These policies and procedures address the allocation of limited investment opportunities, such as IPOs and new issues, and the allocation of transactions across multiple accounts.
- Jennison has policies that limit the ability to short securities in portfolios that primarily rely on its fundamental research and investment processes (fundamental portfolios) if the security is held long by the same portfolio manager.
- Jennison has adopted procedures to review allocations or performance dispersion between accounts with performance fees and non-performance fee based accounts and to review overlapping long and short positions among long accounts and long-short accounts.
- Jennison has adopted a code of ethics and policies relating to personal trading.
- Jennison has adopted a conflicts of interest policy and procedures.
- Jennison provides disclosure of these conflicts as described in its Form ADV brochure.

## COMPENSATION

Jennison seeks to maintain a highly competitive compensation program designed to attract and retain outstanding investment professionals, which include portfolio managers and research analysts, and to align the interests of its investment professionals with those of its clients and overall firm results. Jennison recognizes individuals for their achievements and contributions and continues to promote those who exemplify the same values and level of commitment that are hallmarks of the organization.

Jennison sponsors a profit sharing retirement plan for all eligible employees. The contribution to the profit sharing retirement plan for portfolio managers is based on a percentage of the portfolio manager's total compensation, subject to a maximum determined by applicable law. In addition to eligibility to participate in retirement and welfare plans, senior investment professionals, including portfolio managers and senior research analysts, are eligible to participate in a voluntary deferred compensation program where all or a portion of the cash bonus can be deferred. Participants in the deferred compensation plan are permitted to allocate the deferred amounts among various options that track the gross-of-fee pre-tax performance of accounts or composites of accounts managed by Jennison.

Investment professionals are compensated with a combination of base salary and cash bonus. Overall firm profitability determines the size of the investment professional compensation pool. In general, the cash bonus represents the majority of an investment professional's compensation.

Investment professionals' total compensation is determined through a process that evaluates numerous qualitative and quantitative factors. Not all factors are applicable to every investment professional, and there is no particular weighting or formula for considering the factors.

The factors reviewed for the portfolio managers are listed below.

The quantitative factors reviewed for the portfolio managers may include:

- One-, three-, five-year and longer term pre-tax investment performance for groupings of accounts managed in the same strategy (composite) relative to market conditions, pre-determined passive indices and industry peer group data for the product strategy (e.g., large cap growth, large cap value). Some portfolio managers may manage or contribute ideas to more than one product strategy, and the performance of the other product strategies is also considered in determining the portfolio manager's overall compensation.
- The investment professional's contribution to client portfolio's pre-tax one-, three-, five-year and longer-term performance from the investment professional's recommended stocks relative to market conditions, the strategy's passive benchmarks, and the investment professional's respective coverage universes.

The qualitative factors reviewed for the portfolio managers may include:

- The quality of the portfolio manager's investment ideas and consistency of the portfolio manager's judgment;
- Qualitative factors such as teamwork and responsiveness;
- Individual factors such as years of experience and responsibilities specific to the individual's role such as being a team leader or supervisor are also factored into the determination of an investment professional's total compensation; and
- Historical and long-term business potential of the product strategies.

## MANULIFE INVESTMENT MANAGEMENT (US) LLC

### ("MANULIFE IM (US)")

**Alternative Asset Allocation Fund**  
**Emerging Markets Debt Fund**  
**Fundamental Global Franchise Fund**  
**Global Equity Fund**  
**International Strategic Equity Allocation Fund**  
**Lifestyle Blend Portfolios**  
**Lifetime Blend Portfolios**  
**Multi-Asset High Income Fund**  
**Multimanager Lifetime Portfolios**  
**Strategic Income Opportunities Fund**  
**U.S. Sector Rotation Fund**

### PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED

The following table shows the portfolio managers at the subadvisor who are jointly and primarily responsible for the day-to-day management of the stated funds' portfolios.

Fund	Portfolio Managers
Alternative Asset Allocation Fund	Nathan W. Thooft, CFA and Christopher Walsh, CFA
Multi-Asset High Income Fund	Nathan W. Thooft, CFA, Christopher Walsh, CFA, John F. Addeo, CFA, Geoffrey Kelley, CFA, and Caryn E. Rothman, CFA
Lifestyle Blend Portfolios, Lifetime Blend Portfolios, and Multimanager Lifetime Portfolios	Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA, and Nathan W. Thooft, CFA
International Strategic Equity Allocation Fund and U.S. Sector Rotation Fund	Michael J. Comer, CFA, James Robertson, CIM, and Nathan W. Thooft, CFA
Emerging Markets Debt Fund	Neal Capecci, Roberto Sanchez-Dahl, CFA, and Elina Theodorakopoulou
Fundamental Global Franchise Fund	Emory W. Sanders, Jr., CFA and Jonathan T. White, CFA
Global Equity Fund	Paul Boyne, Stephen Hermsdorf, Edward Ritchie, ASIP, and Felicity Smith
Strategic Income Opportunities Fund	Christopher M. Chapman, CFA, Thomas C. Goggins, Brad Lutz, CFA, and Kisoo Park

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance ("performance-based fees"), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager's investment in the fund or funds he or she manages and similarly managed accounts.

The following table provides information as of August 31, 2024:

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
John F. Addeo, CFA	0	\$0	2	\$811	0	\$0
Paul Boyne	1	\$311	10	\$1,057	2	\$1,028
Neal Capecci	0	\$0	3	\$644	0	\$0
Christopher M. Chapman, CFA	4	\$2,424	44	\$15,961	14	\$4,221
Michael J. Comer, CFA	1	\$7,376	5	\$1,764	0	\$0
Thomas C. Goggins	4	\$2,424	44	\$15,961	14	\$4,221
Stephen Hermsdorf	1	\$311	10	\$1,057	2	\$1,028
Geoffrey Kelley, CFA	24	\$47,256	28	\$9,764	0	\$0
David Kobuszewski, CFA	19	\$35,612	17	\$7,581	0	\$0
Brad Lutz, CFA	4	\$2,424	44	\$15,961	14	\$4,221
Kisoo Park	4	\$2,424	44	\$15,961	14	\$4,221
Edward Ritchie, ASIP	1	\$311	11	\$1,110	2	\$1,028

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
James Robertson, CIM	1	\$7,376	49	\$18,973	0	\$0
Caryn E. Rothman, CFA	8	\$5,796	16	\$3,777	4	\$318
Roberto Sanchez-Dahl, CFA	0	\$0	4	\$746	0	\$0
Emory W. Sanders, Jr., CFA	6	\$9,731	17	\$8,058	20	\$5,718
Felicity Smith	1	\$311	10	\$1,057	2	\$1,028
Robert E. Sykes, CFA	23	\$47,254	17	\$7,581	0	\$0
Elina Theodorakopoulou	0	\$0	4	\$746	0	\$0
Nathan W. Thooft, CFA	24	\$54,630	65	\$25,277	0	\$0
Christopher Walsh, CFA	0	\$0	1	\$864	0	\$0
Jonathan T. White, CFA	5	\$8,873	14	\$6,688	19	\$5,717

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

Portfolio Manager	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)	Number of Accounts	Assets (in millions)
John F. Addeo, CFA	0	\$0	0	\$0	0	\$0
Paul Boyne	0	\$0	0	\$0	1	\$906
Neal Capecci	0	\$0	0	\$0	0	\$0
Christopher M. Chapman, CFA	0	\$0	0	\$0	0	\$0
Michael J. Comer, CFA	0	\$0	0	\$0	0	\$0
Thomas C. Goggins	0	\$0	0	\$0	0	\$0
Stephen Hermsdorf	0	\$0	0	\$0	1	\$906
Geoffrey Kelley, CFA	0	\$0	0	\$0	0	\$0
David Kobuszewski, CFA	0	\$0	0	\$0	0	\$0
Brad Lutz, CFA	0	\$0	0	\$0	0	\$0
Kisoo Park	0	\$0	0	\$0	0	\$0
Edward Ritchie, ASIP	0	\$0	0	\$0	1	\$906
James Robertson, CIM	0	\$0	0	\$0	0	\$0
Caryn E. Rothman, CFA	0	\$0	0	\$0	0	\$0
Roberto Sanchez-Dahl, CFA	0	\$0	0	\$0	0	\$0
Emory W. Sanders, Jr., CFA	0	\$0	0	\$0	3	\$1,385
Felicity Smith	0	\$0	0	\$0	1	\$906
Robert E. Sykes, CFA	0	\$0	0	\$0	0	\$0
Elina Theodorakopoulou	0	\$0	0	\$0	0	\$0
Nathan W. Thooft, CFA	0	\$0	0	\$0	0	\$0
Christopher Walsh, CFA	0	\$0	0	\$0	0	\$0
Jonathan T. White, CFA	0	\$0	0	\$0	3	\$1,385

#### Ownership of the Funds and Similarly Managed Accounts

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, “similarly managed accounts” include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. Each portfolio manager’s ownership of fund shares is stated in the footnote(s) below the table.

Fund	Portfolio Manager	Dollar Range of Shares Owned
Alternative Asset Allocation Fund <sup>1</sup>	Nathan W. Thooft, CFA	\$100,001–\$500,000
	Christopher Walsh, CFA	\$10,001–\$50,000

<b>Fund</b>	<b>Portfolio Manager</b>	<b>Dollar Range of Shares Owned</b>
Emerging Markets Debt Fund <sup>2</sup>	Neal Capecci	\$500,001–\$1,000,000
	Roberto Sanchez-Dahl, CFA	\$100,001–\$500,000
	Elina Theodorakopoulou	\$100,001–\$500,000
Fundamental Global Franchise Fund <sup>3</sup>	Emory W. Sanders, Jr., CFA	\$100,001–\$500,000
	Jonathan T. White, CFA	Over \$1,000,000
	Paul Boyne	Over \$1,000,000
Global Equity Fund <sup>4</sup>	Stephen Hermsdorf	Over \$1,000,000
	Edward Ritchie, ASIP	\$10,001–\$50,000
	Felicity Smith	\$10,001–\$50,000
International Strategic Equity Allocation Fund <sup>5</sup>	Michael J. Comer, CFA	None
	James Robertson, CIM	None
	Nathan W. Thooft, CFA	None
Multi-Asset High Income Fund <sup>6</sup>	Nathan W. Thooft, CFA	\$100,001–\$500,000
	Christopher Walsh, CFA	\$10,001–\$50,000
	John F. Addeo, CFA	None
	Geoffrey Kelley, CFA	\$50,001–\$100,000
	Caryn E. Rothman, CFA	\$500,001–\$1,000,000
Lifestyle Blend Aggressive Portfolio <sup>7</sup>	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
	Nathan W. Thooft, CFA	None
Lifestyle Blend Balanced Portfolio <sup>8</sup>	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
	Nathan W. Thooft, CFA	None
Lifestyle Blend Conservative Portfolio <sup>9</sup>	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
	Nathan W. Thooft, CFA	None
Lifestyle Blend Growth Portfolio <sup>10</sup>	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
	Nathan W. Thooft, CFA	None
Lifestyle Blend Moderate Portfolio <sup>11</sup>	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
	Nathan W. Thooft, CFA	None
2065 Lifetime Blend Portfolio <sup>12</sup>	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
	Nathan W. Thooft, CFA	None
2060 Lifetime Blend Portfolio <sup>13</sup>	Geoffrey Kelley, CFA	\$100,001–\$500,000
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
	Nathan W. Thooft, CFA	None
2055 Lifetime Blend Portfolio <sup>14</sup>	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
	Nathan W. Thooft, CFA	None
2050 Lifetime Blend Portfolio <sup>15</sup>	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	\$50,001–\$100,000
	Robert E. Sykes, CFA	None

<b>Fund</b>	<b>Portfolio Manager</b>	<b>Dollar Range of Shares Owned</b>
2045 Lifetime Blend Portfolio <sup>16</sup>	Nathan W. Thooft, CFA	\$500,001–\$1,000,000
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
2040 Lifetime Blend Portfolio <sup>17</sup>	Nathan W. Thooft, CFA	\$100,001–\$500,000
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	\$100,001–\$500,000
2035 Lifetime Blend Portfolio <sup>18</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
2030 Lifetime Blend Portfolio <sup>19</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
2025 Lifetime Blend Portfolio <sup>20</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
2020 Lifetime Blend Portfolio <sup>21</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
2015 Lifetime Blend Portfolio <sup>22</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
2010 Lifetime Blend Portfolio <sup>23</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2065 Lifetime Portfolio <sup>24</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2060 Lifetime Portfolio <sup>25</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2055 Lifetime Portfolio <sup>26</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2050 Lifetime Portfolio <sup>27</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2045 Lifetime Portfolio <sup>28</sup>	Nathan W. Thooft, CFA	Over \$1,000,000
	Geoffrey Kelley, CFA	\$100,001–\$500,000
	David Kobuszewski, CFA	\$100,001–\$500,000
	Robert E. Sykes, CFA	None

<b>Fund</b>	<b>Portfolio Manager</b>	<b>Dollar Range of Shares Owned</b>
Multimanager 2040 Lifetime Portfolio <sup>29</sup>	Nathan W. Thooft, CFA	\$100,001–\$500,000
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	\$100,001–\$500,000
Multimanager 2035 Lifetime Portfolio <sup>30</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2030 Lifetime Portfolio <sup>31</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	\$100,001–\$500,000
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2025 Lifetime Portfolio <sup>32</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2020 Lifetime Portfolio <sup>33</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2015 Lifetime Portfolio <sup>34</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	None
	Robert E. Sykes, CFA	None
Multimanager 2010 Lifetime Portfolio <sup>35</sup>	Nathan W. Thooft, CFA	None
	Geoffrey Kelley, CFA	None
	David Kobuszewski, CFA	\$50,001–\$100,000
	Robert E. Sykes, CFA	None
Strategic Income Opportunities Fund <sup>36</sup>	Nathan W. Thooft, CFA	None
	Christopher M. Chapman, CFA	\$500,001–\$1,000,000
	Thomas C. Goggins	Over \$1,000,000
	Brad Lutz, CFA	\$100,001–\$500,000
U.S. Sector Rotation Fund <sup>37</sup>	Kisoo Park	None
	Michael J. Comer, CFA	None
	James Robertson, CIM	None
	Nathan W. Thooft, CFA	None

- 1** As of August 31, 2024, Nathan W. Thooft, CFA and Christopher Walsh, CFA beneficially owned \$100,001–\$500,000 and \$10,001–\$50,000, respectively, of Alternative Asset Allocation Fund.
- 2** As of August 31, 2024, Neal Capecci, Roberto Sanchez-Dahl, CFA, and Elina Theodorakopoulou beneficially owned \$100,001–\$500,000, \$100,001–\$500,000, and \$0 respectively, of Emerging Markets Debt Fund.
- 3** As of August 31, 2024, Emory W. (Sandy) Sanders, Jr., CFA and Jonathan T. White, CFA beneficially owned \$100,001–\$500,000 and over \$1,000,000, respectively, of Fundamental Global Franchise Fund.
- 4** As of August 31, 2024, Paul Boyne, Stephen Hermsdorf, Edward Ritchie, ASIP, and Felicity Smith beneficially owned over \$1,000,000, over \$1,000,000, \$10,001–\$50,000, and \$10,001–\$50,000, respectively, of Global Equity Fund.
- 5** As of August 31, 2024, Michael J. Comer, CFA, James Robertson, CIM, and Nathan W. Thooft, CFA beneficially owned \$0, \$0, and \$0 respectively, of International Strategic Equity Allocation Fund.
- 6** As of August 31, 2024, Nathan W. Thooft, CFA, Christopher Walsh, CFA, John F. Addeo, CFA, Geoffrey Kelley, CFA and Caryn E. Rothman, CFA beneficially owned \$100,001–\$500,000, \$10,001–\$50,000, \$0, \$50,001–\$100,000, and \$500,001–\$1,000,000, respectively, of Multi-Asset High Income Fund.
- 7** As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Lifestyle Blend Aggressive Portfolio.
- 8** As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Lifestyle Blend Balanced Portfolio.
- 9** As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Lifestyle Blend Conservative Portfolio.



- 10 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Lifestyle Blend Growth Portfolio.
- 11 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Lifestyle Blend Moderate Portfolio.
- 12 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of 2065 Lifetime Blend Portfolio.
- 13 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$100,001–\$500,000, \$0, \$0 and \$0, respectively, of 2060 Lifetime Blend Portfolio.
- 14 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of 2055 Lifetime Blend Portfolio.
- 15 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$50,001–\$100,000, \$0, and \$500,001–\$1,000,000, respectively, of 2050 Lifetime Blend Portfolio.
- 16 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$100,001–\$500,000, respectively, of 2045 Lifetime Blend Portfolio.
- 17 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$100,001–\$500,000 and \$0, respectively, of 2040 Lifetime Blend Portfolio.
- 18 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of 2035 Lifetime Blend Portfolio.
- 19 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of 2030 Lifetime Blend Portfolio.
- 20 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of 2025 Lifetime Blend Portfolio.
- 21 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of 2015 Lifetime Blend Portfolio.
- 22 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of 2010 Lifetime Blend Portfolio.
- 23 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2065 Lifetime Portfolio.
- 24 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2060 Lifetime Portfolio.
- 25 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2055 Lifetime Portfolio.
- 26 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2050 Lifetime Portfolio.
- 27 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$100,001–\$500,000, \$100,001–\$500,000, \$0, and \$100,001–\$500,000, respectively, of Multimanager 2045 Lifetime Portfolio.
- 28 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2040 Lifetime Portfolio.
- 29 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2035 Lifetime Portfolio.
- 30 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$100,001–\$500,000, \$0, \$0 and \$0, respectively, of Multimanager 2030 Lifetime Portfolio.
- 31 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2025 Lifetime Portfolio.
- 32 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2020 Lifetime Portfolio.
- 33 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$0, \$0, \$0 and \$0, respectively, of Multimanager 2015 Lifetime Portfolio.
- 34 As of August 31, 2024, Geoffrey Kelley, CFA, David Kobuszewski, CFA, Robert E. Sykes, CFA and Nathan W. Thooft, CFA beneficially owned \$50,001–\$100,000, \$0 and \$0, respectively, of Multimanager 2010 Lifetime Portfolio.
- 35 As of August 31, 2024, Christopher M. Chapman, CFA, Thomas C. Goggins, Brad Lutz, CFA, and Kisoo Park beneficially owned \$500,001–\$1,000,000, over \$1,000,000, \$100,001–\$500,000, and \$0, respectively, of the Strategic Income Opportunities Fund.
- 36 As of August 31, 2024, Michael J. Comer, CFA, James Robertson, CIM, and Nathan W. Thooft, CFA beneficially owned \$0, \$0 and \$0, respectively, of the U.S. Sector Rotation Fund.

## POTENTIAL CONFLICTS OF INTEREST

When a portfolio manager is responsible for the management of more than one account, the potential arises for the portfolio manager to favor one account over another. The principal types of potential conflicts of interest that may arise are discussed below. For the reasons outlined below, the funds do not believe that any material conflicts are likely to arise out of a portfolio manager's responsibility for the management of the funds as well as one or more other accounts. The Advisor and Manulife IM (US) (the "Subadvisor") have adopted procedures that are intended to monitor compliance with the

policies referred to in the following paragraphs. Generally, the risks of such conflicts of interests are increased to the extent that a portfolio manager has a financial incentive to favor one account over another. The Advisor and Subadvisor have structured their compensation arrangements in a manner that is intended to limit such potential for conflicts of interests. See “Compensation” below.

- A portfolio manager could favor one account over another in allocating new investment opportunities that have limited supply, such as initial public offerings and private placements. If, for example, an initial public offering that was expected to appreciate in value significantly shortly after the offering was allocated to a single account, that account may be expected to have better investment performance than other accounts that did not receive an allocation on the initial public offering. The Subadvisor has policies that require a portfolio manager to allocate such investment opportunities in an equitable manner and generally to allocate such investments proportionately among all accounts with similar investment objectives.
- A portfolio manager could favor one account over another in the order in which trades for the accounts are placed. If a portfolio manager determines to purchase a security for more than one account in an aggregate amount that may influence the market price of the security, accounts that purchased or sold the security first may receive a more favorable price than accounts that made subsequent transactions. The less liquid the market for the security or the greater the percentage that the proposed aggregate purchases or sales represent of average daily trading volume, the greater the potential for accounts that make subsequent purchases or sales to receive a less favorable price. When a portfolio manager intends to trade the same security for more than one account, the policies of the Subadvisor generally require that such trades be “bunched,” which means that the trades for the individual accounts are aggregated and each account receives the same price. There are some types of accounts as to which bunching may not be possible for contractual reasons (such as directed brokerage arrangements). Circumstances may also arise where the trader believes that bunching the orders may not result in the best possible price. Where those accounts or circumstances are involved, the Subadvisor will place the order in a manner intended to result in as favorable a price as possible for such client.
- A portfolio manager could favor an account if the portfolio manager’s compensation is tied to the performance of that account rather than all accounts managed by the portfolio manager. If, for example, the portfolio manager receives a bonus based upon the performance of certain accounts relative to a benchmark while other accounts are disregarded for this purpose, the portfolio manager will have a financial incentive to seek to have the accounts that determine the portfolio manager’s bonus achieve the best possible performance to the possible detriment of other accounts. Similarly, if the Subadvisor receives a performance-based advisory fee, the portfolio manager may favor that account, whether or not the performance of that account directly determines the portfolio manager’s compensation. The investment performance on specific accounts is not a factor in determining the portfolio manager’s compensation. See “Compensation” below. Neither the Advisor nor the Subadvisor receives a performance-based fee with respect to any of the accounts managed by the portfolio managers.
- A portfolio manager could favor an account if the portfolio manager has a beneficial interest in the account, in order to benefit a large client or to compensate a client that had poor returns. For example, if the portfolio manager held an interest in an investment partnership that was one of the accounts managed by the portfolio manager, the portfolio manager would have an economic incentive to favor the account in which the portfolio manager held an interest. The Subadvisor imposes certain trading restrictions and reporting requirements for accounts in which a portfolio manager or certain family members have a personal interest in order to confirm that such accounts are not favored over other accounts.
- If the different accounts have materially and potentially conflicting investment objectives or strategies, a conflict of interest may arise. For example, if a portfolio manager purchases a security for one account and sells the same security short for another account, such trading pattern could disadvantage either the account that is long or short. In making portfolio manager assignments, the Subadvisor seeks to avoid such potentially conflicting situations. However, where a portfolio manager is responsible for accounts with differing investment objectives and policies, it is possible that the portfolio manager will conclude that it is in the best interest of one account to sell a portfolio security while another account continues to hold or increase the holding in such security.

## COMPENSATION

The Subadvisor has adopted a system of compensation for portfolio managers and others involved in the investment process that is applied systematically among investment professionals. At the Subadvisor, the structure of compensation of investment professionals is currently comprised of the following basic components: base salary and short- and long-term incentives. The following describes each component of the compensation package for the individuals identified as a portfolio manager for the funds.

- **Base salary.** Base compensation is fixed and normally reevaluated on an annual basis. The Subadvisor seeks to set compensation at market rates, taking into account the experience and responsibilities of the investment professional.
- **Incentives.** Only investment professionals are eligible to participate in the short- and long-term incentive plan. Under the plan, investment professionals are eligible for an annual cash award. The plan is intended to provide a competitive level of annual bonus compensation that is tied to the investment professional achieving superior investment performance and aligns the financial incentives of the Subadvisor and the investment professional. Any bonus under the plan is completely discretionary, with a maximum annual bonus that may be well in excess of base salary. Payout of a portion of this bonus may be deferred for up to five years. While the amount of any bonus is discretionary, the following factors are generally used in determining bonuses under the plan:
  - *Investment Performance:* The investment performance of all accounts managed by the investment professional over one, three and five-year periods are considered. The pre-tax performance of each account is measured relative to an appropriate peer group benchmark identified in the table below (for example a Morningstar large cap growth peer group if the fund invests primarily in large cap stocks with a growth strategy). With respect to fixed income accounts, relative yields are also used to measure performance. This is the most heavily weighted factor.
  - *Financial Performance:* The profitability of the Subadvisor and its parent company are also considered in determining bonus awards.
  - *Non-Investment Performance:* To a lesser extent, intangible contributions, including the investment professional's support of client service and

sales activities, new fund/strategy idea generation, professional growth and development, and management, where applicable, are also evaluated when determining bonus awards.

- In addition to the above, compensation may also include a revenue component for an investment team derived from a number of factors including, but not limited to, client assets under management, investment performance, and firm metrics.
- Manulife equity awards. A limited number of senior investment professionals may receive options to purchase shares of Manulife Financial stock. Generally, such option would permit the investment professional to purchase a set amount of stock at the market price on the date of grant. The option can be exercised for a set period (normally a number of years or until termination of employment) and the investment professional would exercise the option if the market value of Manulife Financial stock increases. Some investment professionals may receive restricted stock grants, where the investment professional is entitled to receive the stock at no or nominal cost, provided that the stock is forgone if the investment professional's employment is terminated prior to a vesting date.
- Deferred Incentives. Investment professionals may receive deferred incentives which are fully invested in strategies managed by the team/individual as well as other Manulife Investment Management strategies.

The Subadvisor also permits investment professionals to participate on a voluntary basis in a deferred compensation plan, under which the investment professional may elect on an annual basis to defer receipt of a portion of their compensation until retirement. Participation in the plan is voluntary.

<b>Fund</b>	<b>Peer Group and/or Benchmark Index for Incentive Period</b>
Lifestyle Blend Aggressive Portfolio	Morningstar US OE Large Blend
Lifestyle Blend Balanced Portfolio	Morningstar US OE Moderate Allocation
Lifestyle Blend Conservative Portfolio	Morningstar US OE Conservative Allocation
Lifestyle Blend Growth Portfolio	Morningstar US OE Aggressive Allocation
Lifestyle Blend Moderate Portfolio	Morningstar US OE Conservative Allocation
Multimanager 2010 Lifetime Portfolio	Morningstar US OE Target Date 2000-2010
Multimanager 2015 Lifetime Portfolio	Morningstar US OE Target Date 2011-2015
Multimanager 2020 Lifetime Portfolio	Morningstar US OE Target Date 2016-2020
Multimanager 2025 Lifetime Portfolio	Morningstar US OE Target Date 2021-2025
Multimanager 2030 Lifetime Portfolio	Morningstar US OE Target Date 2026-2030
Multimanager 2035 Lifetime Portfolio	Morningstar US OE Target Date 2031-2035
Multimanager 2040 Lifetime Portfolio	Morningstar US OE Target Date 2036-2040
Multimanager 2045 Lifetime Portfolio	Morningstar US OE Target Date 2041-2045
Multimanager 2050 Lifetime Portfolio	Morningstar US OE Target Date 2046-2050
Multimanager 2055 Lifetime Portfolio	Morningstar US OE Target Date 2051+
Multimanager 2060 Lifetime Portfolio	Morningstar US OE Target Date 2051+
Multimanager 2065 Lifetime Portfolio	Morningstar US OE Target Date 2051+
2030 Lifetime Blend Portfolio	Morningstar US OE Target Date 2026-2030
2035 Lifetime Blend Portfolio	Morningstar US OE Target Date 2031-2035
2040 Lifetime Blend Portfolio	Morningstar US OE Target Date 2036-2040
2045 Lifetime Blend Portfolio	Morningstar US OE Target Date 2041-2045
2050 Lifetime Blend Portfolio	Morningstar US OE Target Date 2046-2050
2055 Lifetime Blend Portfolio	Morningstar US OE Target Date 2051+
2060 Lifetime Blend Portfolio	Morningstar US OE Target Date 2051+
2065 Lifetime Blend Portfolio	Morningstar US OE Target Date 2051+
International Strategic Equity Allocation Fund	Morningstar Foreign Large Blend
Alternative Asset Allocation Fund	Morningstar US OE Multialternative
Multi-Asset High Income Fund	Morningstar US OE Conservative Allocation
Strategic Income Opportunities Fund	Morningstar US OE Multisector Bond
Fundamental Global Franchise Fund	Morningstar US OE World Stock
Global Equity Fund	Morningstar US OE World Stock
Emerging Markets Debt Fund	Morningstar US OE Emerging Markets Bond
U.S. Sector Rotation Fund	Morningstar Large Blend

**T. ROWE PRICE ASSOCIATES, INC.**

("T. Rowe Price")

**T. ROWE PRICE INVESTMENT MANAGEMENT, INC. IS SUB-SUBADVISOR TO CAPITAL APPRECIATION VALUE FUND**

Blue Chip Growth Fund  
 Capital Appreciation Value Fund  
 Equity Income Fund  
 Health Sciences Fund  
 Mid Value Fund  
 Science & Technology Fund

**PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED**

The following table shows the portfolio manager at the subadvisor who is primarily responsible for the day-to-day management of the stated funds' portfolios.

<b>Fund</b>	<b>Portfolio Managers</b>
Blue Chip Growth Fund	Paul Greene II
Capital Appreciation Value Fund	David R. Giroux, CFA
Equity Income Fund	John D. Linehan, CFA
Health Sciences Fund	Ziad Bakri, MD, CFA
Mid Value Fund	Vincent DeAugustino, CFA
Science & Technology Fund	Anthony Wang

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance ("performance-based fees"), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager's investment in the fund or funds he manages and similarly managed accounts.

The following table provides information as of August 31, 2024:

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Ziad Bakri, MD, CFA	4	\$16,671,004,988	3	\$2,752,629,862	0	\$0
Vincent DeAugustino, CFA	5	\$16,993,598,563	3	\$8,638,887,733	1	\$121,627
David R. Giroux, CFA	8	\$96,153,032,048	1	\$787,292,843	1	\$113,225
Paul Greene II	8	\$74,579,323,663	25	\$27,511,662,116	2	\$1,460,969,410
John D. Linehan, CFA	15	\$36,508,295,343	32	\$27,153,831,742	10	\$2,915,282,881
Anthony Wang	2	\$10,742,364,680	1	\$80,683,384	0	\$0

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Ziad Bakri, MD, CFA	0	\$0	0	\$0	0	\$0
Vincent DeAugustino, CFA	0	\$0	0	\$0	0	\$0
David R. Giroux, CFA	0	\$0	0	\$0	0	\$0
Paul Greene II	0	\$0	0	\$0	0	\$0
John D. Linehan, CFA	0	\$0	0	\$0	0	\$0
Anthony Wang	0	\$0	0	\$0	0	\$0

## Ownership of the Funds and Similarly Managed Accounts

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, “similarly managed accounts” include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. Each portfolio manager’s ownership of fund shares is stated in the footnote(s) below the table.

Fund	Portfolio Manager	Dollar Range of Shares Owned
Blue Chip Growth Fund <sup>1</sup>	Paul Greene II	None
Capital Appreciation Value Fund <sup>2</sup>	David R. Giroux, CFA	Over \$1,000,000
Equity Income Fund <sup>3</sup>	John D. Linehan, CFA	Over \$1,000,000
Health Sciences Fund <sup>4</sup>	Ziad Bakri, MD, CFA	\$500,001–\$1,000,000
Mid Value Fund <sup>5</sup>	Vincent DeAugustino, CFA	Over \$1,000,000
Science & Technology Fund <sup>6</sup>	Anthony Wang	\$500,001–\$1,000,000

**1** As of August 31, 2024, Paul Greene II beneficially owned \$0 of Blue Chip Growth Fund.

**2** As of August 31, 2024, David R. Giroux, CFA beneficially owned over \$1,000,000 of Capital Appreciation Value Fund.

**3** As of August 31, 2024, John D. Linehan, CFA beneficially owned over \$1,000,000 of Equity Income Fund.

**4** As of August 31, 2024, Ziad Bakri, MD, CFA beneficially owned \$500,001–\$1,000,000 of Health Sciences Fund.

**5** As of August 31, 2024, Vincent DeAugustino, CFA beneficially owned over \$1,000,000 of Mid Value Fund.

**6** As of August 31, 2024, Anthony Wang beneficially owned \$500,001–\$1,000,000 of Science & Technology Fund.

## POTENTIAL CONFLICTS OF INTEREST

Portfolio managers at T. Rowe Price and its affiliates may manage multiple accounts. These accounts may include, among others, mutual funds, exchange-traded funds, business development companies, separate accounts (assets managed on behalf of institutions such as pension funds, colleges and universities, and foundations), offshore funds, private funds, and common trust funds. T. Rowe Price also provides non-discretionary advice to institutional investors in the form of delivery of model portfolios. Portfolio managers make investment decisions for each portfolio based on the investment objectives, policies, practices, and other relevant investment considerations that they believe are applicable to that portfolio. Consequently, portfolio managers may purchase (or sell) securities for one portfolio and not another portfolio. T. Rowe Price and its affiliates have adopted brokerage and trade allocation policies and procedures that they believe are reasonably designed to address any potential conflicts associated with managing multiple accounts. Investments made by a fund and the results achieved by a fund at any given time are not expected to be the same as those made by other funds for which T. Rowe Price acts as investment adviser, including funds with names, investment objectives and policies, and/or portfolio management teams, similar to a fund. This may be attributable to a wide variety of factors, including, but not limited to, large shareholder purchases or redemptions or specific investment restrictions.

The T. Rowe Price funds may, from time to time, own shares of Morningstar, Inc. Morningstar is a provider of investment research to individual and institutional investors, and publishes ratings on funds, including the T. Rowe Price funds. T. Rowe Price acts as subadviser to two mutual funds offered by Morningstar. T. Rowe Price and its affiliates pay Morningstar for a variety of products and services. Morningstar may provide investment consulting and investment management services to clients of T. Rowe Price or its affiliates. The T. Rowe Price funds may generally not purchase shares of stock issued by T. Rowe Price Group, Inc. However, a T. Rowe Price Index Fund is permitted to make such purchases to the extent T. Rowe Price Group, Inc. is represented in the benchmark index the fund is designed to track.

Additional potential conflicts may be inherent in our use of multiple strategies. For example, conflicts will arise in cases where different clients invest in different parts of an issuer’s capital structure, including circumstances in which one or more clients may own private securities or obligations of an issuer and other clients may own or seek to acquire securities of the same issuer. For example, a client may acquire a loan, loan participation or a loan assignment of a particular borrower in which one or more other clients have an equity investment or may invest in senior debt obligations of an issuer for one client and junior debt obligations or equity of the same issuer for another client. Similarly, if an issuer in which a client and one or more other clients directly or indirectly hold different classes of securities (or other assets, instruments or obligations issued by such issuer or underlying investments of such issuer) encounters financial problems, is involved in a merger or acquisition or a going private transaction, decisions over the terms of any workout or transaction will raise conflicts of interests. While it is appropriate for different clients to hold investments in different parts of the same issuer’s capital structure under normal circumstances, the interests of stockholders and debt holders may conflict, as the securities they hold will likely have different voting rights, dividend or repayment priorities or other features that could be in conflict with one another. Clients should be aware that conflicts will not necessarily be resolved in favor of their interests.

In some cases, T. Rowe Price or its affiliates may refrain from taking certain actions or making certain investments on behalf of clients in order to avoid or mitigate certain conflicts of interest or to prevent adverse regulatory actions or other implications for T. Rowe Price or its affiliates, or may sell investments for certain clients, in such case potentially disadvantaging the clients on whose behalf the actions are not taken, investments not made, or



investments sold. In other cases, T. Rowe Price or its affiliates may take actions in order to mitigate legal risks to T. Rowe Price or its affiliates, even if disadvantageous to a client.

Conflicts such as those described above may also occur between clients on the one hand, and T. Rowe Price or its affiliates, on the other. These conflicts will not always be resolved in the favor of the client. In addition, conflicts may exist between different clients of T. Rowe Price or its affiliates. T. Rowe Price and one or more of its affiliates may operate autonomously from each other and may take actions that are adverse to other clients managed by an affiliate. In some cases, T. Rowe Price or its affiliates will have limited or no ability to mitigate those actions or address those conflicts, which could adversely affect T. Rowe Price or its affiliates' clients. Additional potential conflicts may be inherent in our use of multiple strategies. Regulatory requirements may prohibit T. Rowe Price or its affiliates from investing in certain companies on behalf of some of their clients, including the T. Rowe Price funds, while at the same time not prohibiting T. Rowe Price or its affiliates from making those same investments on behalf of other clients that are not subject to such requirements. T. Rowe Price or its affiliates' ability to negotiate certain rights, remedies, or take other actions on behalf of the T. Rowe Price funds with respect to an investment also may be limited in situations in which an affiliate of the T. Rowe Price funds (or certain other interested persons) have a direct or indirect interest in the same issuer. When permitted by applicable law, other clients of T. Rowe Price or its affiliates, on the one hand, and one or more T. Rowe Price funds, on the other hand, may invest in or extend credit to different classes of securities or different parts of the capital structure of a single issuer. T. Rowe Price or its affiliates may pursue rights, provide advice or engage in other activities, or refrain from pursuing rights, providing advice or engaging in other activities, on behalf of themselves or one or more clients other than the T. Rowe Price funds with respect to an issuer in which a T. Rowe Price fund has invested, and such actions (or refraining from action) may have a material adverse effect on such T. Rowe Price fund. In addition, as a result of regulatory requirements or otherwise, in situations in which T. Rowe Price clients (including the T. Rowe Price funds) hold positions in multiple parts of the capital structure of an issuer, T. Rowe Price or its affiliates may not pursue certain actions that may otherwise be available. T. Rowe Price and its affiliates address these and other potential conflicts of interest based on the facts and circumstances of particular situations. For example, T. Rowe Price may determine to rely on one or more information barriers between different advisers, business units, or portfolio management teams, or to rely on the actions of similarly situated holders of loans or securities rather than, or in connection with, taking such actions itself on behalf of a client. In these situations, investment personnel are mindful of potentially conflicting interests of our clients with investments in different parts of an issuer's capital structure and seek to take appropriate measures to ensure that the interests of all clients are fairly represented. As a result of the various conflicts and related issues described in this paragraph, a T. Rowe Price fund could sustain losses during periods in which T. Rowe Price or its affiliates and other clients of T. Rowe Price or its affiliates achieve profits generally or with respect to particular holdings, or could achieve lower profits or higher losses than would have been the case had the conflicts described above not existed.

## **COMPENSATION**

Portfolio manager compensation consists primarily of a base salary, a cash bonus, and an equity incentive that usually comes in the form of restricted stock grants. Compensation is variable and is determined based on the following factors.

Investment performance over 1-, 3-, 5-, and 10-year periods is the most important input. The weightings for these time periods are generally balanced and are applied consistently across similar strategies. T. Rowe Price (and T. Rowe Price Australia, T. Rowe Price Hong Kong, T. Rowe Price Singapore, T. Rowe Price Japan, T. Rowe Price International, and T. Rowe Price Investment Management, as appropriate) evaluates performance in absolute, relative, and risk-adjusted terms. Relative performance and risk-adjusted performance are typically determined with reference to the broad-based index (e.g., S&P 500 Index) and the Lipper average or index (e.g., Large-Cap Growth Index) set forth in the total returns table in the fund's prospectus, although other benchmarks may be used as well. Investment results are also measured against comparably managed funds of competitive investment management firms. The selection of comparable funds is approved by the applicable investment steering committee and is the same as the selection presented to the directors of the T. Rowe Price funds in their regular review of fund performance. Performance is primarily measured on a pretax basis, although tax efficiency is considered.

Compensation is viewed with a long-term time horizon. The more consistent a portfolio manager's performance over time, the higher the compensation opportunity. The increase or decrease in a fund's assets due to the purchase or sale of fund shares is not considered a material factor. In reviewing relative performance for fixed income funds, a fund's expense ratio is usually taken into account. Contribution to T. Rowe Price's overall investment process is an important consideration as well. Leveraging ideas and investment insights across applicable investment platforms; working effectively with and mentoring others; and other contributions to our clients, the firm, or our culture are important components of T. Rowe Price's long-term success and are generally taken into consideration.

All employees of T. Rowe Price, including portfolio managers, can participate in a 401(k) plan sponsored by T. Rowe Price Group. In addition, all employees are eligible to purchase T. Rowe Price common stock through an employee stock purchase plan that features a limited corporate matching contribution. Eligibility for and participation in these plans is on the same basis for all employees. Finally, all vice presidents of T. Rowe Price Group, including all portfolio managers, are eligible to participate in a supplemental savings plan sponsored by T. Rowe Price Group, and certain vice presidents of T. Rowe Price Group receive supplemental medical/hospital reimbursement benefits.

This compensation structure is used when evaluating the performance of all portfolios (including the T. Rowe Price funds) managed by the portfolio manager.

**WELLINGTON MANAGEMENT COMPANY LLP****(“Wellington Management”)****Opportunistic Fixed Income Fund  
Real Estate Securities Fund  
Small Cap Value Fund**

The following table shows the portfolio managers at the subadvisor who are primarily responsible, or jointly and primarily responsible, for the day-to-day management of the stated funds’ portfolios.

<b>Fund</b>	<b>Portfolio Managers</b>
Opportunistic Fixed Income Fund	Brian M. Garvey and Brij S. Khurana
Real Estate Securities Fund	Bradford D. Stoesser
Small Cap Value Fund	Shaun F. Pedersen, Edmond C. Griffin, CFA, and Danielle S. Williams, CFA

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (“performance-based fees”), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager’s investment in the fund or funds he or she manages and similarly managed accounts.

The following table provides information as of August 31, 2024:

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Brian M. Garvey	2	\$218,065,045	21	\$9,791,567,074	5	\$319,701,859
Edmond C. Griffin, CFA	2	\$493,201,371	5	\$775,789,599	15	\$1,418,174,177
Brij S. Khurana	2	\$197,790,276	4	\$589,768,395	1	\$70,356,067
Shaun F. Pedersen	2	\$493,201,371	5	\$775,789,599	15	\$1,418,174,177
Bradford D. Stoesser	15	\$1,797,452,916	40	\$716,897,280	65	\$1,076,028,722
Danielle S. Williams, CFA	2	\$493,201,371	5	\$775,789,599	15	\$1,418,174,177

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Brian M. Garvey	0	\$0	3	\$1,614,710,257	0	\$0
Edmond C. Griffin, CFA	0	\$0	0	\$0	0	\$0
Brij S. Khurana	0	\$0	1	\$28,034,712	0	\$0
Shaun F. Pedersen	0	\$0	0	\$0	0	\$0
Bradford D. Stoesser	2	\$37,110,646	5	\$114,749,451	10	\$229,032,826
Danielle S. Williams, CFA	0	\$0	0	\$0	0	\$0

**Ownership of the Funds and Similarly Managed Accounts**

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, “similarly managed accounts” include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of a fund, or by the same portfolio manager that is primarily responsible for the day-to-day management of the fund, as applicable; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. The portfolio manager’s ownership of fund shares is stated in the footnote(s) below the table.

<b>Fund</b>	<b>Portfolio Manager</b>	<b>Dollar Range of Shares Owned</b>
Opportunistic Fixed Income Fund <sup>1</sup>	Brian M. Garvey	\$100,001–\$500,000



Fund	Portfolio Manager	Dollar Range of Shares Owned
Real Estate Securities Fund <sup>2</sup>	Brij S. Khurana	\$100,001–\$500,000
	Bradford D. Stoesser	\$100,001–\$500,000
Small Cap Value Fund <sup>3</sup>	Edmond C. Griffin, CFA	\$1–\$10,000
	Shaun F. Pedersen	Over \$1,000,000
	Danielle S. Williams, CFA	\$50,001–\$100,000

**1** As of August 31, 2024, Brian M. Garvey and Brij S. Khurana beneficially owned \$100,001–\$500,000 and \$100,001–\$500,000, respectively, of Opportunistic Fixed Income Fund.

**2** As of August 31, 2024, Bradford D. Stoesser beneficially owned \$100,001–\$500,000 of Real Estate Securities Fund.

**3** As of August 31, 2024, Edmond C. Griffin, CFA, Shaun F. Pedersen, and Danielle S. Williams, CFA beneficially owned \$1–\$10,000, over \$1,000,000, and \$50,001–\$100,000, respectively, of Small Cap Value Fund.

## POTENTIAL CONFLICTS OF INTEREST

Individual investment professionals at Wellington Management manage multiple accounts for multiple clients. These accounts may include mutual funds, separate accounts (assets managed on behalf of institutions such as pension funds, insurance companies, foundations, or separately managed account programs sponsored by financial intermediaries), bank common trust accounts, and hedge funds. Each fund's managers listed in the prospectus who are primarily responsible for the day-to-day management of the funds ("Investment Professionals") generally manage accounts in several different investment styles. These accounts may have investment objectives, strategies, time horizons, tax considerations and risk profiles that differ from those of the relevant fund. The Investment Professionals make investment decisions for each account, including the relevant fund, based on the investment objectives, policies, practices, benchmarks, cash flows, tax and other relevant investment considerations applicable to that account. Consequently, the Investment Professionals may purchase or sell securities, including IPOs, for one account and not another account, and the performance of securities purchased for one account may vary from the performance of securities purchased for other accounts. Alternatively, these accounts may be managed in a similar fashion to the relevant fund and thus the accounts may have similar, and in some cases nearly identical, objectives, strategies and/or holdings to that of the relevant fund.

An Investment Professional or other investment professionals at Wellington Management may place transactions on behalf of other accounts that are directly or indirectly contrary to investment decisions made on behalf of the relevant fund, or make investment decisions that are similar to those made for the relevant fund, both of which have the potential to adversely impact the relevant fund depending on market conditions. For example, an investment professional may purchase a security in one account while appropriately selling that same security in another account. Similarly, an Investment Professional may purchase the same security for the relevant fund and one or more other accounts at or about the same time. In those instances the other accounts will have access to their respective holdings prior to the public disclosure of the relevant fund's holdings. In addition, some of these accounts have fee structures, including performance fees, which are or have the potential to be higher, in some cases significantly higher, than the fees Wellington Management receives for managing the relevant fund. Messrs. Garvey, Khurana, and Stoesser also manage accounts that pay performance allocations to Wellington Management or its affiliates. Because incentive payments paid by Wellington Management to the Investment Professional are tied to revenues earned by Wellington Management and, where noted, to the performance achieved by the manager in each account, the incentives associated with any given account may be significantly higher or lower than those associated with other accounts managed by a given Investment Professional. Therefore, portfolio managers and other investment team members have an incentive to favor accounts that have the potential to provide higher incentive compensation for them as individuals. Wellington Management manages the conflict created by these incentive arrangements through our policies on the allocation of investment opportunities, including the allocation of equity IPOs, as well as after-the-fact monitoring and review of client accounts to assess dispersion among accounts with similar mandates. Finally, the Investment Professionals may hold shares or investments in the other pooled investment vehicles and/or other accounts identified above.

Wellington Management's goal is to meet its fiduciary obligation to treat all clients fairly and provide high quality investment services to all of its clients. Wellington Management has adopted and implemented policies and procedures, including brokerage and trade allocation policies and procedures, which it believes address the conflicts associated with managing multiple accounts for multiple clients. In addition, Wellington Management monitors a variety of areas, including compliance with primary account guidelines, the allocation of IPOs, and compliance with the firm's Code of Ethics, and places additional investment restrictions on investment professionals who manage hedge funds and certain other accounts. Furthermore, senior investment and business personnel at Wellington Management periodically review the performance of Wellington Management's investment professionals. Although Wellington Management does not track the time an investment professional spends on a single account, Wellington Management does periodically assess whether an investment professional has adequate time and resources to effectively manage the investment professional's various client mandates.

## COMPENSATION

Wellington Management receives a fee based on the assets under management of the funds as set forth in an Investment Subadvisory Agreement between Wellington Management and the Advisor with respect to each fund. Wellington Management pays its investment professionals out of its total revenues, including the advisory fees earned with respect to each fund. The following information relates to the fiscal year ended August 31, 2024.

Wellington Management's compensation structure is designed to attract and retain high-caliber investment professionals necessary to deliver high quality investment management services to its clients. Wellington Management's compensation of each fund's managers listed in the prospectus who are primarily responsible for the day-to-day management of the funds ("Investment Professionals") includes a base salary and incentive components. The base salary for each Investment Professional who is a partner (a "Partner") of Wellington Management Group LLP, the ultimate holding company of Wellington Management, is generally a fixed amount that is determined by the managing partners of Wellington Management Group LLP. The base salary for each other Investment Professional is determined by the Investment Professionals' experience and performance in their role as an Investment Professional. Base salaries for Wellington Management's employees are reviewed annually and may be adjusted based on the recommendation of an Investment Professional's manager, using guidelines established by Wellington Management's Compensation Committee, which has final oversight responsibility for base salaries of employees of the firm. Each Investment Professional's incentive payment relating to the relevant fund, is linked to the gross pre-tax performance of the portion of the fund managed by the Investment Professional compared to the benchmark index or peer group identified below over one, three, and five year periods, with an emphasis on five year results. Wellington Management applies similar incentive compensation structures (although the benchmarks or peer groups, time periods and rates may differ) to other accounts managed by these Investment Professionals, including accounts with performance fees.

Portfolio-based incentives across all accounts managed by an investment professional can, and typically do, represent a significant portion of an investment professional's overall compensation; incentive compensation varies significantly by individual and can vary significantly from year to year. The Investment Professionals may also be eligible for bonus payments based on their overall contribution to Wellington Management's business operations. Senior management at Wellington Management may reward individuals as it deems appropriate based on other factors. Each Partner is eligible to participate in a Partner-funded tax qualified retirement plan, the contributions to which are made pursuant to an actuarial formula. Messrs. Garvey, Khurana, Pedersen, and Stoesser are Partners.

Fund	Incentive Benchmark(s) / Peer Groups
Opportunistic Fixed Income Fund	Bloomberg Global Aggregate (USD Hedged) Index
Real Estate Securities Fund	Dow Jones US Select REIT Index
Small Cap Value Fund	Russell 2000 Value Index

**WESTERN ASSET MANAGEMENT COMPANY, LLC**

("WAMCO")

**WESTERN ASSET MANAGEMENT COMPANY LIMITED IS SUB-SUBADVISOR****High Yield Fund****PORTFOLIO MANAGERS AND OTHER ACCOUNTS MANAGED**

The following table shows the portfolio managers at the subadvisor who are jointly and primarily responsible for the day-to-day management of the stated fund's portfolio.

<b>Fund</b>	<b>Portfolio Managers</b>
High Yield Fund	Michael C. Buchanan, CFA, Walter E. Kilcullen, and Ryan Kohan

The following table provides information regarding other accounts for which each portfolio manager listed above has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other investment companies (and series thereof); (ii) other pooled investment vehicles; and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance ("performance-based fees"), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. dollars using the exchange rates as of the applicable date. Also shown below the table is each portfolio manager's investment in the fund and similarly managed accounts.

The following table provides information as of August 31, 2024:

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Michael C. Buchanan, CFA	75	\$109,689	282	\$67,627	562	\$178,660
Walter E. Kilcullen	10	\$4,796	18	\$8,090	20	\$3,397
Ryan Kohan	3	\$877	27	\$10,641	23	\$7,236

**Performance-Based Fees for Other Accounts Managed.** Of the accounts listed in the table above, those for which the subadvisor receives a fee based on investment performance are listed in the table below.

<b>Portfolio Manager</b>	<b>Other Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>	<b>Number of Accounts</b>	<b>Assets (in millions)</b>
Michael C. Buchanan, CFA	–	–	22	\$2,607	20	\$11,580
Walter E. Kilcullen	–	–	3	\$344	–	–
Ryan Kohan	–	–	7	\$1,458	1	\$395

Note: The numbers above reflect the overall number of portfolios managed by WAMCO. Mr. Kohan is involved in the management of all the firm's portfolios, but is not solely responsible for particular portfolios. WAMCO's investment discipline emphasizes a team approach that combines the efforts of groups of specialists working in different market sectors. The individuals that have been identified are responsible for overseeing implementation of the firm's overall investment ideas and coordinating the work of the various sector teams. This structure ensures that client portfolios benefit from a consensus that draws on the expertise of all team members.

**Ownership of the Fund and Similarly Managed Accounts**

The following table shows the dollar range of fund shares and shares of similarly managed accounts beneficially owned by the portfolio managers listed above as of August 31, 2024. For purposes of this table, "similarly managed accounts" include all accounts that are managed (i) by the same portfolio managers that are jointly and primarily responsible for the day-to-day management of the fund; and (ii) with an investment style, objective, policies and strategies substantially similar to those that are used to manage the fund. Each portfolio manager's ownership of fund shares is stated in the footnote(s) below the table.

<b>Portfolio Manager</b>	<b>Dollar Range of Shares Owned<sup>1</sup></b>
Michael C. Buchanan, CFA	None
Walter E. Kilcullen	None

Portfolio Manager	Dollar Range of Shares Owned <sup>1</sup>
Ryan Kohan	None

<sup>1</sup> As of August 31, 2024, Michael C. Buchanan, CFA, Walter E. Kilcullen, and Ryan Kohan beneficially owned \$0, \$0 and \$0, respectively, of the fund.

POTENTIAL CONFLICTS OF INTEREST

WAMCO has identified several potential conflicts of interest that could directly impact client portfolios. For example, potential conflicts of interest may arise in connection with the management of multiple portfolios (including portfolios managed in a personal capacity). These could include potential conflicts of interest related to the knowledge and timing of a portfolio's trades, investment opportunities and broker selection. Portfolio managers are privy to the size, timing, and possible market impact of a portfolio's trades.

It is possible that an investment opportunity may be suitable for both a portfolio and other accounts managed by a portfolio manager, but may not be available in sufficient quantities for both the portfolio and the other accounts to participate fully. Similarly, there may be limited opportunity to sell an investment held by a portfolio and another account. A conflict may arise where the portfolio manager may have an incentive to treat an account preferentially as compared to a portfolio because the account pays a performance-based fee or the portfolio manager, WAMCO or an affiliate has an interest in the account. WAMCO has adopted procedures for allocation of portfolio transactions and investment opportunities across multiple client accounts on a fair and equitable basis over time. All eligible accounts that can participate in a trade share the same price on a pro-rata allocation basis to ensure that no conflict of interest occurs. Trades are allocated among similarly managed accounts to maintain consistency of portfolio strategy, taking into account cash availability, investment restrictions and guidelines, and portfolio composition versus strategy.

With regard to side-by-side management of funds in which compensation for management of some of the funds may be tied to performance, Western Asset maintains specific trade allocation procedures to avoid any conflict of interest. WAMCO's trade allocation policies do not distinguish between accounts with standard and performance-based fees. The Legal & Compliance Department reviews the activities in accounts with performance fees and the Firm's trade allocations to ensure WAMCO's investment decisions are consistent with its fiduciary duties and conducted in a fair and equitable manner relative to its other accounts with similar investment objectives and mandates.

With respect to securities transactions for mutual funds, WAMCO determines which broker or dealer to use to execute each order, consistent with their duty to seek best execution of the transaction. However, with respect to certain other accounts (such as pooled investment vehicles that are not registered investment companies and other accounts managed for organizations and individuals), WAMCO may be limited by the client with respect to the selection of brokers or dealers or may be instructed to direct trades through a particular broker or dealer. In these cases, trades for a portfolio in a particular security may be placed separately from, rather than aggregated with, such other accounts. Having separate transactions with respect to a security may temporarily affect the market price of the security or the execution of the transaction, or both, to the possible detriment of a portfolio or the other account(s) involved. Additionally, the management of multiple portfolios and/or other accounts may result in a portfolio manager devoting unequal time and attention to the management of each portfolio and/or other account. WAMCO's team approach to portfolio management and block trading works to limit this potential risk.

WAMCO also maintains a gift and entertainment policy to address the potential for a business contact to give gifts or host entertainment events that may influence the business judgment of an employee. Employees are permitted to retain gifts of only a nominal value and are required to make reimbursement for entertainment events above a certain value. All gifts (except those of a de minimis value) and entertainment events that are given or sponsored by a business contact are required to be reported in a gift and entertainment log which is reviewed on a regular basis for possible issues.

Employees of WAMCO have access to transactions and holdings information regarding client accounts and WAMCO's overall trading activities. This information represents a potential conflict of interest because employees may take advantage of this information as they trade in their personal accounts. Accordingly, WAMCO maintains a Code of Ethics that is compliant with Rule 17j-1 and Rule 204A-1 to address personal trading. In addition, the Code of Ethics seeks to establish broader principles of good conduct and fiduciary responsibility in all aspects of WAMCO's business. The Code of Ethics is administered by the Legal and Compliance Department and monitored through WAMCO's compliance monitoring program.

WAMCO may also face other potential conflicts of interest with respect to managing client assets, and the description above is not a complete description of every conflict of interest that could be deemed to exist. WAMCO also maintains a compliance monitoring program and engages independent auditors to conduct a SOC 1 - ISAE 3402 audit on an annual basis. These steps help to ensure that potential conflicts of interest have been addressed.

COMPENSATION

At WAMCO, one compensation methodology covers all products and functional areas, including portfolio managers. WAMCO's philosophy is to reward its employees through Total Compensation. Total Compensation is reflective of the external market value for skills, experience, ability to produce results, and the performance of one's group and WAMCO as a whole. Standard compensation includes competitive base salaries, employee benefits, incentive bonus and a retirement plan which includes an employer match.

**Base Salary.** A base salary and total compensation range for each position within WAMCO is derived from annual market surveys and other relevant compensation-related data that benchmark each role to their job function and peer universe. Compensation benchmarks for all employees are reviewed on an annual basis. The base salary should reflect the fair market value of the employee's core job responsibilities and is generally without regard to job performance.

**Incentive Compensation.** Incentive bonuses make up the variable component of Total Compensation and is the primary focus of management decisions when determining Total Compensation, as base salaries are purely targeting to pay a competitive rate for the role. Incentive compensation awards (cash and deferred bonus) are 100% discretionary. These are structured to reward sector specialists for contributions to WAMCO as well as relative performance of their specific portfolios/product and are determined by the professional's job function and performance as measured by a formal review process. The overall success of the Firm will determine the amount of funds available to distribute for all incentive bonuses.

For portfolio managers, the formal review process includes a thorough review of portfolios they were assigned to lead or with which they were otherwise involved, and includes not only investment performance, but maintaining a detailed knowledge of client portfolio objectives and guidelines, monitoring of risks and performance for adherence to these parameters, execution of asset allocation consistent with current WAMCO and portfolio strategy, and communication with clients. In reviewing investment performance, one, three, and five year annualized returns are measured against appropriate market peer groups and to each fund's benchmark index.

WAMCO offers long-term incentives (in the form of deferred cash which can be allocated within a menu of funds) as part of the discretionary bonus for eligible employees.

## **APPENDIX C – PROXY VOTING POLICIES AND PROCEDURES**

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The Trust Procedures and the proxy voting procedures of the Advisor and the subadvisors are set forth in Appendix C.