

John Hancock Hedged Equity & Income Fund
Form N-CSR
March 04, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED

MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-22441

John Hancock Hedged Equity & Income Fund
(Exact name of registrant as specified in charter)

601 Congress Street, Boston, Massachusetts 02210
(Address of principal executive offices) (Zip code)

Salvatore Schiavone
Treasurer

601 Congress Street

Boston, Massachusetts 02210
(Name and address of agent for service)

Registrant's telephone number, including area code: 617-663-4497

Date of fiscal year end: December 31

Date of reporting period: December 31, 2012

ITEM 1. REPORTS TO STOCKHOLDERS.

Managed distribution plan

The Fund has adopted a managed distribution plan (Plan). Under the current Plan, the Fund makes quarterly distributions of an amount equal to \$0.3230 per share, based upon an annual distribution rate of 7.25% of the Fund's net asset value (NAV) of \$17.82 on July 31, 2012. This amount will be paid quarterly until further notice. Prior to August 2012, under the prior Plan, the Fund made quarterly distributions of an amount equal to 1.8125% of the Fund's NAV as of each measuring date, based upon an annual rate of 7.25%. The amount of each quarterly distribution was determined based on the NAV of the Fund at the close of the New York Stock Exchange on the last business day of the month ending two months prior to each quarterly declaration date. The Fund may also make additional distributions: (i) for purposes of not incurring federal income tax on the Fund of investment company taxable income and net capital gain, if any, not included in such regular distributions; and (ii) for purposes of not incurring federal excise tax on ordinary income and capital gain net income, if any, not included in such regular distributions.

Although the Fund has adopted the Plan, it may discontinue the Plan. The Board of Trustees of the Fund may amend the terms of the Plan or terminate the Plan at any time without prior notice to the Fund's shareholders. The Plan will be subject to periodic review by the Fund's Board of Trustees.

You should not draw any conclusions about the Fund's investment performance from the amount of the Fund's distributions or from the terms of the Fund's Plan. The Fund's total return at NAV is presented in the Financial highlights.

With each distribution that does not consist solely of net income, the Fund will issue a notice to shareholders and an accompanying press release that will provide detailed information regarding the amount and composition of the distribution and other related information. The amounts and sources of distributions reported in the notice to shareholders are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The Fund will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes. The Fund may at times distribute more than its net investment income and net realized capital gains; therefore, a portion of your distribution may result in a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in the Fund is paid back to you. A return of capital does not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income."

Annual report | Hedged Equity & Income Fund

Management's discussion of

Fund performance

By Wellington Management Company, LLC

The Fund has changed its fiscal year end from October 31 to December 31. This report discusses the two-month period from November 1, 2012 through December 31, 2012.

Global equities rose during the last two months of 2012. Investors shrugged off the threat of a U.S. fiscal crisis and, despite European economic woes, risk appetites increased amid further signs of a manufacturing recovery in China and an agreement among European Union leaders on the framework for a single supervisory mechanism for eurozone banks. In the U.S., housing and employment data continued to exceed expectations.

Strategy and performance review

The Fund's investment objective is to provide total return with a focus on both current income and gains as well as long-term capital appreciation. The Fund uses an equity strategy and an actively managed options strategy to

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pursue its investment objective. For the two-month period ended December 31, 2012, John Hancock Hedged Equity & Income Fund posted total returns of 1.71% at net asset value (NAV) and -3.51% at market price. The Fund's performance at NAV and its performance at market price differ because the market share price is subject to the dynamics of secondary market trading, which could cause it to trade at a discount or premium to the Fund's NAV price at any time. The Fund's reference benchmark, the Russell 3000 Index, returned 2.01% over this period.

During this short two-month period, both the puts and written calls on the S&P 500 Index were significant detractors from performance and largely offset positive returns in the equity strategy. The S&P 500 Index returned 1.5% in the period, which resulted in a decrease in value of the Fund's put-spread. While the Fund received premiums from writing call options, a sharp equity market rally acted as a limit to upside performance. The Fund's equity strategy posted positive absolute returns during the period and outperformed its benchmark. Stock selection within the Fund's equity strategy contributed to relative results, as did allocation among sectors, which is a by-product of our bottom-up stock selection process. Specifically, positive stock selection within the information technology and consumer staples sectors contributed to relative performance. Stocks within the financials and energy sectors underperformed the index and detracted from relative returns. During the period, the Fund was overweight in industrials and underweight in utilities, which aided relative results. An underweight in financials and modest residual cash position partially offset positive relative performance.

This commentary reflects the views of the portfolio managers through the end of the period discussed in this report. The managers' statements reflect their own opinions. As such, they are in no way guarantees of future events, and are not intended to be used as investment advice or a recommendation regarding any specific security. They are also subject to change at any time as market and other conditions warrant.

Wellington Management is an independent and unaffiliated investment subadviser.

Past performance is no guarantee of future results.

The extent of the Fund's use of written call options and put option spreads may vary over time depending on the subadviser's assessment of market circumstances and other factors. The Fund's exposure to call and put options is subject to change due to active management. Sector investing is subject to greater risks than the market as a whole. Because the Fund may focus on particular sectors of the economy, its performance may depend on the performance of those sectors.

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Portfolio summary

Top 10 Holdings (15.1% of Net Assets on 12-31-12)^{1,2}

Cisco Systems, Inc.	2.1%	Oracle Corp.	1.4%
Lowe's Companies, Inc.	2.0%	Apple, Inc.	1.3%
Johnson & Johnson	1.7%	Roche Holdings AG	1.3%
Wells Fargo & Company	1.5%	United Parcel Service, Inc., Class B	1.2%
Occidental Petroleum Corp.	1.4%	BlackRock, Inc.	1.2%

Sector Composition^{1,3}

Information Technology	16.1%	Materials	3.6%
Consumer Discretionary	15.5%	Options Purchased	2.2%
Industrials	15.1%	Utilities	1.7%
Financials	14.7%	Telecommunication Services	0.9%
Health Care	12.0%	Exchange Traded Fund	0.1%
Energy	9.1%	Short-Term Investments & Other	
Consumer Staples	6.3%	Assets and Liabilities, Net	2.7%

Portfolio Composition¹

Common Stocks	95.0%	Options Purchased	2.2%
Exchange Traded Fund	0.1%	Short-Term Investments & Other	
		Assets and Liabilities, Net	2.7%

¹ As a percentage of net assets on 12-31-12.

² Excludes cash and cash equivalents.

³ Sector investing is subject to greater risks than the markets as a whole. Because the Fund may focus on particular sectors of the economy, its performance may depend on the performance of those sectors.

Fund's investments

As of 12-31-12

Shares

Value

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Common Stocks 95.0% **\$228,761,658**

(Cost \$217,257,741)

Consumer Discretionary 15.5% **37,395,328**

Auto Components 0.6%

Allison Transmission Holdings, Inc.	58,935	1,203,453
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Continental AG	1,711	197,971
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Automobiles 0.5%

Ford Motor Company	21,988	284,745
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Great Wall Motor Company, Ltd., H Shares	33,500	106,268
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Harley-Davidson, Inc.	18,005	879,364
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Diversified Consumer Services 0.3%

Allstar Co-Invest Block Feeder LLC (I)(R)	236,300	285,923
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Matthews International Corp., Class A	15,080	484,068
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Hotels, Restaurants & Leisure 0.8%

Buffalo Wild Wings, Inc. (I)	2,970	216,275
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Burger King Worldwide, Inc.	23,806	391,371
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CEC Entertainment, Inc.	15,080	500,505
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Choice Hotels International, Inc.	4,680	157,342
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Galaxy Entertainment Group, Ltd. (I)	47,000	187,167
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Sands China, Ltd.	47,600	213,531
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Starwood Hotels & Resorts Worldwide, Inc.	866	49,674
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Yum! Brands, Inc.	1,498	99,467
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Household Durables 1.1%

Helen of Troy, Ltd. (I)	9,000	300,510
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Lennar Corp., Class A	3,000	116,010
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NVR, Inc. (I)	1,895	1,743,401
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PulteGroup, Inc. (I)	6,500	118,040
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Whirlpool Corp.	2,480	252,340
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Internet & Catalog Retail 1.1%

Amazon.com, Inc. (I)	6,413	1,610,547
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Expedia, Inc.	2,450	150,553
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HomeAway, Inc. (I)	5,280	116,160
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priceline.com, Inc. (I)	743	461,552
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TripAdvisor, Inc. (I)	7,210	302,532
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Leisure Equipment & Products 0.8%

Hasbro, Inc.	26,100	936,990
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Mattel, Inc. (C)	26,081	955,086
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See notes to financial statements

	Shares	Value
Media 3.8%		

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AMC Networks, Inc., Class A (I)	4,800	\$237,600
Arbitron, Inc.	15,090	704,401
Comcast Corp., Class A	11,253	420,637
Discovery Communications, Inc., Series C (I)	3,800	222,300
Gannett Company, Inc.	12,600	226,926
News Corp., Class A	10,325	263,701
Omnicom Group, Inc.	44,441	2,220,272
Sirius XM Radio, Inc.	205,060	592,623
The Walt Disney Company	33,338	1,659,899
Time Warner, Inc.	36,720	1,756,318
WPP PLC	66,348	964,519
Multiline Retail 0.9%		
Dollar Tree, Inc. (I)	4,074	165,241
Family Dollar Stores, Inc.	4,760	301,832
Fred's, Inc., Class A	27,700	368,687
Next PLC	1,906	117,640
Target Corp. (C)	21,845	1,292,569
Specialty Retail 4.6%		
Advance Auto Parts, Inc.	24,330	1,760,276
Ascena Retail Group, Inc. (I)	26,440	488,876
Bed Bath & Beyond, Inc. (I)	1,505	84,145

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CarMax, Inc. (I)	6,870	257,900
Dick's Sporting Goods, Inc.	6,910	314,336
DSW, Inc., Class A	2,980	195,756
Francesca's Holdings Corp. (I)	10,080	261,677
Lowe's Companies, Inc. (C)	137,322	4,877,677
Monro Muffler Brake, Inc.	1,340	46,860
O'Reilly Automotive, Inc. (I)	3,041	271,926
PetSmart, Inc.	2,807	191,830
Stage Stores, Inc.	19,510	483,458
The Buckle, Inc.	3,582	159,900
The Cato Corp., Class A	21,480	589,196
The Home Depot, Inc.	5,903	365,101
Tiffany & Company	4,850	278,099
TJX Companies, Inc.	3,566	151,377
Urban Outfitters, Inc. (I)	7,050	277,488
Textiles, Apparel & Luxury Goods 1.0%		
Burberry Group PLC	15,846	324,440
Hanesbrands, Inc. (I)	9,720	348,170
Lululemon Athletica, Inc. (I)	9,979	760,699
Michael Kors Holdings, Ltd. (I)	7,830	399,565

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Prada SpA	20,900	202,187
PVH Corp.	2,320	257,543
Tumi Holdings, Inc. (I)	1,500	31,275
Under Armour, Inc., Class A (I)	3,700	179,561

See notes to financial statements

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	Shares	Value
Consumer Staples 6.3%		\$15,187,937
Beverages 2.0%		
Constellation Brands, Inc., Class A (I)	7,630	270,026
Molson Coors Brewing Company, Class B	23,020	985,026
PepsiCo, Inc. (C)	41,196	2,819,042
The Coca-Cola Company	17,679	640,864
Food & Staples Retailing 1.0%		
Casey's General Stores, Inc.	7,240	384,444
Costco Wholesale Corp.	3,193	315,373
CVS Caremark Corp.	12,013	580,829
Wal-Mart Stores, Inc.	9,204	627,989
Walgreen Company	14,090	521,471
Food Products 2.3%		
General Mills, Inc.	28,570	1,154,514

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Green Mountain Coffee Roasters, Inc. (I)	12,842	531,145
Kraft Foods Group, Inc.	33,670	1,530,975
Mondelez International, Inc., Class A	15,540	395,804
Post Holdings, Inc. (I)	6,800	232,900
Ralcorp Holdings, Inc. (I)	5,500	493,075
Unilever NV — NY Shares	29,540	1,131,382
Personal Products 0.0%		
Herbalife, Ltd.	1,406	46,314
Tobacco 1.0%		
Philip Morris International, Inc.	30,210	2,526,764
Energy 9.1%		21,940,459
Energy Equipment & Services 1.4%		
Baker Hughes, Inc.	23,700	967,908
Bristow Group, Inc.	5,660	303,716
Core Laboratories NV	441	48,206
Diamond Offshore Drilling, Inc.	3,624	246,287
National Oilwell Varco, Inc.	2,661	181,879
Oceaneering International, Inc.	6,511	350,227
Schlumberger, Ltd.	8,030	556,399
SEACOR Holdings, Inc.	5,670	475,146

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Transocean, Ltd.	3,735	166,768
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Oil, Gas & Consumable Fuels 7.7%

Anadarko Petroleum Corp.	23,476	1,744,502
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Apache Corp.	2,090	164,065
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BG Group PLC	116,986	1,961,652
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BP PLC, ADR	58,085	2,418,659
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Cabot Oil & Gas Corp.	9,690	481,981
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Chesapeake Energy Corp.	9,680	160,882
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Chevron Corp.	16,290	1,761,601
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Cobalt International Energy, Inc. (I)	11,820	290,299
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CONSOL Energy, Inc.	5,400	173,340
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EOG Resources, Inc.	5,985	722,928
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Exxon Mobil Corp. (C)	20,548	1,778,429
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Halcon Resources Corp. (I)	16,872	116,754
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	Shares	Value
Oil, Gas & Consumable Fuels (continued)		
Noble Energy, Inc.	1,500	\$152,610
Occidental Petroleum Corp.	45,319	3,471,889
Peabody Energy Corp.	5,090	135,445

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Penn Virginia Corp.	12,000	52,920
Pioneer Natural Resources Company	5,550	591,575
Plains Exploration & Production Company (I)	6,480	304,171
Royal Dutch Shell PLC, ADR, Class B	20,040	1,420,636
Southwestern Energy Company (I)	5,200	173,732
Valero Energy Corp.	10,699	365,050
Whiting Petroleum Corp. (I)	4,630	200,803
Financials 14.7%		35,424,175
Capital Markets 2.8%		
Affiliated Managers Group, Inc. (I)	1,600	208,240
Ares Capital Corp.	25,770	450,975
BlackRock, Inc. (C)	14,345	2,965,255
Invesco, Ltd.	26,455	690,211
LPL Financial Holdings, Inc.	10,220	287,795
Morgan Stanley	9,600	183,552
Raymond James Financial, Inc.	3,100	119,443
SEI Investments Company	63,835	1,489,909
T. Rowe Price Group, Inc.	6,670	434,417
Commercial Banks 5.3%		
Banco Santander SA (I)	24,726	199,368

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Credit Agricole SA (I)	18,774	152,428
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Cullen/Frost Bankers, Inc.	3,225	175,021
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Erste Group Bank AG (I)	4,855	155,241
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First Midwest Bancorp, Inc.	36,190	453,099
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First Niagara Financial Group, Inc.	70,110	555,972
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First Republic Bank	14,145	463,673
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Grupo Financiero Banorte SAB de CV, Series O	11,800	76,197
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Hancock Holding Company	7,940	252,016
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International Bancshares Corp.	25,600	462,080
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Lloyds Banking Group PLC (I)	243,135	194,819
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M&T Bank Corp.	17,195	1,693,192
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MB Financial, Inc.	14,700	290,325
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PNC Financial Services Group, Inc.	50,740	2,958,649
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Royal Bank of Scotland Group PLC (I)	30,362	163,526
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Societe Generale SA (I)	5,061	190,366
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Webster Financial Corp.	24,180	496,899
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Wells Fargo & Company (C)	106,418	3,637,367
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Westamerica Bancorp.	3,200	136,288
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Consumer Finance 0.1%		
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American Express Company	5,228	300,505
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Diversified Financial Services 1.9%		

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Bank of America Corp.	76,994	893,130
Citigroup, Inc.	4,600	181,976
IntercontinentalExchange, Inc. (I)	2,070	256,287

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	Shares	Value
Diversified Financial Services (continued)		
JPMorgan Chase & Company (C)	64,795	\$2,849,036
Moody's Corp.	6,150	309,468
Insurance 3.8%		
ACE, Ltd.	18,820	1,501,836
Aegon NV	21,115	134,562
AIA Group, Ltd.	63,400	252,677
Alleghany Corp. (I)	3,690	1,237,700
American International Group, Inc. (I)	9,300	328,290
Aon PLC	4,930	274,108
Assured Guaranty, Ltd.	18,000	256,140
Berkshire Hathaway, Inc., Class B (I)	6,760	606,372
Markel Corp. (I)	1,060	459,425
Marsh & McLennan Companies, Inc.	57,630	1,986,506

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Old Mutual PLC	40,262	119,590
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Platinum Underwriters Holdings, Ltd.	8,500	391,000
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Primerica, Inc.	16,250	487,663
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Prudential PLC	10,863	151,574
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Reinsurance Group of America, Inc.	10,180	544,834
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White Mountains Insurance Group, Ltd.	750	386,250
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Real Estate Investment Trusts 0.4%		
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DiamondRock Hospitality Company	29,050	261,450
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Host Hotels & Resorts, Inc.	19,910	311,990
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Mack-Cali Realty Corp.	8,420	219,846
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Unibail-Rodamco SE	701	171,609
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Real Estate Management & Development 0.2%		
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BR Malls Participacoes SA	12,600	166,925
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Jones Lang LaSalle, Inc.	3,180	266,929
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Longfor Properties Company, Ltd.	39,000	77,335
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Thriffs & Mortgage Finance 0.2%		
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Northwest Bancshares, Inc.	41,420	502,839
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Health Care 12.0%		28,808,006
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Biotechnology 2.2%		
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Amgen, Inc.	6,522	562,979
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Arena Pharmaceuticals, Inc. (I)	10,640	95,973

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Biogen Idec, Inc. (I)	6,211	910,967
BioMarin Pharmaceutical, Inc. (I)	3,200	157,600
Celgene Corp. (I)	8,309	654,084
Elan Corp. PLC, ADR (I)	4,380	44,720
Gilead Sciences, Inc. (I)	21,343	1,567,643
Onyx Pharmaceuticals, Inc. (I)	5,390	407,107
Prothena Corp. PLC (I)	105	771
Regeneron Pharmaceuticals, Inc. (I)	3,200	547,424
Vertex Pharmaceuticals, Inc. (I)	7,515	315,179

Health Care Equipment & Supplies 1.7%

Edwards Lifesciences Corp. (I)	5,831	525,781
Haemonetics Corp. (I)	3,380	138,039
HeartWare International, Inc. (I)	1,510	126,765

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	Shares	Value
Health Care Equipment & Supplies (continued)		
Hologic, Inc. (I)	29,505	\$590,985
Medtronic, Inc. (C)	51,724	2,121,718
STERIS Corp.	9,600	333,408

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Zimmer Holdings, Inc.	3,564	237,576
Health Care Providers & Services 1.8%		
Aetna, Inc.	4,374	202,516
Amsurg Corp. (I)	14,620	438,746
Brookdale Senior Living, Inc. (I)	6,000	151,920
Cardinal Health, Inc.	42,895	1,766,416
Catamaran Corp. (I)	8,860	417,395
McKesson Corp.	2,550	247,248
Team Health Holdings, Inc. (I)	7,700	221,529
UnitedHealth Group, Inc.	13,792	748,078
Health Care Technology 0.0%		
Allscripts Healthcare Solutions, Inc. (I)	8,200	77,244
Life Sciences Tools & Services 0.9%		
Agilent Technologies, Inc.	8,230	336,936
Bruker Corp. (I)	7,563	115,487
Charles River Laboratories International, Inc. (I)	18,810	704,811
Covance, Inc. (I)	4,570	264,009
ICON PLC, ADR (I)	29,030	805,873
Life Technologies Corp. (I)	796	39,068
Pharmaceuticals 5.4%		
Abbott Laboratories	7,137	467,474

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Auxilium Pharmaceuticals, Inc. (I)	5,010	92,835
Eli Lilly & Company	7,445	367,187
Johnson & Johnson	57,608	4,038,321
Merck & Company, Inc.	65,674	2,688,694
Pfizer, Inc.	24,840	622,987
Roche Holdings AG	15,291	3,115,158
Salix Pharmaceuticals, Ltd. (I)	2,680	108,486
Teva Pharmaceutical Industries, Ltd., ADR	38,320	1,430,869
Industrials 15.1%		36,435,700
Aerospace & Defense 3.0%		
Cubic Corp.	5,500	263,835
Honeywell International, Inc.	6,315	400,813
Lockheed Martin Corp.	21,038	1,941,597
Northrop Grumman Corp. (C)	28,425	1,920,962
Rolls-Royce Holdings PLC (I)	15,573	224,380
Safran SA	6,378	278,308
The Boeing Company	12,645	952,927
United Technologies Corp.	16,450	1,349,065
Air Freight & Logistics 1.7%		
Atlas Air Worldwide Holdings, Inc. (I)	7,200	319,032

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FedEx Corp.	4,880	447,594
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United Parcel Service, Inc., Class B	40,743	3,003,981
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UTi Worldwide, Inc.	19,300	258,620

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	Shares	Value
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Building Products 0.8%		
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Assa Abloy AB, Series B	4,221	\$158,944
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Lennox International, Inc.	27,085	1,422,504
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Owens Corning, Inc. (I)	8,160	301,838
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Commercial Services & Supplies 0.9%		
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ACCO Brands Corp. (I)	62,050	455,447
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Corrections Corp. of America	10,100	358,247
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G&K Services, Inc., Class A	13,920	475,368
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The ADT Corp.	2,871	133,473
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Tyco International, Ltd.	4,256	124,488
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United Stationers, Inc.	22,270	690,147
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Construction & Engineering 0.5%		
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Jacobs Engineering Group, Inc. (I)	25,600	1,089,792
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Electrical Equipment 1.4%		
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Acuity Brands, Inc.	3,690	249,924
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Belden, Inc.	20,990	944,340
<hr/>		
Eaton Corp. PLC	25,920	1,404,864
<hr/>		
Hubbell, Inc., Class B	1,800	152,334
<hr/>		
Polypore International, Inc. (I)	7,720	358,980
<hr/>		
Schneider Electric SA	2,125	158,490
<hr/>		
Industrial Conglomerates 1.5%		
<hr/>		
3M Company	18,270	1,696,370
<hr/>		
Carlisle Companies, Inc.	19,900	1,169,324
<hr/>		
Danaher Corp.	10,180	569,062
<hr/>		
General Electric Company	13,681	287,164
<hr/>		
Machinery 3.2%		
<hr/>		
Albany International Corp., Class A	24,850	563,598
<hr/>		
Dover Corp.	1,090	71,624
<hr/>		
ESCO Technologies, Inc.	12,830	479,970
<hr/>		
Flowserve Corp.	5,760	845,568
<hr/>		
IDEX Corp.	11,015	512,528
<hr/>		
Illinois Tool Works, Inc.	7,070	429,927
<hr/>		
Kennametal, Inc.	6,400	256,000
<hr/>		
Mueller Industries, Inc.	12,630	631,879
<hr/>		
Nordson Corp.	2,000	126,240
<hr/>		
PACCAR, Inc.	29,600	1,338,216

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Pall Corp. (C)	8,775	528,782
Parker Hannifin Corp.	2,998	255,010
Stanley Black & Decker, Inc.	15,550	1,150,234
Valmont Industries, Inc.	1,980	270,369
WABCO Holdings, Inc. (I)	2,280	148,633
Wabtec Corp.	2,440	213,598

Marine 0.2%

Kirby Corp. (I)	9,460	585,479
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Professional Services 0.4%

IHS, Inc., Class A (I)	2,800	268,800
Manpower, Inc.	5,680	241,059
Towers Watson & Company, Class A	8,100	455,301

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See notes to financial statements

	Shares	Value
Road & Rail 0.6%		
Canadian National Railway Company	5,710	\$518,533
Genesee & Wyoming, Inc., Class A (I)	4,820	366,706
Hertz Global Holdings, Inc. (I)	21,300	346,551
J.B. Hunt Transport Services, Inc.	1,890	112,852

Trading Companies & Distributors 0.8%

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GATX Corp.	13,310	576,323
MSC Industrial Direct Company, Inc., Class A	16,715	1,259,977
Wolseley PLC	3,355	159,467
Transportation Infrastructure 0.1%		
CCR SA	16,900	160,262
Information Technology 16.1%		38,794,126
Communications Equipment 2.8%		
Acme Packet, Inc. (I)	9,360	207,043
Cisco Systems, Inc. (C)	255,350	5,017,628
F5 Networks, Inc. (I)	2,756	267,745
Juniper Networks, Inc. (I)	14,650	288,166
Palo Alto Networks, Inc. (I)	500	26,760
QUALCOMM, Inc.	12,961	803,841
Riverbed Technology, Inc. (I)	2,306	45,474
Computers & Peripherals 2.1%		
Apple, Inc. (C)	6,026	3,212,039
Diebold, Inc.	11,630	355,994
EMC Corp. (I)(C)	46,938	1,187,531
NetApp, Inc. (I)	10,618	356,234
QLogic Corp. (I)	6,988	67,993

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Electronic Equipment, Instruments & Components 0.4%

Coherent, Inc.	5,980	302,708
MTS Systems Corp.	8,300	422,719
National Instruments Corp.	4,650	120,017

Internet Software & Services 2.4%

Akamai Technologies, Inc. (I)	10,670	436,510
Dropbox, Inc. (I)(R)	8,535	77,234
eBay, Inc. (I)	28,698	1,464,172
Equinix, Inc. (I)	2,552	526,222
Facebook, Inc., Class A (I)	19,730	525,410
Google, Inc., Class A (I)	2,109	1,496,061
IAC/InterActiveCorp	11,983	566,796
LinkedIn Corp., Class A (I)	6,240	716,477

IT Services 2.0%

Automatic Data Processing, Inc.	17,441	994,311
Forrester Research, Inc.	9,800	262,640
IBM Corp.	3,430	657,017
MAXIMUS, Inc.	8,640	546,221
Teradata Corp. (I)	3,175	196,501
The Western Union Company	107,092	1,457,522
Visa, Inc., Class A	4,107	622,539

See notes to financial statements

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	Shares	Value
Office Electronics 0.1%		
Zebra Technologies Corp., Class A (I)	8,260	\$324,453
Semiconductors & Semiconductor Equipment 1.7%		
Altera Corp.	9,880	340,267
Analog Devices, Inc.	40,540	1,705,112
Intel Corp.	51,780	1,068,221
Maxim Integrated Products, Inc.	21,930	644,742
Samsung Electronics Company, Ltd.	115	164,591
Xilinx, Inc.	4,496	161,406
Software 4.6%		
Adobe Systems, Inc. (I)	6,300	237,384
ANSYS, Inc. (I)	4,870	327,946
BMC Software, Inc. (I)	2,882	114,300
Cadence Design Systems, Inc. (I)	30,190	407,867
Check Point Software Technologies, Ltd. (I)	15,347	731,131
Concur Technologies, Inc. (I)	4,590	309,917
FactSet Research Systems, Inc.	4,975	438,099

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Imperva, Inc. (I)	4,160	131,165
Intuit, Inc.	1,459	86,811
MICROS Systems, Inc. (I)	6,790	288,168
Microsoft Corp.	96,959	2,591,714
NetSuite, Inc. (I)	2,651	178,412
Oracle Corp. (C)	99,242	3,306,743
Red Hat, Inc. (I)	3,335	176,622
Salesforce.com, Inc. (I)	4,540	763,174
ServiceNow, Inc. (I)	15,090	453,153
Splunk, Inc. (I)	3,640	105,633
TIBCO Software, Inc. (I)	10,200	224,502
Websense, Inc. (I)	16,200	243,648
Workday, Inc., Class A (I)	760	41,420
Materials 3.6%		8,513,639
Chemicals 1.8%		
Arkema SA	1,096	115,238
CF Industries Holdings, Inc.	1,497	304,131
Innospec, Inc.	11,000	379,390
Koppers Holdings, Inc.	7,000	267,050
Lanxess AG	1,276	111,595
LyondellBasell Industries NV, Class A	3,000	171,270

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Monsanto Company	4,683	443,246
Sensient Technologies Corp.	6,600	234,696
The Dow Chemical Company	30,840	996,749
The Sherwin-Williams Company	6,359	978,141
W.R. Grace & Company (I)	2,500	168,075
Westlake Chemical Corp.	2,307	182,945

Construction Materials 0.2%

Cemex SAB de CV, ADR (I)	17,900	176,673
Siam Cement PCL, NVDR	7,000	101,031
Vulcan Materials Company	4,550	236,828

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See notes to financial statements

	Shares	Value
Containers & Packaging 0.8%		
Aptargroup, Inc.	6,110	\$291,569
Ball Corp.	2,950	132,013
Crown Holdings, Inc. (I)	3,360	123,682
Graphic Packaging Holding Company (I)	31,710	204,847
Greif, Inc., Class A	5,930	263,885
Rock-Tenn Company, Class A	4,660	325,781

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Silgan Holdings, Inc.	9,840	409,246
Metals & Mining 0.1%		
Allied Nevada Gold Corp. (I)	2,832	85,328
Nucor Corp.	2,100	90,678
Paper & Forest Products 0.7%		
Deltic Timber Corp.	6,170	435,725
International Paper Company	20,780	827,875
Louisiana-Pacific Corp. (I)	23,600	455,952
Telecommunication Services 0.9%		2,098,061
Diversified Telecommunication Services 0.9%		
AT&T, Inc.	29,340	989,051
Verizon Communications, Inc.	25,630	1,109,010
Utilities 1.7%		4,164,227
Electric Utilities 0.3%		
Duke Energy Corp.	3,415	217,877
UNS Energy Corp.	7,690	326,210
Westar Energy, Inc.	9,610	275,038
Gas Utilities 1.4%		
Atmos Energy Corp.	9,200	323,104
New Jersey Resources Corp.	3,390	134,312
UGI Corp.	80,985	2,649,019

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WGL Holdings, Inc.	6,090	238,667
Exchange Traded Fund 0.1%		\$259,121
<hr/>		
(Cost \$255,915)		
iShares Russell 3000 Index Fund	3,060	259,121
	Number of Contracts	Value
Options Purchased 2.2%		\$5,348,500
<hr/>		
(Cost \$17,295,747)		
Put Options 2.2%		5,348,500
S&P 500 Index (Expiration Date: 6-22-13; Strike Price: \$1,275; Counterparty: Morgan Stanley Company, Inc.) (I)	1,900	5,348,500
See notes to financial statements		
	Annual report Hedged Equity & Income Fund	13
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	Par value	Value
Short-Term Investments 4.1%		\$9,900,000
<hr/>		
(Cost \$9,900,000)		
Repurchase Agreement 4.1%		9,900,000
Goldman Sachs Tri-Party Repurchase Agreement dated 12-31-12 at 0.250% to be repurchased at \$9,900,138 on 1-2-13, collateralized by \$5,830,201 Federal National Mortgage Association, 2.674%–5.500% due 7-1-36 to 2-1-42 (valued at \$6,345,489, including interest) and \$3,437,621 Federal Home Loan Mortgage Corp., 2.673%–7.000% due 12-1-29 to 12-1-41 (valued at \$3,752,511, including interest)	\$9,900,000	9,900,000
Total investments (Cost \$244,709,403)†101.4%		\$244,269,279
<hr/>		
Other assets and liabilities, net (1.4%)		(\$3,426,747)
<hr/>		
Total net assets 100.0%		\$240,842,532

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The percentage shown for each investment category is the total value of that category as a percentage of the net assets of the Fund.

ADR American Depositary Receipts

(C) A portion of this security is pledged as collateral for options. Total collateral value at 12-31-12 was \$35,300,774.

(I) Non-income producing security.

(R) Direct placement securities are restricted to resale and the Fund has limited rights to registration under the Securities Act of 1933, as follows:

Issuer, Description	Acquisition date	Acquisition cost	Beginning share amount	Ending share amount	Value as a percentage of Fund's net assets	Value as of 12-31-12
Allstar Co-Invest	8-1-11	\$240,553	236,300	236,300	0.12%	\$285,923
Block Feeder LLC						
Dropbox, Inc.	5-1-12	\$77,258	8,535	8,535	0.03%	\$77,234

† At 12-31-12, the aggregate cost of investment securities for federal income tax purposes was \$245,886,631. Net unrealized depreciation aggregated \$1,617,352, of which \$17,965,778 related to appreciated investment securities and \$19,583,130 related to depreciated investment securities.

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See notes to financial statements

FINANCIAL STATEMENTS

Financial statements

Statement of assets and liabilities 12-31-12

This Statement of assets and liabilities is the Fund's balance sheet. It shows the value of what the Fund owns, is due and owes. You'll also find the net asset value for each common share.

Assets

Investments, at value (Cost \$244,709,403)	\$244,269,279
Cash	40,224
Foreign currency, at value (Cost \$6,771)	6,798
Receivable for investments sold	382,725
Dividends and interest receivable	169,883
Other receivables and prepaid expenses	423

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Total assets **244,869,332**

Liabilities

Payable for investments purchased	1,193,827
Payable for fund shares repurchased	348,059
Written options, at value (Premiums received \$11,204,253)	2,356,000
Payable to affiliates	
Accounting and legal services fees	7,144
Trustees' fees	376
Other liabilities and accrued expenses	121,394

Total liabilities **4,026,800**

Net assets **240,842,532**

Net assets consist of

Paid-in capital	\$239,335,027
Accumulated distributions in excess of net investment income	—
Accumulated net realized gain (loss) on investments, written options and foreign currency transactions	(6,900,648)
Net unrealized appreciation (depreciation) on investments, written options and translation of assets and liabilities in foreign currencies	8,408,153

Net assets **\$240,842,532**

Net asset value per share

Based on 13,733,169 shares of beneficial interest outstanding — unlimited number of shares authorized with par value of \$0.01 per share	\$17.54
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See notes to financial statements

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FINANCIAL STATEMENTS

Statements of operations

For the period ended 12-31-12 and the year ended 10-31-12

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These Statements of operations summarize the Fund's investment income earned and expenses incurred in operating the Fund. They also show net gains (losses) for the periods stated.

	Period ended 12-31-12 ¹	Year ended 10-31-12
Investment income		
Dividends	\$1,253,112	\$4,769,983
Interest	3,643	13,176
Less foreign taxes withheld	(7,528)	(26,385)
Total investment income	1,249,227	4,756,774
Expenses		
Investment management fees	406,351	2,539,167
Accounting and legal services fees	8,827	49,705
Transfer agent fees	4,485	18,296
Trustees' fees	7,775	36,452
Printing and postage	18,228	37,400
Professional fees	61,680	96,561
Custodian fees	5,914	44,026
Stock exchange listing fees	4,603	41,781
Other	9,096	22,531
Total expenses	526,959	2,885,919
Net investment income	722,268	1,870,855
Realized and unrealized gain (loss)		
Net realized gain (loss) on		
Investments and purchased options	2,629,301	(6,686,949)
Written options	(1,941,735)	7,801,413
Foreign currency transactions	(816)	(13,537)
	686,750	1,100,927
Change in net unrealized appreciation (depreciation) of		
Investments and purchased options	434,545	12,260,249
Written options	1,255,237	11,041,405

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Translation of assets and liabilities in foreign currencies	434	(364)
	1,690,216	23,301,290
Net realized and unrealized gain	2,376,966	24,402,217
Increase in net assets from operations	\$3,099,234	\$26,273,072

¹ For the two-month period ended 12-31-12. The Fund changed its fiscal year end from October 31 to December 31.

FINANCIAL STATEMENTS

Statements of changes in net assets

These Statements of changes in net assets show how the value of the Fund's net assets has changed during the last three periods. The difference reflects earnings less expenses, any investment gains and losses, distributions, if any, paid to shareholders and the net of Fund share transactions.

	Period ended 12-31-12 ¹	Year ended 10-31-12	Period ended 10-31-11 ²
Increase (decrease) in net assets			
From operations			
Net investment income	\$722,268	\$1,870,855	\$337,387
Net realized gain (loss)	686,750	1,100,927	(8,723,640)
Change in net unrealized appreciation (depreciation)	1,690,216	23,301,290	(16,583,353)
Increase (decrease) in net assets resulting from operations	3,099,234	26,273,072	(24,969,606)
Distributions to shareholders			
From net investment income	(728,343)	(1,850,217)	(317,301)
From tax return of capital	(3,723,566)	(16,575,845)	(4,982,535)
Total distributions	(4,451,909)	(18,426,062)	(5,299,836)
From Fund share transactions			
Shares issued	—	—	279,246,500 ^{3,4}

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Repurchased	(3,098,607)	(10,945,445)	—
Offering costs	—	—	(584,809)
Total from Fund share transactions	(3,098,607)	(10,945,445)	278,661,691
Total increase (decrease)	(4,451,282)	(3,098,435)	248,392,249
Net assets			
Beginning of period	245,293,814	248,392,249	<u>4</u>
End of period	\$240,842,532	\$245,293,814	\$248,392,249
Undistributed (Accumulated distributions in excess of) net investment income	—	(\$615)	\$118

Share activity

Shares outstanding

Beginning of period	13,934,006	14,620,236	—
Shares issued	—	—	14,620,236
Shares repurchased	(200,837)	(686,230)	—
End of period	13,733,169	13,934,006	14,620,236

¹ For the two-month period ended 12-31-12. The Fund changed its fiscal year end from October 31 to December 31.

² Period from 5-26-11 (commencement of operations) to 10-31-11.

³ Net of underwriting commissions of \$13,153,500, or \$0.90 per share, which were paid to brokers in connection with the Fund's initial public offerings.

⁴ Initial seed capital of \$100,000 is included in Fund share transactions for the period ended 10-31-11.

See notes to financial statements

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Financial highlights

The Financial highlights show how the Fund's net asset value for a share has changed during the period.

COMMON SHARES Period ended	12-31-12¹	10-31-12	10-31-11²
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Per share operating performance

Net asset value, beginning of period	\$17.60	\$16.99	\$19.10³
Net investment income ⁴	0.05	0.13	0.02
Net realized and unrealized gain (loss) on investments	0.18	1.68	(1.73)
Total from investment operations	0.23	1.81	(1.71)
Less distributions to common shareholders			
From net investment income	(0.05)	(0.13)	(0.02)
From tax return of capital	(0.27)	(1.16)	(0.34)
Total distributions	(0.32)	(1.29)	(0.36)
Anti-dilutive impact of repurchase plan	0.03 ⁵	0.09 ⁵	—
Offering costs related to common shares	—	—	(0.04)
Net asset value, end of period	\$17.54	\$17.60	\$16.99
Per share market value, end of period	\$15.26	\$16.14	\$15.18
Total return at net asset value (%)⁶	1.71⁷	12.17	(8.98)⁷
Total return at market value (%)⁶	(3.51)⁷	15.14	(22.33)⁷

Ratios and supplemental data

Net assets applicable to common shares, end of period (in millions)	\$241	\$245	\$248
Ratios (as a percentage of average net assets):			
Expenses	0.22 ⁷	1.14	1.15 ⁸
Net investment income	0.30 ⁷	0.74	0.31 ⁸
Portfolio turnover (%)	11	76	38

¹ For the two-month period ended 12-31-12. The Fund changed its fiscal year end from October 31 to December 31.

² Period from 5-26-11 (commencement of operations) to 10-31-11.

³ Reflects the deduction of a \$0.90 per share sales load.

⁴ Based on the average daily shares outstanding.

⁵ The repurchase plan was completed at an average repurchase price of \$15.43 and \$15.95 for 200,837 and 686,230 shares for the two-month period ended 12-31-12 and the year ended 10-31-12, respectively.

⁶ Total return based on net asset value reflects changes in the Fund's net asset value during each period. Total return based on market value reflects changes in market value. Each figure assumes that dividend, capital gain and return of capital distributions, if any, were reinvested. These figures will differ depending upon the level of any discount from or premium to net asset value at which the Fund's shares traded during the period.

⁷ Not annualized.

⁸ Annualized.

Notes to financial statements

Note 1 — Organization

John Hancock Hedged Equity & Income (the Fund) is a closed-end management investment company organized as a Massachusetts business trust and registered under the Investment Company Act of 1940, as amended (the 1940 Act). On December 12, 2012, the Board of Trustees voted to change the Fund’s fiscal year end from October 31 to December 31.

Note 2 — Significant accounting policies

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates and those differences could be significant. Events or transactions occurring after the end of the fiscal period through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Security valuation. Investments are stated at value as of the close of regular trading on the New York Stock Exchange (NYSE), normally at 4:00 P.M., Eastern Time. In order to value the securities, the Fund uses the following valuation techniques: Equity securities, including exchange-traded funds, held by the Fund are valued at the last sale price or official closing price on the principal securities exchange on which they trade. In the event there were no sales during the day or closing prices are not available, then the securities are valued using the last quoted bid or evaluated price. Options listed on an exchange are valued at the mean between the last bid and ask prices from the exchange on which they are principally traded. For options not listed on an exchange, an independent pricing source is used to value the options at the mean between the last bid and ask prices. Certain securities traded only in the over-the-counter market are valued at the last bid price quoted by brokers making markets in the securities at the close of trading. Certain short-term securities are valued at amortized cost. Other portfolio securities and assets, where reliable market quotations are not available, are valued at fair value as determined in good faith by the Fund’s Pricing Committee following procedures established by the Board of Trustees, which include price verification procedures. The frequency with which these fair valuation procedures are used cannot be predicted.

The Fund uses a three-tier hierarchy to prioritize the pricing assumptions, referred to as inputs, used in valuation techniques to measure fair value. Level 1 includes securities valued using quoted prices in active markets for identical securities. Level 2 includes securities valued using significant observable inputs. Observable inputs may include quoted prices for similar securities, interest rates, prepayment speeds and credit risk. Prices for securities valued using these inputs are received from independent pricing vendors and brokers and are based on an evaluation of the inputs described. Level 3 includes securities valued using significant unobservable inputs when market prices are not readily available or reliable, including the Fund’s own assumptions in determining the fair value of investments. Factors used in determining value may include market or issuer specific events or trends, changes in interest rates and credit quality. The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy.

The following is a summary of the values by input classification of the Fund’s investments as of December 31, 2012, by major security category or type:

		LEVEL 2	LEVEL 3
		SIGNIFICANT	SIGNIFICANT
TOTAL MARKET	LEVEL 1	SIGNIFICANT	UNOBSERVABLE
VALUE AT 12-31-12	QUOTED PRICE	OBSERVABLE INPUTS	INPUTS

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Common Stocks

Consumer Discretionary	\$37,395,328	\$34,795,682	\$2,313,723	\$285,923
Consumer Staples	15,187,937	15,187,937	—	—
Energy	21,940,459	19,978,807	1,961,652	—
Financials	35,424,175	33,294,155	2,130,020	—
Health Care	28,808,006	25,692,848	3,115,158	—
Industrials	36,435,700	35,295,849	1,139,851	—
Information Technology	38,794,126	38,552,301	164,591	77,234
Materials	8,513,639	8,185,775	327,864	—
Telecommunication				
Services	2,098,061	2,098,061	—	—
Utilities	4,164,227	4,164,227	—	—
Exchange Traded Fund	259,121	259,121	—	—
Options Purchased	5,348,500	5,348,500	—	—
Short-Term Investments	9,900,000	—	9,900,000	—

Total Investments in

Securities	\$244,269,279	\$222,853,263	\$21,052,859	\$363,157
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Other Financial

Instruments:

Written Options	(\$2,356,000)	(\$2,356,000)	—	—
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Repurchase agreements. The Fund may enter into repurchase agreements. When the Fund enters into a repurchase agreement, it receives collateral which is held in a segregated account by the Fund's custodian. The collateral amount is marked-to-market and monitored on a daily basis to ensure that the collateral held is in an amount not less than the principal amount of the repurchase agreement plus any accrued interest. In the event of a default by the counterparty, realization of the collateral proceeds could be delayed, during which time the collateral value may decline. Collateral for certain tri-party repurchase agreements is held at a third-party custodian bank in a segregated account for the benefit of the Fund.

Security transactions and related investment income. Investment security transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is accrued as earned. Dividend income is recorded on the ex-date, except for dividends of foreign securities where the dividend may not be known until after the ex-date. In those cases, dividend income, net of withholding taxes, is recorded when the Fund becomes aware of the dividends. Foreign taxes are provided for based on the Fund's understanding of the tax rules and rates that exist in the foreign markets in which it invests. Gains and losses on securities sold are determined on the basis of identified cost and may include proceeds from litigation.

Foreign taxes. The Fund may be subject to withholding tax on income or capital gains or repatriation taxes as imposed by certain countries in which it invests. Taxes are accrued based upon net investment income, net realized gains or net unrealized appreciation.

Overdrafts. Pursuant to the custodian agreement, the Fund's custodian may, in its discretion, advance funds to the Fund to make properly authorized payments. When such payments result in an overdraft, the Fund is obligated to

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repay the custodian for any overdraft, including any costs or expenses associated with the overdraft. The custodian may have a lien, security interest or security entitlement in any Fund property that is not otherwise segregated or pledged, to the maximum extent permitted by law, to the extent of any overdraft.

Expenses. Within the John Hancock Funds complex, expenses that are directly attributable to an individual fund are allocated to such fund. Expenses that are not readily attributable to a specific fund are allocated among all funds in an equitable manner, taking into consideration, among other things, the nature and type of expense and the fund's relative net assets. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Federal income taxes. The Fund intends to continue to qualify as a regulated investment company by complying with the applicable provisions of the Internal Revenue Code and will not be subject to federal income tax on taxable income that is distributed to shareholders. Therefore, no federal income tax provision is required.

Under the Regulated Investment Company Modernization Act of 2010, the Fund is permitted to carry forward capital losses for an unlimited period. Capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under previous law.

For federal income tax purposes, as of December 31, 2012, the Fund has a short-term capital loss carryforward of \$8,469,991 and a long-term capital loss carryforward of \$352,421 available to offset future net realized capital gains which do not expire.

As of December 31, 2012, the Fund had no uncertain tax positions that would require financial statement recognition, derecognition or disclosure. The Fund's federal tax returns are subject to examination by the Internal Revenue Service for a period of three years.

Managed distribution plan. In August 2012, the Board of Trustees amended the managed distribution plan (the Distribution Plan). Under the amended Distribution Plan, the Fund makes quarterly distributions of an amount equal to \$0.3230 per share, based upon an annualized distribution rate of 7.25% of the Fund's net asset value of \$17.82 on July 31, 2012. This amount will be paid quarterly until further notice. Under the prior Distribution Plan, the Fund made quarterly distributions of an amount equal to 1.8125% of the Fund's net asset value as of each measuring date, based upon an annual rate of 7.25% (the amount of each quarterly distribution was determined based on the net asset value of the Fund at the close of the NYSE on the last business day of the month ending two months prior to each quarterly declaration date).

Distributions under the Distribution Plan may consist of net investment income, net realized capital gains and, to the extent necessary, return of capital. Return of capital distributions may be necessary when the Fund's net investment income and net capital gains are insufficient to meet the minimum percentage dividend. In addition, the Fund may also make additional distributions to avoid federal income and excise taxes.

The Board of Trustees may terminate or reduce the amount paid under the Distribution Plan at any time. The termination or reduction may have an adverse effect on the market price of the Fund's shares.

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Distribution of income and gains. Distributions to shareholders from net investment income and net realized gains, if any, are recorded on the ex-date. The Fund generally declares and pays distributions quarterly through its Distribution Plan described above. The tax character of distributions for the two-month period ended December 31, 2012, the year ended October 31, 2012 and the period ended October 31, 2011 was as follows:

	DECEMBER 31, 2012	OCTOBER 31, 2012	OCTOBER 31, 2011*
Ordinary Income	\$728,343	\$1,850,217	\$317,301

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Tax Return of Capital	\$3,723,566	\$16,575,845	\$4,982,535
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* Period from 5-26-11 (commencement of operations) to 10-31-11.

Such distributions and distributable earnings, on a tax basis, are determined in conformity with income tax regulations, which may differ from accounting principles generally accepted in the United States of America. Material distributions in excess of tax basis earnings and profits, if any, are reported in the Fund's financial statements as a return of capital. Capital losses generated through October 31, 2012, which carried forward to the two-month period, ended December 31, 2012, and losses realized on written options, offset realized capital gains, which resulted in a tax return of capital.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Temporary book-tax differences, if any, will reverse in a subsequent period. Book-tax differences are primarily attributable to wash sale loss deferrals and derivative transactions.

New accounting pronouncement. In December 2011, the Financial Accounting Standards Board issued Accounting Standards Update No. 2011-11 (ASU 2011-11), *Disclosures about Offsetting Assets and Liabilities*. The update creates new disclosure requirements requiring entities to disclose both gross and net information for derivatives and other financial instruments that are either offset in the Statement of assets and liabilities or subject to an enforceable master netting arrangement or similar agreement. The disclosure requirements are effective for annual reporting periods beginning on or after January 1, 2013 and interim periods within those annual periods. ASU 2011-11 may result in additional disclosure relating to the presentation of derivatives and certain other financial instruments.

Note 3 — Derivative instruments

The Fund invests in derivatives in order to meet its investment objective. The use of derivatives may involve risks different from, or potentially greater than, the risks associated with investing directly in securities. Specifically, the Fund is exposed to the risk that the counterparty to an over-the-counter (OTC) derivatives contract will be unable or unwilling to make timely settlement payments or otherwise honor its obligations. OTC derivatives transactions typically can only be closed out with the other party to the transaction. If the counterparty defaults, the Fund will have contractual remedies, but there is no assurance that the counterparty will meet its contractual obligations or that the Fund will succeed in enforcing them.

Options. There are two types of options, a put option and a call option. Options are traded either over-the-counter or on an exchange. A call option 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 put option gives the purchaser of the option the right to sell (and the writer the obligation to buy) the underlying instrument at the exercise price. Writing puts and buying calls may increase the Fund's exposure to changes in the value of the underlying instrument. Buying puts and writing calls may decrease the Fund's exposure to such changes. Risks related to the use of options include the loss of the premium, possible illiquidity of the options markets, trading restrictions imposed by an

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exchange and movements in underlying security values, and for written options, potential losses in excess of the amounts recognized on the Statement of assets and liabilities.

When the Fund purchases an option, the premium paid by the Fund is included in the portfolio of investments and subsequently "marked-to-market" to reflect current market value. If the purchased option expires, the Fund realizes a loss equal to the cost of the option. If the Fund exercises a call option, the cost of the securities acquired by exercising the call is increased by the premium paid to buy the call. If the Fund exercises a put option, it realizes a gain or loss from the sale of the underlying security and the proceeds from such sale are decreased by the premium paid. If the Fund enters into a closing sale transaction, the Fund realizes a gain or loss, depending on whether proceeds from the closing sale are greater or less than the original cost. When the Fund writes an option, the premium received is included as a liability and subsequently "marked-to-market" to reflect current market value of the option written. Premiums received from writing options that expire

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unexercised are recorded as realized gains. Premiums received from writing options which are exercised or are closed are added to or offset against the proceeds or amount paid on the transaction to determine the realized gain or loss. If a put option on a security is exercised, the premium received reduces the cost basis of the securities purchased by the Fund.

During the two-month period ended December 31, 2012 and the year ended October 31, 2012, the Fund used purchased options to hedge against changes in securities markets. During the two-month period ended December 31, 2012, the Fund held purchased options with market values ranging from \$5.3 million to \$8.6 million. During the year ended October 31, 2012, the Fund held purchased options with market values ranging from \$6.7 million to \$16.4 million as measured at each quarter end.

During the two-month period ended December 31, 2012 and the year ended October 31, 2012, the Fund wrote option contracts to generate earnings from option premiums and to attempt to reduce overall volatility. The following tables summarize the Fund's written options activities during the two-month period ended December 31, 2012 and the year ended October 31, 2012 and the contracts held at December 31, 2012.

	FOR THE TWO-MONTH PERIOD ENDED DECEMBER 31, 2012		FOR THE YEAR ENDED OCTOBER 31, 2012	
	NUMBER OF CONTRACTS	PREMIUMS RECEIVED (PAID)	NUMBER OF CONTRACTS	PREMIUMS RECEIVED (PAID)
Outstanding, beginning of period	2,800	\$12,275,015	3,050	\$9,440,111
Options written	900	1,310,932	19,000	32,356,152
Options closed	(1,800)	(2,381,694)	(19,250)	(29,521,247)
Options exercised	—	—	—	—
Options expired	—	—	—	—
Outstanding, end of period	1,900	\$11,204,253	2,800	\$12,275,016

OPTIONS	EXERCISE PRICE	EXPIRATION DATE	NUMBER OF CONTRACTS	PREMIUM	VALUE
PUTS					
S&P 500 Index	\$1,150	Jun 2013	1,900	\$11,204,253	(\$2,356,000)
Total			1,900	\$11,204,253	(\$2,356,000)

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Fair value of derivative instruments by risk category

The table below summarizes the fair value of derivatives held by the Fund at December 31, 2012 by risk category:

STATEMENT OF ASSETS	FINANCIAL INSTRUMENTS	ASSET DERIVATIVES	LIABILITY DERIVATIVES
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RISK	AND LIABILITIES LOCATION	LOCATION	FAIR VALUE	FAIR VALUE
Equity contracts	Investments, at value*	Purchased options*	\$5,348,500	—
	Written options, at value	Written options	—	\$2,356,000
			\$5,348,500	\$2,356,000

* Purchased options are included in the Fund's investments.

Effect of derivative instruments on the Statement of operations

The table below summarizes the net realized gain (loss) included in the net increase (decrease) in net assets from operations, classified by derivative instrument and risk category, for the two-month period ended December 31, 2012 and the year ended October 31, 2012:

RISK	STATEMENT OF OPERATIONS LOCATION	FOR THE TWO-MONTH PERIOD ENDED DECEMBER 31, 2012		FOR THE YEAR ENDED OCTOBER 31, 2012	
		INVESTMENTS (PURCHASED OPTIONS)	WRITTEN OPTIONS	INVESTMENTS (PURCHASED OPTIONS)	WRITTEN OPTIONS
Equity contracts	Net realized gain (loss)	—	(\$1,941,735)	(\$11,351,788)	\$7,801,413

The table below summarizes the net change in unrealized appreciation (depreciation) included in the net increase (decrease) in net assets from operations, classified by derivative instrument and risk category, for the two-month period ended December 31, 2012 and the year ended October 31, 2012:

RISK	STATEMENT OF OPERATIONS LOCATION	FOR THE TWO-MONTH PERIOD ENDED DECEMBER 31, 2012		FOR THE YEAR ENDED OCTOBER 31, 2012	
		INVESTMENTS (PURCHASED OPTIONS)	WRITTEN OPTIONS	INVESTMENTS (PURCHASED OPTIONS)	WRITTEN OPTIONS
Equity contracts	Change in net unrealized appreciation (depreciation)	(\$3,201,500)	\$1,255,237	(\$11,720,519)	\$11,041,405

Note 4 — Guarantees and indemnifications

Under the Fund's organizational documents, its Officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss from such claims is considered remote.

Note 5 — Fees and transactions with affiliates

John Hancock Advisers, LLC (the Adviser) serves as investment adviser for the Fund. The Adviser is an indirect, wholly owned subsidiary of Manulife Financial Corporation.

Management fee. The Fund has an investment management agreement with the Adviser under which the Fund pays a daily management fee to the Adviser equivalent, on an annual basis, to 1.00% of the Fund's average daily gross assets. The Adviser has a subadvisory agreement with Wellington Management Company, LLP. The Fund is not responsible for payment of the subadvisory fees.

Accounting and legal services. Pursuant to a service agreement, the Fund reimburses the Adviser for all expenses associated with providing the administrative, financial, legal, accounting and recordkeeping services to the Fund, including the preparation of all tax returns, periodic reports to shareholders and regulatory reports, among other services. These accounting and legal services fees incurred for the two-month period ended December 31, 2012 amounted to an annual rate of 0.02% of the Fund's average daily net assets.

Trustee expenses. The Fund compensates each Trustee who is not an employee of the Adviser or its affiliates. Under the John Hancock Group of Funds Deferred Compensation Plan (the Plan) which was terminated in November 2012, these Trustees could have elected, for tax purposes, to defer receipt of this compensation. Any deferred amounts were invested in various John Hancock funds. The investment of deferred amounts and the offsetting liability are included with Other receivables and prepaid expenses and Payable to affiliates — Trustees' fees, respectively, in the accompanying Statement of assets and liabilities. Plan assets will be liquidated in accordance with the plan documents.

Note 6 — Fund share transactions

On May 26, 2011, the Fund completed its initial public offering of 14,015,000 common shares, and on July 13, 2011, completed a supplemental offering of 600,000 common shares, each at an offering price of \$20.00 per share. Underwriting commissions of \$0.90 per share, or \$13,153,500, were paid to brokers in connection with these public offerings. Prior to the public offerings, the Fund was seeded with initial capital of \$100,000 in return for 5,236 shares. Offering costs of approximately \$1,103,000 were absorbed by the Adviser.

On December 6, 2011, the Board of Trustees approved a share repurchase plan (the Repurchase Plan). Under the Repurchase Plan, the Fund was allowed to purchase, in the open market, up to 10% of its outstanding common shares between January 1, 2012 and December 31, 2012 (based on common shares outstanding as of December 31, 2011). During the two-month period ended December 31, 2012 and the year ended October 31, 2012, the Fund repurchased 1.37% and 4.69%, respectively, of shares outstanding under the Repurchase Plan. The weighted average discount per share on these repurchases amounted to 12.25% and 10.66% for the two-month period ended December 31, 2012 and the year ended October 31, 2012, respectively. Shares repurchased and corresponding dollar amounts are included in the Statement of changes in net assets. The anti-dilutive impact of these share repurchases is included on the Financial highlights. On December 12, 2012, the Board renewed the share repurchase plan. As renewed, the Fund may purchase in the open market, between January 1, 2013 and December 31, 2013, up to an additional 10% of its outstanding common shares (based on common shares outstanding as of December 31, 2012).

Note 7 — Purchase and sale of securities

Purchases and sales of securities, other than short-term securities, aggregated \$25,380,545 and \$34,986,295, respectively, for the two-month period ended December 31, 2012.

Auditor's report

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of John Hancock Hedged Equity & Income Fund:

In our opinion, the accompanying statement of assets and liabilities, including the portfolio of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of John Hancock Hedged Equity & Income Fund (the "Fund") at December 31, 2012, and the results of its operations, the changes in its net assets and the financial highlights for each of the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2012 by correspondence with the custodian and brokers, and the application of alternative auditing procedures where securities purchased confirmations had not been received, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
February 20, 2013

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Tax information

Unaudited

For federal income tax purposes, the following information is furnished with respect to the distributions of the Fund, if any, paid during its taxable year ended December 31, 2012.

The Fund reports the maximum amount allowable of its net taxable income as eligible for the corporate dividends-received deduction.

The Fund reports the maximum amount allowable of its net taxable income as qualified dividend income.

Eligible shareholders will be mailed a 2012 Form 1099-DIV in early 2013. This will reflect the tax character of all distributions paid in calendar year 2012.

In prior years, certain dividends paid by the Fund were generally taxed to individuals at a maximum rate of 15%. For tax years for individuals beginning after December 31, 2012, the maximum tax rate on dividend income will increase from 15% to 20%, and an additional tax of 3.8% may be imposed on certain investment income, including dividends.

Please consult a tax adviser regarding the tax consequences of your investment in the Fund.

Additional information

Unaudited

Investment objective and policy

The Fund is a diversified, closed-end management investment company, common shares of which were initially offered to the public on May 26, 2011 and are publicly traded on the NYSE. The Fund's investment objective is to provide total return with a focus on current income and gains and also consisting of long-term capital appreciation. The Fund uses an equity strategy (the "equity strategy") and an actively managed option overlay strategy (the "option overlay strategy") to pursue its investment objective. The equity strategy seeks to provide broad-based exposure to equity markets, while emphasizing downside equity market protection. The goal of the equity strategy is to participate in and capture the broader equity market returns in rising market conditions, while seeking to limit losses relative to the broader equity markets in declining market circumstances through an effective combination of equity investment strategies. The option overlay strategy pursues two goals: (i) to generate earnings for current distribution from option premiums; and (ii) downside equity market protection (through the use of U.S. equity index puts).

Dividends and distributions

During the two-month period ended December 31, 2012, dividends from net investment income totaling \$0.0528 per share and a tax return of capital totaling \$0.2702 per share were paid to shareholders. The date of payment and the amount per share are as follows:

PAYMENT DATE	DISTRIBUTIONS
December 31, 2012	\$0.3230
Total	\$0.3230

Dividend reinvestment plan

The Fund's Dividend Reinvestment Plan (the Plan) provides that distributions of dividends and capital gains are automatically reinvested in common shares of the Fund by Computershare Trust Company, N.A. (the Plan Agent). Every shareholder holding at least one full share of the Fund will be automatically enrolled in the Plan. Shareholders may withdraw from the Plan at any time and shareholders who do not participate in the Plan will receive all distributions in cash.

If the Fund declares a dividend or distribution payable either in cash or in common shares of the Fund and the market price of shares on the payment date for the distribution or dividend equals or exceeds the Fund's net asset value per share (NAV), the Fund will issue common shares to participants at a value equal to the higher of NAV or 95% of the market price. The number of additional shares to be credited to each participant's account will be determined by dividing the dollar amount of the distribution or dividend by the higher of NAV or 95% of the market price. If the market price is lower than NAV, or if dividends or distributions are payable only in cash, then participants will receive shares purchased by the Plan Agent on participants' behalf on the New York Stock Exchange (the NYSE) or otherwise on the open market. If the market price exceeds NAV before the Plan Agent has completed its purchases, the average per share purchase price may exceed NAV, resulting in fewer shares being acquired than if the Fund had issued new shares.

There are no brokerage charges with respect to common shares issued directly by the Fund. However, whenever shares are purchased or sold on the NYSE or otherwise on the open market, each participant will pay a pro rata portion of brokerage trading fees, currently \$0.05 per share purchased or sold. Brokerage trading fees will be deducted from amounts to be invested.

The reinvestment of dividends and net capital gains distributions does not relieve participants of any income tax that may be payable on such dividends or distributions.

Shareholders participating in the Plan may buy additional shares of the Fund through the Plan at any time in amounts of at least \$50 per investment, up to a maximum of \$10,000, with a total calendar year limit of \$100,000. Shareholders will be charged a \$5 transaction fee plus \$0.05 per share brokerage trading fee for each order. Purchases of additional shares of the Fund will be made on the open market. Shareholders who elect to utilize monthly electronic fund transfers to buy additional shares of the Fund will be charged a \$2 transaction fee plus \$0.05 per share brokerage trading fee for each automatic purchase. Shareholders can also sell Fund shares held in the Plan account at any time by contacting the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.computershare.com and clicking on EquityAccess & More. The Plan Agent will mail a check to you (less applicable brokerage trading fees) on settlement date, which is three business days after your shares have been sold. If you choose to sell your shares through your stockbroker, you will need to request that the Plan Agent electronically transfer your shares to your stockbroker through the Direct Registration System.

Shareholders participating in the Plan may withdraw from the Plan at any time by contacting the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.computershare.com and clicking on EquityAccess & More. Such termination will be effective immediately if the notice is received by the Plan Agent prior to any dividend or distribution record date; otherwise, such termination will be effective on the first trading day after the payment date for such dividend or distribution, with respect to any subsequent dividend or distribution. If you withdraw, your shares will be credited to your account; or, if you wish, the Plan Agent will sell your full and fractional shares and send you the proceeds, less a transaction fee of \$5.00 and less brokerage trading fees of \$0.05 per share. If a shareholder does not maintain at least one whole share of common stock in the Plan account, the Plan Agent may terminate such shareholder's participation in the Plan after written notice. Upon termination, shareholders will be sent a check for the cash value of any fractional share in the Plan account, less any applicable broker commissions and taxes.

Shareholders who hold at least one full share of the Fund may join the Plan by notifying the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.computershare.com and clicking on EquityAccess & More. If received in proper form by the Plan Agent before the record date of a dividend, the election will be effective with respect to all dividends paid after such record date. If you wish to participate in the Plan and your shares are held in the name of a brokerage firm, bank or other nominee, please contact your nominee to see if it will participate in the Plan for you. If you wish to participate in the Plan, but your brokerage firm, bank or other nominee is unable to participate on your behalf, you will need to request that your shares be re-registered in your own name, or you will not be able to participate. The Plan Agent will administer the Plan on the basis of the number of shares certified from time to time by you as representing the total amount registered in your name and held for your account by your nominee.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Fund and the Plan Agent reserve the right to amend or terminate the Plan. Participants generally will receive written notice at least 90 days before the effective date of any amendment. In the case of termination, participants will receive written notice at least 90 days before the record date for the payment of any dividend or distribution by the Fund.

All correspondence or requests for additional information about the Plan should be directed to Computershare Trust Company, N.A., at the address stated below or by calling 1-800-852-0218, 1-201-680-6578 (For International Telephone Inquiries) and 1-201-680-6610 (For the Hearing Impaired (TDD)).

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If you have any questions concerning the Fund, we will be pleased to assist you. If you hold shares in your own name and not with a brokerage firm, please address all notices, correspondence, questions or other communications regarding the Fund to the transfer agent at:

Computershare Trust Company, N.A.
Newport Office Center VII
480 Washington Boulevard
Jersey City, NJ 07310-1900
Telephone: 1-800-852-0218

If your shares are held with a brokerage firm, you should contact that firm, bank or other nominee for assistance.

Shareholder meeting

The Fund held its Annual Meeting of Shareholders on November 9, 2012. The following proposal was considered by the shareholders:

Proposal: Election of thirteen (13) Trustees to serve until the expiration of their respective terms as shown below. Each nominee was elected by the Fund's shareholders and the votes cast with respect to each Trustee are set forth below.

For a Term to Expire in 2016:

	TOTAL VOTES FOR THE NOMINEE	TOTAL VOTES WITHHELD FROM THE NOMINEE
<hr/>		
Independent Trustees		
Deborah C. Jackson	12,074,033	336,633
James M. Oates	12,114,373	296,293
Steven R. Pruchansky	12,098,086	312,580
Non-Independent Trustee		
Craig Bromley	12,101,057	309,609

For a Term to Expire in 2015:

	TOTAL VOTES FOR THE NOMINEE	TOTAL VOTES WITHHELD FROM THE NOMINEE
<hr/>		
Independent Trustees		
Charles L. Bardelis	12,110,622	300,044
Peter S. Burgess	12,115,000	295,666
Theron S. Hoffman	12,116,740	293,926
Non-Independent Trustee		
Warren A. Thomson	12,103,958	306,708

For a Term to Expire in 2014:

	TOTAL VOTES FOR THE NOMINEE	TOTAL VOTES WITHHELD FROM THE NOMINEE
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Independent Trustees

William H. Cunningham	12,071,216	339,450
Grace K. Fey	12,115,355	295,311
Hassell H. McClellan	12,070,207	340,459
Gregory A. Russo	12,083,880	326,786

Non-Independent Trustee

James R. Boyle	12,114,968	295,698
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Trustees and Officers

This chart provides information about the Trustees and Officers who oversee your John Hancock fund as of December 1, 2012. Officers elected by the Trustees manage the day-to-day operations of the Portfolio and execute policies formulated by the Trustees.

Independent Trustees

Name, Year of Birth Position(s) held with Fund Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since¹	Number of John Hancock funds overseen by Trustee
James M. Oates, ² Born: 1946	2012	234

Managing Director, Wydown Group (financial consulting firm) (since 1994); Chairman and Director, Emerson Investment Management, Inc. (since 2000); Independent Chairman, Hudson Castle Group, Inc. (formerly IBEX Capital Markets, Inc.) (financial services company) (1997–2011); Director, Stifel Financial (since 1996); Director, Investor Financial Services Corporation (1995–2007); Director, Connecticut River Bancorp (since 1998); Director, Virtus Funds (formerly Phoenix Mutual Funds) (since 1988). Trustee and Chairperson of the Board, John Hancock retail funds (since 2012); Trustee, John Hancock Funds III (2005–2006 and since 2012); Trustee (since 2004) and Chairperson of the Board (since 2005), John Hancock Variable Insurance Trust; Trustee and Chairperson of the Board (since 2005), John Hancock Funds II.

Charles L. Bardelis, ^{2,3} Born: 1941	2012	234
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Director, Island Commuter Corp. (marine transport). Trustee, John Hancock retail funds (since 2012);

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Trustee, John Hancock Funds III (2005–2006 and since 2012); Trustee, John Hancock Variable Insurance Trust (since 1988); Trustee, John Hancock Funds II (since 2005).

Peter S. Burgess,^{2,3} Born: 1942 2012 234

Consultant (financial, accounting and auditing matters) (since 1999); Certified Public Accountant; Partner, Arthur Andersen (independent public accounting firm) (prior to 1999); Director, Lincoln Educational Services Corporation (since 2004); Director, Symetra Financial Corporation (since 2010); former Director, PMA Capital Corporation (2004–2010). Trustee, John Hancock retail funds (since 2012); Trustee, John Hancock Funds III (2005–2006 and since 2012); Trustee, John Hancock Variable Insurance Trust and John Hancock Funds II (since 2005).

William H. Cunningham, Born: 1944 2011 234

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, LIN Television (since 2009); Chairman (since 2009) and Director (since 2006), Lincoln National Corporation (insurance); Director, Resolute Energy Corporation (since 2009); Director, Southwest Airlines (since 2000); former Director, Introgen (manufacturer of biopharmaceuticals) (until 2008); former Director, Hicks Acquisition Company I, Inc. (until 2007); former Advisory Director, JP Morgan Chase Bank (formerly Texas Commerce Bank–Austin) (until 2009). Trustee, John Hancock retail funds (since 1986); Trustee, John Hancock Variable Insurance Trust (since 2012); Trustee, John Hancock Funds II (since 2012 and 2005–2006).

Grace K. Fey,² Born: 1946 2012 234

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, John Hancock retail funds (since 2012); Trustee, John Hancock Variable Insurance Trust and John Hancock Funds II (since 2008).

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Independent Trustees (continued)

Name, Year of Birth Position(s) held with Fund	Trustee of the	Number of John Hancock funds
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Principal occupation(s) and other directorships during past 5 years	Trust since ¹	overseen by Trustee
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Theron S. Hoffman , ^{2,3} Born: 1947	2012	234
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Chief Executive Officer, T. Hoffman Associates, LLC (consulting firm) (since 2003); Director, The Todd Organization (investment management consulting firm) (2003–2010); President, Westport Resources Management (investment management consulting firm) (2006–2008); Senior Managing Director, Partner and Operating Head, Putnam Investments (2000–2003); Executive Vice President, The Thomson Corp. (financial and legal information publishing) (1997–2000). Trustee, John Hancock retail funds (since 2012); Trustee, John Hancock Variable Insurance Trust and John Hancock Funds II (since 2008).

Deborah C. Jackson , Born: 1952	2011	234
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President, Cambridge College, Cambridge, Massachusetts (since 2011); 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 American Student Assistance Corporation (1996–2009); Board of Directors of Boston Stock Exchange (2002–2008); Board of Directors of Harvard Pilgrim Healthcare (health benefits company) (2007–2011). Trustee, John Hancock retail funds (since 2008); Trustee of John Hancock Variable Insurance Trust and John Hancock Funds II (since 2012).

Hassell H. McClellan , ² Born: 1945	2012	234
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Associate Professor, The Wallace E. Carroll School of Management, Boston College (since 1984); Trustee, Virtus Variable Insurance Trust (formerly Phoenix Edge Series Funds) (since 2008); Director, The Barnes Group (since 2010). Trustee, John Hancock retail funds (since 2012); Trustee, John Hancock Funds III (2005–2006 and since 2012); Trustee, John Hancock Variable Insurance Trust and John Hancock Funds II (since 2005).

Steven R. Pruchansky , Born: 1944	2011	234
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