Fixed-income fund Quarterly commentary

John Hancock Strategic Income Opportunities Fund

A: JIPAX C: JIPCX I: JIPIX R2: JIPPX R6: JIPRX

Objective
Income and capital appreciation

Use for
Diversifying income holdings

Morningstar category
Multisector Bond

Quarterly commentary

Highlights

- U.S. bonds posted positive returns, ending a streak of sharp quarterly declines as inflation cooled and investors anticipated a slowdown in interest-rate increases by the U.S. Federal Reserve (Fed).
- High-yield and investment-grade corporate bonds posted the best returns, reflecting increased investor demand for risk assets, while U.S. Treasury securities lagged.
- The fund outperformed its benchmark, the Bloomberg U.S. Aggregate Bond Index, thanks to notable positions in high-yield corporate bonds and emerging-market debt.

Market review and outlook

U.S. bonds advanced during the fourth quarter, ending the bond market's worst calendar year of performance in decades on a positive note. Although inflation remained elevated during the quarter, it fell to its lowest level in nearly a year. This led to expectations that the Fed and other central banks will shift to a less-aggressive interest-rate policy in 2023. However, the Fed raised short-term interest rates twice during the fourth quarter and reiterated that curbing inflation was its main priority. In this environment, bond yields were mostly higher, with shorter-term bond yields rising the most. Despite the higher yields, however, bonds posted positive returns for the quarter, led by sectors such as high-yield and investment-grade corporate bonds, which benefited from improving risk sentiment.

After a challenging 2022, we see abundant value in global bond markets entering 2023. Certainly, there is still a great deal of economic and geopolitical uncertainty, and market volatility is likely to remain elevated in the near term. But a continued decline in inflation data and a pause in central bank interest-rate hikes would provide a more favorable backdrop for fixed-income performance. Within the fund, we continue to strike a balance between risk and yield with an emphasis on quality, stability, and liquidity.

Contributors and detractors

Sector allocation was the key factor behind the fund's outperformance of its benchmark. Noteworthy positions in high-yield corporate bonds and emerging-market debt contributed the most to the outperformance, along with an underweight position in U.S. Treasury securities. In addition, small positions in equities, convertible bonds, and bank loans added value.

The fund also benefited from its duration positioning and foreign currency exposure. The fund's duration (a measure of interest-rate sensitivity) was shorter than that of the index, which meant that rising interest rates had less of a negative impact on fund performance. On the currency side, positions in the South Korean won and Norwegian krone contributed the most to performance.

On the downside, overweight positions in commercial mortgage-backed securities and asset-backed securities detracted from performance versus the index. Exposure to sovereign government bonds in Canada and New Zealand also weighed on relative results.

Portfolio changes

We reduced the fund's holdings of high-yield corporate bonds and bank loans, and reallocated those assets into non-U.S. government bonds, securitized assets, and emerging-market debt. We also extended the fund's duration further as we think the bulk of the rise in interest rates is behind us. We increased the fund's foreign currency exposure modestly during the quarter.

Managed by[1]

Manulife Investment Management

Established asset manager with global resources and expertise extending across equity, fixed-income, and alternative investments as well as asset allocation strategies

Thomas C. Goggins
On the fund since 2009.
Investing since 1987

Daniel S. Janis III
On the fund since 2006.
Investing since 1984

Christopher M. Chapman, CFA
On the fund since 2017.
Investing since 1995

Bradley L. Lutz, CFA
On the fund since 2022.
Investing since 1992

Kisoo Park
On the fund since 2015.
Investing since 1986

Average annual total returns[2,3]

%

	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Life of fund	Life of fund date
Class I without sales charge	3.42	-10.14	-10.14	-0.53	0.72	2.22	4.69	5/1/06
Class A without sales charge	3.34	-10.41	-10.41	-0.83	0.42	1.90	4.43	5/1/06
Class A with sales charge	-0.77	-13.96	-13.96	-2.18	-0.39	1.49	4.17	5/1/06
Bloomberg U.S. Aggregate Bond Index	1.87	-13.01	-13.01	-2.71	0.02	1.06	3.12	—
Multisector bond category	2.54	-9.93	-9.93	-1.15	0.84	2.07	—	—

Expense ratios[4]	Gross	Net (what you pay)	Contractual through
Class I	0.81%	0.76%	12/31/2023
Class A	1.11%	1.06%	12/31/2023

The past performance shown here reflects reinvested distributions and the beneficial effect of any expense reductions, and does not guarantee future results. The sales charge for Class A shares, reflects the maximum sales charge of 4.0%. For Class I shares, there is no sales charge. Returns for periods shorter than one year are cumulative, and results for other share classes will vary. Shares will fluctuate in value and, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance cited. For the most recent month-end performance, visit jhinvestments.com.

10 largest issuers[5]

%

1.	United States of America	8.77	6.	Government of Mexico	1.69
2.	Republic of Indonesia	3.13	7.	Government of New Zealand	1.55
3.	Federal Home Loan Mortgage Corp.	2.88	8.	Kingdom of Norway	1.53
4.	Federal National Mortgage Association	2.50	9.	HCA, Inc.	1.47
5.	Government of Canada	2.38	10.	Commonwealth of Australia	1.43

What you should know before investing

Fixed-income investments are subject to interest-rate and credit risk; their value will normally decline as interest rates rise or if an issuer is unable or unwilling to make principal or interest payments. Investments in higher-yielding, lower-rated securities include a higher risk of default. Foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. Currency transactions are affected by fluctuations in exchange rates. Liquidity—the extent to which a security may be sold or a derivative position closed without negatively affecting its market value, if at all—may be impaired by reduced trading volume, heightened volatility, rising interest rates, and other market conditions. The use of hedging and derivatives could produce disproportionate gains or losses and may increase costs. Fund distributions generally depend on income from underlying investments and may vary or cease altogether in the future. Please see the fund's prospectus for additional risks.

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

1 Effective 3/15/23, Daniel S. Janis III is retiring as a portfolio manager. **2** 4/28/06 is the inception date for the oldest class of shares, Class NAV shares. Class A and Class I shares were first offered on 1/4/10. Returns prior to this date are those of Class NAV shares and have not been adjusted for expenses; otherwise, returns would vary. **3** The Bloomberg U.S. Aggregate Bond Index tracks the performance of U.S. investment-grade bonds in government, asset-backed, and corporate debt markets. It is not possible to invest directly in an index. **4** "Net (what you pay)" represents the effect of a contractual fee waiver and/or expense reimbursement and is subject to change. **5** Listed holdings reflect the largest portions of the fund's total and may change at any time. They are not recommendations to buy or sell any security. Data is expressed as a percentage of net assets and excludes cash and cash equivalents. Fund characteristics will vary over time.