GLOBAL SELECT FUND

At a glance

Performance*
The Fund returned 6.77%, the Index returned 6.42% and the Sector returned 6.12%.

Contributors/detractors
Stock selection in the health care sector contributed to relative performance while those in financials detracted. Investments in the US contributed while those in Hong Kong detracted.

Outlook
We remain on the lookout for pockets of opportunity where we believe the potential for free-cash-flow growth is underestimated by the market.

Portfolio management

Julian McManus

Investment environment

- Equities declined early in October as concerns over conflict in the Middle East pushed energy prices higher and triggered a defensive market rotation. Stocks started to rebound strongly in mid-October as fuel prices receded and inflation fears moderated.
- Investors began to anticipate that central banks might pause their interest rate hikes or even cut rates in 2024. This resulted in a strong November rally that continued into December.

Portfolio review

ImmunoGen was a top positive contributor to relative fund performance. The biopharmaceutical company engages in the discovery and development of antibody-drug conjugates to improve outcomes for cancer patients. Its stock rose after the company reported strong third-quarter earnings. These results reflected very strong sales trends for Elahere, ImmunoGen's treatment for ovarian and fallopian tube cancers. In late November, pharmaceutical company AbbVie announced it was acquiring ImmunoGen for a substantial premium. This news affirmed our thesis and led to a strong stock rally. We exited the position and reallocated the capital into investments where we saw greater upside potential.

Relative performance also benefited from our investment in Hexagon. The provider of software and automation solutions faced uncertainty earlier in 2023 because of slower economic activity in Europe and concerns over its corporate governance policies. Its share price rebounded in the fourth quarter as purchasing managers' index (PMI) data for Europe showed signs that manufacturing activity may be starting to improve. This was viewed as a positive for Hexagon's business. Hexagon's management team also announced new corporate governance and transparency measures that were well received by investors.

Marathon Petroleum was a relative detractor. Its shares gave back some of its strong year-to-date performance as energy stocks declined along with crude oil prices. In October, Marathon Petroleum reported strong financial performance that reflected higher-than-expected refining profit margins, higher capture rates, better-than-anticipated utilisation, and strong execution trends for its commercial businesses.

Luggage company Samsonite also detracted after outperforming earlier in the year. While Samsonite serves a global marketplace, the stock is listed in Hong Kong. As a result, it declined in a sell-off of equities with perceived exposure to the Chinese economy. While Samsonite has seen slower revenue growth in China, it has benefited from accelerating demand in other markets, notably India. Margin improvement also supported its earnings growth. We remain invested in Samsonite due to its global reach,

Marketing communication
For professional investors only
Past performance does not predict future returns.
*For benchmark and sector, if applicable, refer to Fund details on page 3. For relevant descriptions, risks and the Fund's investment policy statement, refer to Additional fund information on page 4.

strong market positioning, and track record of value creation.

Manager outlook

Economic growth in most international markets has held up reasonably well despite elevated interest rates. Recent purchasing managers' surveys in Europe have also indicated that manufacturing activity may have bottomed as supply-chain conditions have improved. At the same time, we continue to see pockets of weakness around the world, notably in China. Geopolitical developments could also have reverberations for economic growth, inflation and investor sentiment.

We would caution that even if central banks end their interest rate hikes, interest rates will likely remain higher than we have seen over the past decade. This will present challenges for companies with high debt levels or ongoing funding needs.

Despite these risks, we believe such an environment will provide a favourable backdrop for fundamentals-driven stock selection. We continue to seek out companies with healthy balance sheets, proven management teams and sustainable earnings growth. In particular, we remain on the lookout for companies with superior forward free-cash-flow visibility that we believe are undervalued by the market.

This reflects our long-held view that free cash flow and disciplined capital allocation will ultimately drive investment returns. We also favour companies that invest to expand their business capabilities and pursue innovation, which has led to compelling investment opportunities in sectors such as information technology. From a geographic standpoint, we have added exposure to Japan where we have welcomed an increased focus on corporate governance and capital efficiency. At the same time, we remain cautious toward other markets, such as China, where we see elevated macroeconomic risk. We believe this disciplined, fundamentals-driven approach will help the portfolio pursue long-term capital appreciation.

Performance (%)

Returns	Cumulative 1 Month	3 Month	YTD	1 Year	Annualised 3 Year	5 Year	10 Year
A2 EUR (Net)	4.32	6.77	9.51	9.51	4.64	10.52	10.56
Index	3.52	6.42	18.07	18.07	9.42	12.49	10.44
Sector	3.77	6.12	15.10	15.10	7.45	10.43	8.28
A2 EUR (Gross)	—	—	—	—	—	12.32	12.43
Target	—	—	—	—	—	15.30	13.20

Calendar year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
A2 EUR (Net)	9.51	-18.53	28.39	13.26	27.07	-2.95	14.16	6.44	16.75	20.27
Index	18.07	-13.01	27.54	6.65	28.93	-4.84	8.89	11.09	9.22	19.23
Sector	15.10	-14.11	25.45	4.94	26.15	-7.68	8.32	6.90	9.38	15.37

Performance is on a net of fees basis, with gross income reinvested. Source: at 31/12/23. **Past performance does not predict future returns.** Performance/performance target related data will display only where relevant to the share class inception date and annualised target time period. **The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested.** Source for target returns (where applicable) - Janus Henderson Investors.

Fund charges will impact the value of your investment. In particular, the ongoing charges applicable to each fund will dilute investment performance, particularly over time. For further explanation of charges please visit our Fund Charges page at www.janushenderson.com.

Investment objective

The Fund aims to provide capital growth over the long term. Performance target: To outperform the MSCI All Countries World Index by 2.5% per annum, before the deduction of charges, over any 5 year period.

For the fund's investment policy, refer to the Additional fund information on page 4.
Past performance does not predict future returns.

Fund details

Inception date	10 May 2010
Total net assets	277.11m
Asset class	Equities
Domicile	Luxembourg
Structure	SICAV
Base currency	USD
Index	MSCI All Country World Index^{SM}
Morningstar sector	Global Large-Cap Blend Equity
SFDR category	Article 8

In accordance with the Sustainable Finance Disclosure Regulation, the Fund is classified as Article 8 and promotes, among other characteristics, environmental and/or social characteristics, and invests in companies with good governance practices.

Additional fund information

Tax assumptions and reliefs depend upon an investor's particular circumstances and may be subject to change. Please note the performance target is to be achieved over a specific annualised time period. Refer to the performance target wording within the objective. With effect from 1 January 2023, the Key Investor Information document (KIID) changed to the Key Information Document (KID), except in the UK where investors should continue to refer to the KIID. Availability of share classes shown may be limited by law in certain jurisdictions. Performance records/scenarios are detailed within the fund's specific KIID/KID; fees and charges, and the respective risk rating may vary. Further information can be found in the fund's prospectus and KIID/KID, which must be reviewed before investing. Please consult your local sales representative and/or financial adviser if you have any queries. From 29 November 2023, the Fund changed its name and investment strategy. Past performance shown before 29 November 2023 was achieved under circumstances that no longer apply. From 29 November 2023, the Janus Henderson Global Select Fund moved from the Global Large-Cap Growth Equity sector to the Global Large-Cap Blend Equity. From 1 January 2023 Gordon Mackay no longer manages this fund. From 01 February 2023, Julian McManus also co-manages this fund. Note that any differences among portfolio securities currencies, share class currencies and costs to be paid or represented in currencies other than your home currency will expose you to currency risk. Costs and returns may increase or decrease as a result of currency and exchange rate fluctuations. Investment into the fund will acquire units/shares of the fund itself and not the underlying assets owned by the fund. References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

Investment policy

The Fund invests at least two-thirds of its assets in a concentrated portfolio of shares (equities) and equity-related securities of companies, of any size, in any industry, in any country. The Fund may also invest in other assets including cash and money market instruments. The investment manager may use derivatives (complex financial instruments) to reduce risk or to manage the Fund more efficiently. The Fund is actively managed with reference to the MSCI All Countries World Index, which is broadly representative of the companies in which it may invest, as this forms the basis of the Fund's performance target. The investment manager has discretion to choose investments for the Fund with weightings different to the index or not in the index, but at times the Fund may hold investments similar to the index.

Investment strategy

The Investment Manager seeks to grow capital by investing in companies with strong or improving cash flow. The Fund considers both growth criteria (i.e. where company earnings are expected to grow at an above-average rate), and value criteria (i.e. where share prices are expected to increase), to identify the best companies to invest in. The investment process looks to identify meaningful differences between the Investment Manager's analysis and the market's expectations. Taking a disciplined approach to portfolio construction and risk management, the Investment Manager aims to ensure that stock selection is the primary driver of returns.

Fund specific risks

When the Fund, or a share/unit class, seeks to mitigate exchange rate movements of a currency relative to the base currency (hedge), the hedging strategy itself may positively or negatively impact the value of the Fund due to differences in short-term interest rates between the currencies. The Fund could lose money if a counterparty with which the Fund trades becomes unwilling or unable to meet its obligations, or as a result of failure or delay in operational processes or the failure of a third party provider. Shares/Units can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result. Emerging markets expose the Fund to higher volatility and greater risk of loss than developed markets; they are susceptible to adverse political and economic events, and may be less well regulated with less robust custody and settlement procedures. This Fund may have a particularly concentrated portfolio relative to its investment universe or other funds in its sector. An adverse event impacting even a small number of holdings could create significant volatility or losses for the Fund. The Fund may use derivatives with the aim of reducing risk or managing the portfolio more efficiently. However this introduces other risks, in particular, that a derivative counterparty may not meet its contractual obligations. If the Fund holds assets in currencies other than the base currency of the Fund, or you invest in a share/unit class of a different currency to the Fund (unless hedged, i.e. mitigated by taking an offsetting position in a related security), the value of your investment may be impacted by changes in exchange rates. Securities within the Fund could become hard to value or to sell at a desired time and price, especially in extreme market conditions when asset prices may be falling, increasing the risk of investment losses.

FOR MORE INFORMATION PLEASE VISIT **JANUSHENDERSON.COM**

Janus Henderson INVESTORS

Source: Janus Henderson Investors, as at 31 December 2023, unless otherwise noted.