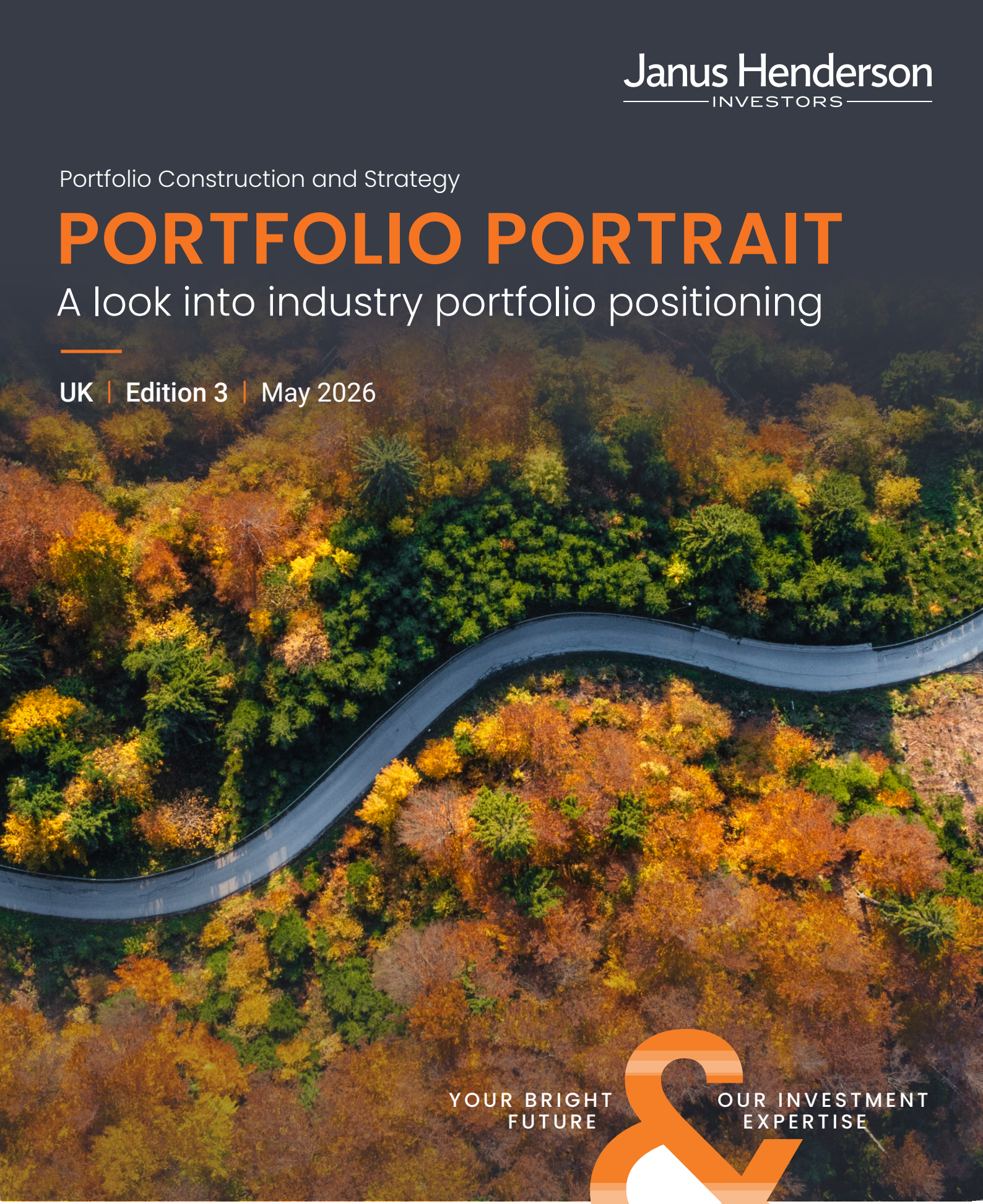
Janus Henderson
INVESTORS

Portfolio Construction and Strategy

PORTFOLIO PORTRAIT

A look into industry portfolio positioning

UK | Edition 3 | May 2026



Marketing communication | Outside of the U.S.: For professionals and qualified investors only | Not for onward distribution
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.

WHAT'S INSIDE

1 Portfolio Positioning
Broadening market shifts, geopolitical risks, and a new Federal Reserve (Fed) chair are pushing investors to be more selective with risk and look for diversified opportunities.

2 Equities
Investors have maintained their equity exposure and continue to look for global opportunities and down in the market cap spectrum.

3 Fixed Income
While rate volatility persists alongside debt concerns, investors have gravitated toward higher-quality yield and lower interest rate sensitivity.

> "As market leadership broadens, **portfolios are being managed with greater selectivity** in equities and a more intentional approach to fixed income risk."

Matt Bullock
Head of Portfolio Construction & Strategy – EMEA & APAC

About Portfolio Portrait

This report is designed to help financial professionals cut through market complexity and identify portfolio positioning opportunities. Backed by our analysis of over 30,000 model portfolios across 6,700+ global clients, this resource highlights key trends and behaviours to support more informed portfolio decisions.

In this dynamic financial environment, it's crucial to stay ahead with effective investment strategies. Thanks to our **Janus Henderson Edge™** analytics platform, we're able to identify areas for rebalancing to help you invest with confidence.

The Janus Henderson Portfolio Construction and Strategy (PCS) Team methodology

We analysed all model portfolios available in our database for the UK. We use aggregated data to draw our conclusions and analyse investor behaviour over time. The two time periods we reviewed are:

- **Prior period:** 1 March 2025 to 31 August 2025
  - **Total Portfolios analysed:** 729
- **Current period:** 1 September 2025 to 28 February 2026
  - **Total Portfolios analysed:** 788

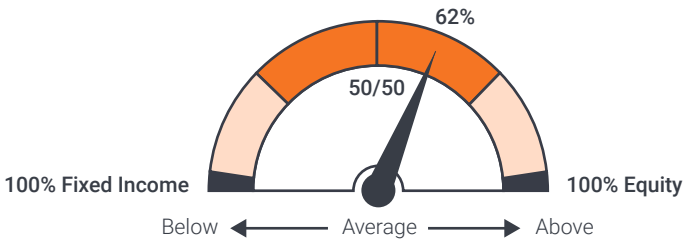


Portfolio breakdown and risk appetite

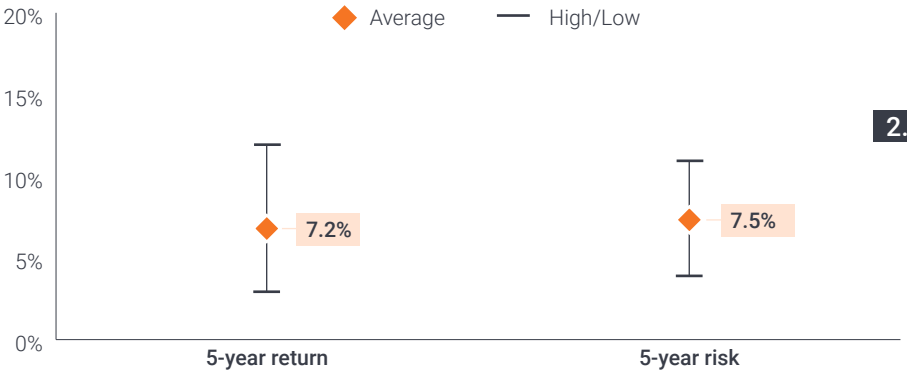
An overview of how the average portfolio is constructed

Average portfolio allocation - on a look through basis

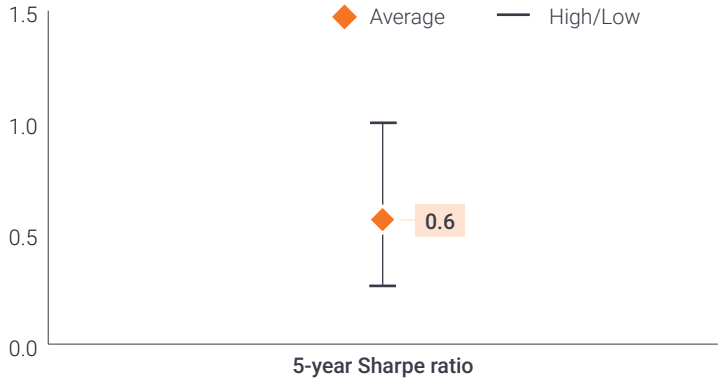
Investors opted to reduce risk slightly with higher exposures to fixed income as of February 2026.



5-year risk and return*



5-year Sharpe ratio*



Portfolio positioning and observations

57.2%

EQUITY: investors **maintained** their equity allocation stable.

34.8%

FIXED INCOME: Investors **slightly increased** their allocation to fixed income.

5.1%

MULTI-ASSET: Allocation to multi-asset strategies was **lowered** by about 80bps, choosing to add to fixed income.

2.9%

ALTERNATIVES: Investors **decreased** allocation to alternatives, adding this to fixed income.

Percent changes from prior period March 1, 2025 to August 31, 2025 to current period September 1, 2025 to February 28, 2026

"The highly uncertain macro-economic and geopolitical environment has seen investors seek relative safety in fixed income assets."

- Matt Bullock,
Head of Portfolio Construction & Strategy – EMEA & APAC

Number of holdings	20	Expense ratio	0.37%	Yield to Maturity	4.31%

Past performance cannot guarantee future results. Investing involves risk. For illustrative purposes only and does not represent actual performance or allocation of any individual client account. Investors should not assume they will have an investment experience similar to the average portfolio.

Source: Janus Henderson Edge.

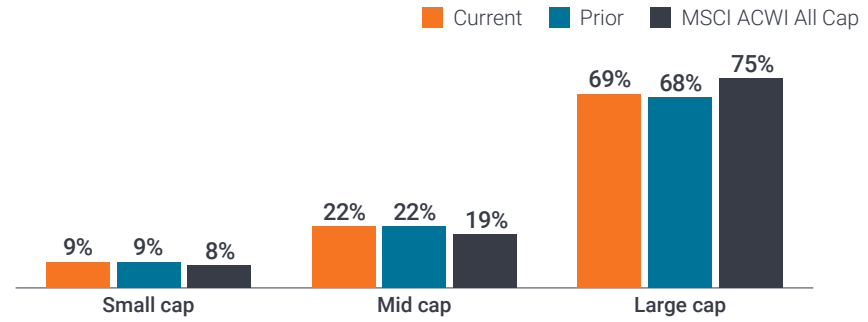
*5-year risk and return and 5-year sharpe ratio denote the average statistics for all portfolio models. As of February 28, 2026.

Equities

"Investors' size and regional exposures remain broadly stable. Whilst U.S. Large caps continue to be overweight, as a whole, US equities are underweight. The home bias is evident in overweight exposures to UK equities."
– **Mario Aguilar, Senior Portfolio Strategist, Portfolio Construction & Strategy**

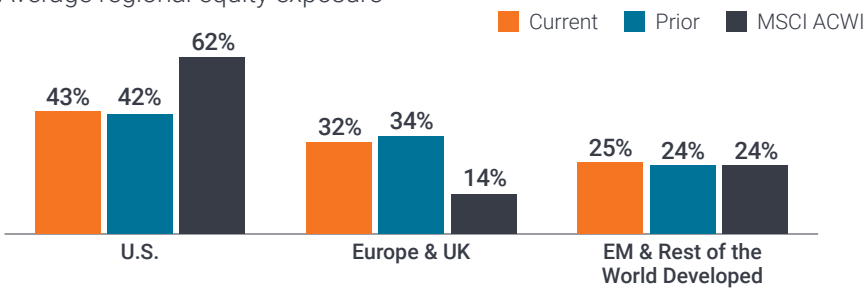
Market cap

Underlying exposure across the market-cap spectrum



Regional exposure

Average regional equity exposure



CLIENT PULSE

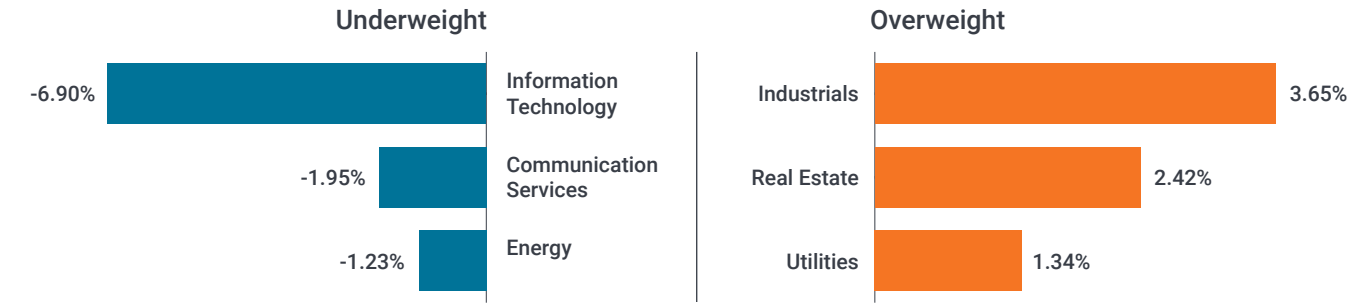
Market cap
No real changes, suggesting that investors are looking through the noise and waiting for more data before making adjustments.

Regional exposure
Minor changes with increases to EM and the US, likely a byproduct rebalancing in the underlying positions.

Sectors
Technology continued to be the heaviest allocation in portfolios yet most underweight relative to benchmarks.

Underweight/overweight to top 3 sectors

Relative to the MSCI ACWI



Average exposures in equity portfolios

Active	70%
Passive	30%
% of portfolio holding a dedicated sector fund	66%

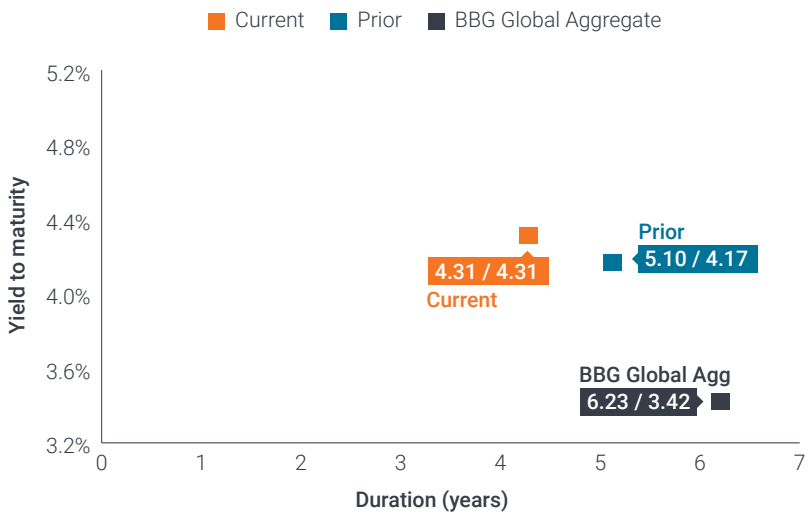
Past performance cannot guarantee future results. Investing involves risk. For illustrative purposes only and does not represent actual performance or allocation of any individual client account. Investors should not assume they will have an investment experience similar to the average portfolio. Source: Janus Henderson Edge, Morningstar. Sectors are defined by Morningstar categories. As of February 28, 2026.

Fixed Income

"Investors continued to lower duration as expectations of further rate reductions started to be questioned. With rate volatility increasing, this looks like it may have been a good move, especially as investors continue to benefit from higher yields." – **Mario Aguilar, Senior Portfolio Strategist, Portfolio Construction & Strategy**

Portfolios reduced duration and enhanced yield

Average change in portfolio duration and yield



CLIENT PULSE

Beyond the Global Agg
Investors continue to recognise the limitations of traditional fixed income benchmarks.

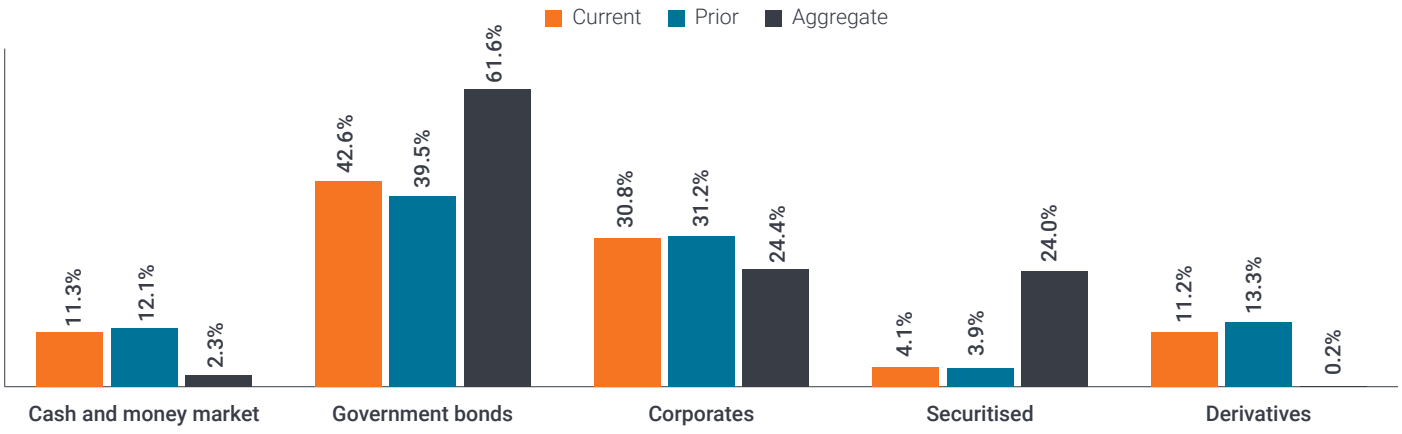
Interest rate sensitivity
Duration was cut sharply as expectations of rate cuts were lowered with rates remaining higher over longer.

Sectors
With geopolitical risks looming, investors sought the relative safety of government paper.

Prior period: March 1, 2025 to August 31, 2025
Current period: September 1, 2025 to February 28, 2026

Portfolios have been straying from traditional Agg exposures

Average portfolio underlying exposure



Average exposures in fixed income portfolios

Active	82%
Passive	8.1%
Avg allocation to credit quality	88% IG | 12% Sub-IG

Past performance cannot guarantee future results. Investing involves risk. For illustrative purposes only and does not represent actual performance or allocation of any individual client account. Investors should not assume they will have an investment experience similar to the average portfolio. Source: Janus Henderson Edge, Morningstar, Bloomberg. Exposures, Duration, and YTM from iShares Core Global Aggregate Bond UCITS ETF. Definition: Current Average and Previous Average defined as average of all portfolios (defined on Page 3) for Period 1 (Previous Average) and Period 2 (Current Average) (defined on Page 3). As of February 28, 2026.

YOUR PORTFOLIO NEEDS & OUR INVESTMENT EDGE

The PCS team provides **tailored analysis and perspectives on investment portfolios.** Drawing on insights from thousands of consultations, the team identifies trends and opportunities in portfolio construction that help inform our recommendations.

Our goal is to help investors make sense of what's happening in the market, understand the portfolio implications and discover how to seek an investment edge through practical insights.

Have portfolio construction needs?

Reach out to our team for a customised portfolio consultation.



Matt Bullock
Head of Portfolio Construction & Strategy – EMEA & APAC



Mario Aguilar, CFA
Senior Portfolio Strategist, Portfolio Construction & Strategy



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