Janus Henderson INVESTORS

GLOBAL INVESTMENT GRADE BOND FUND

At a glance

Performance*
The Fund returned −2.56%, the Index returned −2.10% and the Sector returned −2.20%.

Contributors/detractors
The fund's overweight duration position relative to the benchmark detracted, as yields rose.

Outlook
Following recent spread widening, we have increased credit risk because we believe valuations look somewhat more compelling and remain supported by sound corporate fundamentals.

Portfolio management


James Briggs, ACA, CFA


Michael Keough


Brad Smith


Tim Winstone, CFA

Investment environment

- Global investment grade credit delivered negative total returns in September, dragged down in particular by weakness in government bonds.
- Higher energy prices and persistent geopolitical tensions fuelled concerns about inflation and reinforced expectations of a higher-for-longer interest-rate environment.
- The US Federal Reserve (Fed) and the European Central Bank (ECB) both raised interest rates by 25 basis points (bps) during the month.
- Although spreads widened across investment grade corporate bonds, there was some resilience as investors remained encouraged by generally strong corporate earnings and robust economic data.
- However, rising Treasury yields, combined with heavy primary market supply mainly related to artificial intelligence (AI), created a challenging environment for lower-quality debt.
- In terms of sectors, financial bonds lagged non-financials across both US dollar-denominated and euro-denominated investment grade corporate bonds.
- By the end of September, the yield on the 10-year US Treasury had risen by 53 bps to 5.28% (meaning prices fell), the yield on the 10-year German Bund had risen by 26 bps to 3.59%, and the 10-year UK gilt yield had risen by 36 bps to 5.42%.

Portfolio review

The fund's small long duration position relative to the benchmark was the main detractor, given the sell-off across government bond markets. Security selection also worked against us. Although bank holdings delivered strong contributions, these were outweighed by selections in energy and consumer cyclical issuers, which are typically higher-beta credits. Elsewhere, widening credit spreads weighed on the fund's overweight credit beta exposure, while sector allocation had a broadly neutral-to-negative effect on performance. The positive effect of the small overweight position in banking was offset by the below-benchmark allocation to electric utilities.

The selective exposure to lower-rated, higher-beta issues also detracted from performance. Harrow came under additional pressure as investors grew concerned about the healthcare company's leverage in a higher-interest-rate environment. Sub-investment-grade technology firms CoreWeave and Roblox were also caught up in the sell-off and faced concerns about issuance in this part of the market, rather than any fundamental development at the company level.

Marketing communication
For professional investors only
Past performance does not predict future returns.
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. There is no guarantee that past trends will continue, or forecasts will be realised.
*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.

On the positive side, Japan's SoftBank was among the strongest contributors after investors responded favourably to a record-breaking new issue, offered at yields we considered particularly attractive, to fund its stake in OpenAI and other AI investments.

Following the recent widening in spreads, we increased credit beta exposure to a modest overweight position, having previously reduced risk when spreads were very tight and the prospect of further rate increases was rising. We took advantage of the buoyant new-issue market to add exposure in areas where we saw value. We found particularly attractive opportunities in auto companies Renault and Volkswagen, and in healthcare group Teva, enabling us to increase exposure to segments that have not offered much value recently, but which we expect may recover. We also switched some bank exposure into insurance, including AON, which came to market at more attractive levels than we have seen for some time. Elsewhere in financials, we added Wells Fargo and bought back into Ares, a high-quality but higher-beta business development company. We also increased the position in SoftBank. In addition, we invested in several euro-denominated issues to diversify the portfolio and take advantage of the euro's recent weakness against the US dollar. Additions included French telecommunications group Orange; Teva, a Dutch pharmaceutical company; French media company Lagardère; and DP World, the Dubai-based global logistics group. We also rebalanced exposure to Roblox, CoreWeave and Shea Homes, the latter a US homebuilder, taking advantage of the sell-off in the sub-investment-grade bond market.

To accommodate these additions, we took profits from some of our UK water utility holdings, including Anglian Water and South West Water. We also took profits from some of our fintech holdings, including Experian and Wise, which had recovered from the concerns about software-as-a-service (SaaS) firms at the start of the year.

Manager outlook

The short-term outlook remains mixed. Recent weakness in government bonds and credit spreads reflects a combination of geopolitical, energy and supply-related pressures. Re-escalation in the Middle East has been an important driver, with uncertainty surrounding the Strait of Hormuz, Iranian oil exports and European gas prices adding to inflation concerns. The prospect of higher energy prices for longer has therefore reinforced expectations that central banks may have less scope to ease monetary policy, while the recent rise in US Treasury yields has also weighed on sentiment across global credit markets.

At the same time, we believe some concerns about the US economy may be overstated. Although higher energy prices could feed through to inflation over the next three to six months, the second-order effects appear less pronounced than initially feared. The impact of higher rates may also increasingly be felt through financial markets and tighter financial conditions, rather than solely through household consumption. This could provide a more meaningful mechanism for slowing the economy as the lagged effects of recent rate increases emerge.

Primary market supply is likely to remain an important consideration. Government issuance remains substantial, while the financing requirements of the AI investment cycle continue to grow. We expect periods of heavy issuance may create opportunities for selective participation, particularly where new issue concessions are attractive.

Against this backdrop, we increased credit exposure following the recent widening in spreads, having previously reduced risk when valuations were less compelling. We continue to adjust the portfolio through security selection and relative-value switches, rather than adding risk indiscriminately. We have also been prompt in trimming or switching out of areas where recoveries have been evident. For example, we reduced the UK water utility position as the challenging political backdrop moderated, allowing valuations to better reflect underlying fundamental improvements. Similarly, we reduced some technology exposure following the recovery from concerns about SaaS companies earlier in the year. Fintech companies previously caught in the perceived "AI losers" basket have also recovered, as resilient operating performance has suggested that they may be less vulnerable to AI-driven competition than initially feared. With valuations now less compelling, we have switched towards other areas offering a more attractive risk/return profile.

We expect markets to remain sensitive to energy prices, government bond yields and the pace of new issuance, potentially creating opportunities for active security selection and relative value. Higher-beta sectors such as real estate, banking and brokerage remain more vulnerable if rates stay elevated, while technology giants have recently shown greater resilience amid the flight to quality. Overall, we remain relatively constructive on higher-quality credit and comfortable with favoured sub-investment grade issuers, while maintaining some caution around more leveraged areas of the market.

Performance (%)

Returns	Cumulative				Annualised		
	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year
A2 USD (Net)	-2.56	-3.97	-3.06	-2.28	4.84	-0.72	1.44
Index	-2.10	-3.12	-1.87	-0.96	5.42	0.42	2.16
Sector	-2.20	-3.11	-2.16	-1.34	5.08	-0.01	2.01
A2 USD (Gross)	—	—	—	—	—	0.44	2.93
Target	—	—	—	—	—	1.68	3.44

Calendar year	YTD at Q3 2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
A2 USD (Net)	-3.06	6.44	3.37	7.13	-15.28	-1.86	11.20	11.32	-4.48	7.83	1.95
Index	-1.87	7.08	3.69	9.10	-14.11	-0.79	8.26	11.99	-3.57	9.09	4.27
Sector	-2.16	6.64	3.61	7.67	-13.86	-0.96	8.20	11.14	-1.78	6.42	5.38

Performance is on a net of fees basis, with gross income reinvested. Source: at 30/09/26. © 2026 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **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.

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 objective

The Fund aims to provide a return, from a combination of income and capital growth over the long term. Performance target: To outperform the Bloomberg Global Aggregate Corporate Bond Hedged USD Index by 1.25% 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	29 October 2010
Total net assets	72.46m
Asset class	Fixed Income
Domicile	Ireland
Structure	Irish Investment Company
Base currency	USD
Index	Bloomberg Global Aggregate Corporate Bond Hedged USD Index
Morningstar sector	Global Corporate Bond - USD Hedged
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.



Rating as at previous month end. Rating is for the representative share class as defined in the performance table.

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. 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. On 31st July 2024, The Fund's investment policy changed. This is an Irish Investment Company regulated by the Central Bank of Ireland. A short-term trading fee may be applied upon exiting the fund as per the prospectus. These are the views of the author at the time of publication and may differ from the views of other individuals/teams at Janus Henderson Investors. Any securities, funds, sectors or indices mentioned within this article do not constitute or form part of any offer or solicitation to buy or sell them. The information in this commentary does not qualify as an investment recommendation. Investment into the fund will acquire units/shares of the fund itself and not the underlying assets owned by the fund. Cash balances and exposures are based on settled and unsettled trades as at the reporting date.

Investment policy

The Fund invests at least 80% of its assets in a global portfolio of investment grade (equivalent to BBB- rated or higher) bonds, of issuers located anywhere in the world, subject to a maximum of 70% exposure to US issuers. Up to 20% may be invested in developing markets. The Fund may also hold other assets including other types of bonds (including convertible bonds), preference shares, cash and money market instruments. The Sub-Investment Adviser may use derivatives (complex financial instruments), including total return swaps, with the aim of making investment gains in line with the Fund's objective, to reduce risk or to manage the Fund more efficiently. The Fund is actively managed with reference to the Bloomberg Global Aggregate Corporate Bond Hedged USD Index, which is broadly representative of the bonds in which it may invest, as this forms the basis of the Fund's performance target. The Sub-Investment Adviser 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 Sub-Investment Adviser has a forward-looking fundamental approach to credit research and seeks to create a portfolio of best ideas across all fixed income sectors to express their high-conviction views. A fundamental company research-driven investment process focused on investment-grade corporate bonds from companies around the world committed to transforming and improving their balance sheets, free cash flow generation, quality of management and security valuation drive security selection. A dynamic 'top down' (market and economic analysis) framework enables the Sub-Investment Adviser to assess the stage of credit cycle, identify opportunities and take an appropriate amount of risk.

Fund specific risks

An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital. If this happens or the market perceives this may happen, the value of the bond will fall. When interest rates rise (or fall), the prices of different securities will be affected differently. In particular, bond values generally fall when interest rates rise (or are expected to rise). This risk is typically greater the longer the maturity of a bond investment. CoCos can fall sharply in value if the financial strength of an issuer weakens and a predetermined trigger event causes the bonds to be converted into shares/units of the issuer or to be partly or wholly written off. 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. seeks to mitigate exchange rate movements between the share/unit class currency and the base currency of the Fund), the value of your investment may be impacted by changes in exchange rates. Derivatives may be used to help achieve the investment objective. This can result in leverage (higher levels of debt), which can magnify an investment outcome. Gains or losses may therefore be greater than the cost of the derivative. Derivatives also introduce other risks, in particular, that a derivative counterparty may not meet its contractual obligations. 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. Securities 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. Some or all of the ongoing charges and other costs of the Fund may be taken from capital, which may erode capital or reduce potential for capital growth. Losses could be incurred if a counterparty became 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.

Source for risk rating

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 3 out of 7, which is a medium-low risk class. The risk indicator assumes you keep the product for 5 years. This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact our capacity to pay you.

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

Janus Henderson
INVESTORS

Source: Janus Henderson Investors, as at 30 September 2026, unless otherwise noted.

For institutional / sophisticated investors / accredited investors qualified distributors use only. Not for onward distribution. All content in this document is for information or general use only and is not specific to any individual client requirements. Janus Henderson Capital Funds Plc is a UCITS established under Irish law, with segregated liability between funds. This is a marketing communication. Please refer to the prospectus of the UCITS and to the KID before making any final investment decisions. Investors are warned that they should only make their investments based on the most recent Prospectus which contains information about fees, expenses and risks, which is available from all distributors and Paying/Facilities agents, it should be read carefully. An investment in the fund may not be suitable for all investors and is not available to all investors in all jurisdictions; it is not available to US persons. Past performance does not predict future returns. The rate of return may vary and the principal value of an investment will fluctuate due to market and foreign exchange movements. Shares, if redeemed, may be worth more or less than their original cost. This is not a solicitation for the sale of shares and nothing herein is intended to amount to investment advice. For sustainability related aspects please access Janushenderson.com. This document does not constitute investment advice or an offer to sell, buy or a recommendation, nor should it be taken as a basis to take (or stop taking) any decision, for securities, other than pursuant to an agreement in compliance with applicable laws, rules and regulations. Janus Henderson Group Ltd. and its subsidiaries are not responsible for any unlawful distribution of this document to any third parties, in whole or in part, or for information reconstructed from this document and do not guarantee that the information supplied is accurate, complete, or timely, or make any warranties with regards to the results obtained from its use. As with all investments, there are inherent risks that each individual should

address. The distribution of this document or the information contained in it may be restricted by law and may not be used in any jurisdiction or any circumstances in which its use would be unlawful. This document is strictly private and confidential and may not be reproduced or used for any purpose other than evaluation of a potential investment in any fund under the Janus Henderson Capital Funds umbrella structure. We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes. 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.

Issued in Europe by Janus Henderson Investors. Janus Henderson Investors is the name under which investment products and services are provided by Janus Henderson Investors International Limited (reg no. 3594615), Janus Henderson Investors UK Limited (reg. no. 906355), Janus Henderson Fund Management UK Limited (reg. no. 2678531), Tabula Investment Management Limited (reg. no. 11286661), (each registered in England and Wales at 201 Bishopsgate, London EC2M 3AE and regulated by the Financial Conduct Authority) and Janus Henderson Investors Europe S.A. (reg no. B22848 at 78, Avenue de la Liberté, L-1930 Luxembourg, Luxembourg and regulated by the Commission de Surveillance du Secteur Financier).

The prospectus, the key information documents, the articles, the annual and semi-annual Reports as well as a list of all purchases and sales for the account may be obtained free of charge from the Swiss Representative. The Swiss Representative is FIRST INDEPENDENT FUND SERVICES LTD., Feldeggstrasse 12, CH-8008 Zurich. The Paying Agent in Switzerland is Banque Cantonale de Genève, 17, quai de l'Ile, CH-1204 Geneva. In respect of the units offered in Switzerland, the place of performance is the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor. The last share prices can be found on www.fundinfo.com For Qualified investors, institutional, wholesale client use only. Copies of the Fund's prospectus, Key Information Document, articles of incorporation, annual and semi-annual reports are available in English and other local languages as required from www.janushenderson.com. These documents can also be obtained free of charge from the Registered Office of the Company at 10 Earlsfort Terrace, Dublin 2, Ireland. They can also be obtained free of charge from the local Facilities Agents and the Swiss representative and paying agent. Janus Henderson Investors Europe S.A. ("JHIESA"), 78, Avenue de la Liberté, L-1930 Luxembourg, Luxembourg, is the Facilities Agent in Austria, Belgium Germany, Portugal, Sweden, Liechtenstein and Luxembourg. JHIESA is also the Facilities Agent for France (Sub – TA is CACEIS). FE fundinfo (Luxembourg) S.à.r.l., 6 Boulevard des Lumières, Belvaux, 4369 Luxembourg, is the Facilities Agent in Denmark, Finland, Netherlands, Norway, and Greece. State Street Bank International GmbH – Succursale Italia, Société Générale Securities Services S.p.A (SGSS S.p.A), Allfunds Bank S.A.U filiale di Milano, Caceis Bank Italy Branch, and Banca Sella Holding S.p.A. are the Sub Transfer Agents for Italy. Allfunds Bank S.A., Estafeta 6, La Moraleja, Complejo Plaza de la Fuente, Alcobendas 28109, Madrid, Spain is the Facilities Agent in Spain. Janus Henderson Capital Funds Plc is an Irish collective investment scheme (IIC) registered in the National Securities Market Commission's (CNMV) registry with registration number 265. The Hong Kong Representative is Janus Henderson Investors Hong Kong Limited of Units 701-702, 7/F, LHT Tower, 31 Queen's Road Central, Hong Kong. Janus Henderson Investors (Singapore) Limited (Company Registration No. 199700782N), whose principal place of business is at 138, Market Street #34-03/04, CapitaGreen, Singapore 048946, Singapore (Tel: 65 6813 1000). Any further dissemination of this document to other persons who do not qualify as professional investors is not permitted nor is authorised by Janus Henderson Investors. The summary of Investors Rights is available in English from https://www.janushenderson.com/summary-of-investors-rights-english. Janus Henderson Investors Europe S.A. may decide to terminate the marketing arrangements of this Collective Investment Scheme in accordance with the appropriate regulation.

Janus Henderson® and any other trademarks used herein are trademarks of Janus Henderson Group Ltd. or one of its subsidiaries. © Janus Henderson Group Ltd. For more information or to locate your country's Janus Henderson Investors representative contact information, please visit www.janushenderson.com