

# U.S. REAL ESTATE ETF

JRE

## At a glance

### Performance

The Fund returned 5.60% and the FTSE Nareit Equity REITs Index returned 4.80%.

### Contributors/detractors

Data center landlords Digital Realty and Equinix added alpha, alongside global hotel brand Marriott International. Real estate services company CBRE Group and Sunbelt-focused apartment landlord Mid-America Apartment Communities detracted.

### Outlook

Elevated interest rates, and now tariffs, are likely to continue impacting new construction activity, leading to more muted supply and ultimately stronger pricing power across the sector.

## Portfolio management



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## Investment environment

- U.S. real estate investment trusts (REITs) proved their resilience in the first quarter of 2026, navigating a volatile backdrop to deliver positive returns and handily beat the broader market. Through February, U.S. REITs had gained an impressive 10%, before sentiment reversed in March as the outbreak of war involving Iran caused investors to grow anxious that oil-driven inflation could prolong the high-interest-rate environment. Bond markets reacted to the inflationary pressures – the 10-year U.S. Treasury yield climbed toward around 4.4%, its highest in nine months. REITs were not immune to the late-quarter sell-off, but importantly delivered a positive return, holding up much better than other sectors by fulfilling a defensive role given long-term leases and stable income streams.
- REIT performance in the first quarter varied widely by property type. High-growth sectors like data centers and healthcare led gains, while office and residential REITs saw steep declines. In data centers, surging artificial intelligence (AI) and cloud computing demand drove exceptional leasing, strong bookings, and record-high backlogs. Robust occupancy and rent growth in senior housing continues, driven by demand from aging baby boomers. Apartment REITs faced high new supply in

Sunbelt markets and slowing rent growth amid a tepid demand environment, while single-family rental landlords encountered policy headwinds, such as political scrutiny on institutional homeownership, which contributed to weaker sentiment. Office REITs also declined sharply on potential impacts to employment from AI.

## Portfolio review

The portfolio's outperformance was driven by successful security selection, particularly in data-center REITs that benefited from AI-driven demand. Equinix and Digital Realty Trust led performance with strong earnings results, expansion initiatives, and rising hyperscale capital spending. Global hotel brand Marriott International also added value after delivering strong results that showcased the strength of its fee-driven business model. Conversely, traditional real estate services firms faced headwinds from concerns of potential AI disruption, with a position in CBRE Group detracting from performance. Residential landlords also underperformed significantly, with weak pricing power on new leases and continued oversupply challenges in key apartment markets. Here, a position in Mid-America Apartment Communities negatively contributed.

During the quarter, we added to the industrial sector. We reduced exposure to residential, exiting a single-family rental owner given heightened political and regulatory scrutiny and

weak pricing dynamics due to oversupply in Sunbelt markets. In hotels, we took profits in global hotel brand Marriott following strong performance after impressive fourth-quarter results and added a new position in a large out-of-home advertising company. We also added exposure to the senior housing thematic.

### Manager outlook

Fundamentals remain healthy across most commercial real estate sub-sectors. Elevated interest rates – and now tariffs – are likely to continue impacting new construction activity,

leading to more muted supply and ultimately stronger pricing power across the sector.

The historical standard deviation of REIT earnings is about one-third that of the broader equity market, and this stability should become more valuable as macro volatility increases. The relatively high volatility in REIT shares does not align with the relatively low volatility in their fundamentals, and this potentially creates opportunity for long-term investors.

## Performance - USD (%)

| Returns                        | Cumulative |      |      | Annualized |      |       |                               |
|--------------------------------|------------|------|------|------------|------|-------|-------------------------------|
|                                | 1Q26       | YTD  | 1 Yr | 3 Yr       | 5 Yr | 10 Yr | Since Inception<br>(06/23/21) |
| ETF @ NAV                      | 5.60       | 5.60 | 8.66 | 7.22       | —    | —     | 2.73                          |
| ETF @ Market Price             | 5.61       | 5.61 | 8.25 | 7.21       | —    | —     | 2.70                          |
| FTSE Nareit Equity REITs Index | 4.80       | 4.80 | 6.84 | 9.09       | —    | —     | 3.36                          |

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Market returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. Eastern time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times. Ordinary brokerage commissions apply and will reduce returns.

**Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit [janushenderson.com/performance](https://janushenderson.com/performance).**

### Expense Ratios (% as of most recent prospectus)

Gross 0.65, Net 0.65

Net expense ratios reflect the expense waiver, if any, contractually agreed to through at least February 28, 2027. This contractual waiver may be terminated or modified only at the discretion of the Board of Trustees.

## Portfolio

| Top Holdings (%)                      | Fund         |
|---------------------------------------|--------------|
| Welltower Inc                         | 12.71        |
| Prologis Inc                          | 12.24        |
| Equinix Inc                           | 9.89         |
| Digital Realty Trust Inc              | 7.68         |
| Ventas Inc                            | 6.29         |
| Public Storage                        | 4.51         |
| Simon Property Group Inc              | 4.46         |
| CBRE Group Inc                        | 3.43         |
| Mid-America Apartment Communities Inc | 3.38         |
| Terreno Realty Corp                   | 3.37         |
| <b>Total</b>                          | <b>67.96</b> |

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Returns include reinvestment of dividends and capital gains.

**OBJECTIVE:** Janus Henderson U.S. Real Estate ETF (JRE) seeks total return through a combination of capital appreciation and current income.

The opinions are as of 03/31/26, are subject to change and may not reflect the views of others in the organization. Janus Henderson may have a business relationship with certain entities discussed. The comments should not be construed as a recommendation of individual holdings or market sectors, but as an illustration of broader themes.

Holdings are subject to change without notice.

Performance attribution is a method used to analyze and quantify the performance of an investment portfolio relative to its benchmark and does not represent actual performance. Attribution is calculated using gross returns before the deduction of advisory fees and considers differences in weighting for the portfolio and the index. This analysis aims to break down the portfolio's performance into different components to understand what factors contributed to relative return, among other performance characteristics. The analysis can provide insights into which decisions positively or negatively impacted the portfolio's performance and serves as the basis for this discussion.

**There is no assurance the stated objective(s) will be met.**

**Investing involves risk, including the possible loss of principal and fluctuation of value.**

**Real estate securities, including Real Estate Investment Trusts (REITs),** are sensitive to changes in real estate values and rental income, property taxes, interest rates, tax and regulatory requirements, supply and demand, and the management skill and creditworthiness of the company. Additionally REITs could fail to qualify for certain tax-benefits or registration exemptions which could produce adverse economic consequences.

**Derivatives** can be more volatile and sensitive to economic or market changes than other investments, which could result in losses exceeding the original investment and magnified by leverage.

**Initial Public Offerings (IPOs)** are highly speculative investments and may be subject to lower liquidity and greater volatility. Special risks associated with IPOs include limited operating history, unseasoned trading, high turnover and non-repeatable performance.

**Funds classified as "nondiversified"** can take larger positions in a smaller number of issuers than "diversified" funds, which could lead to greater volatility.

**ESG Investment Risk:** Because it considers environmental, social, and governance ("ESG") factors in selecting securities, the Fund may perform differently from funds that do not. ESG considerations and exclusionary criteria may limit investments in certain industries or sectors, and the Fund's performance might vary from similar funds that do not formally consider ESG factors. Information from issuers and third parties on ESG considerations, which management may use, is evolving and may be incomplete, inaccurate, or inconsistently applied across issuers and industries. The risk that the Fund may be required to sell securities when it might be otherwise disadvantageous to do so is heightened when ESG considerations and exclusionary criteria are applied.

**ESG Integration:** As part of its investment process, portfolio management evaluates ESG risks and opportunities ("ESG Factors") deemed financially material, alongside other investment factors. ESG Factors are among many considerations in investment decisions and may not solely determine portfolio inclusion or exclusion.

**Actively managed portfolios** may fail to produce the intended results. No investment strategy can ensure a profit or eliminate the risk of loss.

**FTSE Nareit Equity REITs Index** reflects performance of the U.S. equity real estate investment trust market, excluding timber and infrastructure.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

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