Janus Henderson INVESTORS

GLOBAL EQUITY INCOME FUND

At a glance

Performance*
The Fund returned 2.02%, the Index returned 2.04% and the Peer Group returned 1.02%.

Contributors/detractors
Microsoft, Komatsu and Var Energi contributed to performance, while Alphabet and MediaTek detracted.

Outlook
We continue to find opportunities to invest in highly cash generative businesses that we believe are well placed to navigate the current economic and geopolitical environment.

Portfolio management


Ben Lofthouse, CFA


Andrew Jones


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Investment environment

- Global equities rose during the third quarter, underpinned by strong corporate results and bouts of enthusiasm over artificial intelligence (AI). These factors outweighed concerns about higher oil prices, inflation, monetary policy tightening, rising government bond yields (falling prices) and nervousness around the financing of AI investment.
- The sell-off in global bond markets dominated headlines during the quarter, with long-dated sovereign yields reaching multi-year highs. The increase in yields followed sharp gains in oil prices, with Brent crude up 42% to over $103 per barrel, driven by ongoing supply disruptions linked to the unresolved US/Iran conflict.
- With inflation still above target, the US Federal Reserve (Fed) increased interest rates by 25 basis points (bps) to 4.0% in September and indicated that further monetary policy tightening remained possible. The Bank of Japan (BoJ) also delivered an interest rate hike of 25 bps, raising its key short-term rate to 1.25% – a 31-year high. The European Central Bank (ECB) raised its key deposit rate as well in the final month of the quarter and signalled that further tightening may be needed.
- Despite the uncertain economic and geopolitical backdrop, this was among the strongest quarters of earnings growth for some time. The US economy continued to be resilient, with leading economic indicators remaining in expansionary territory.
- At the sector level, energy, financials, materials and health care outperformed, while utilities, consumer staples, consumer discretionary and real estate underperformed.

Portfolio review

The holding in Microsoft was a key contributor to relative performance this quarter, with the business benefiting from AI spending as customers adopt Microsoft's solutions. The stock had lagged other large technology companies during the first half of the year, so our decision to add to the position at the beginning of July was beneficial given its subsequent outperformance. The holding in Japanese machinery company Komatsu also outperformed, with the company benefiting from increased demand for mining machinery amid the rise in commodity prices. Financials holdings contributed as the sector outperformed, driven by higher interest rates and yields. Strong earnings results also reflected robust loan growth, with Japanese bank Resona Holdings, Greece's Piraeus Bank and Spanish BBVA all outperforming. Elsewhere, holdings in European oil and gas companies Var Energi and BP also contributed,

Marketing communication
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/usage and peer group, 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.

as uncertainty over the resolution of the Middle East conflict drove commodity prices, including oil, higher.

Conversely, the positions in Tokyo Electron, Taiwan Semiconductor Manufacturing Company and Alphabet detracted from performance. In our view, the sharp moves seen during the July technology sell-off were driven by profit-taking after strong second-quarter outperformance. Underlying earnings remain strong and most technology companies reported solid results during the quarter. The fund's underweight position in energy detracted from returns, with Chevron, ExxonMobil and Shell (where we have no holdings) all outperforming. The fund's position in AstraZeneca also detracted following some disappointing phase three drug trial results, while not owning Merck negatively impacted relative performance as investors rotated into typically more defensive sectors.

In terms of activity, we sold French pharmaceutical company Sanofi, where results have been disappointing and not as robust as we had hoped. We also sold Amcor, a paper and packaging company, where demand remains subdued and any turnaround has yet to materialise, while costs, driven partly by higher oil prices, are rising. Following strong outperformance, we also sold out of Taiwanese chip manufacturer MediaTek and used the proceeds to reinitiate a position in US chip company Broadcom. We also added a position in Hong Kong Exchange which, following a period of underperformance, appeared attractively valued at the time of purchase. The company has increased its dividend payments, with the stock yielding 3.7% at the time of purchase.

Manager outlook

We continue to hold a constructive outlook on equity markets amid a strong backdrop of global earnings growth. Any easing of the Middle East conflict and a subsequent drop in the oil price could provide a welcome boost to consumers and help improve the inflation backdrop globally. Furthermore, AI could represent a generational technological leap that we may only be at the beginning of. While it is still in the early stages of delivering major commercial use cases, the technology's potential means that corporates and governments may continue to invest in it for some time.

We continue to monitor both employment and inflation data as two indicators that could surprise investors negatively this year. Global markets also continue to demonstrate a disconnect between valuations and growth expectations among regions and sectors. This may create opportunities for us over the medium to long term, and we continue to focus on highly cash-generative companies that we believe are well placed to navigate this period.

Performance (%)

Returns	Cumulative				Annualised			
	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since inception (17/01/14)
I Acc (Net)	-0.80	2.02	15.95	21.09	14.83	10.82	8.86	9.27
Index	-1.96	2.04	14.66	19.42	13.49	9.90	11.68	12.11
Peer Group	-1.73	1.02	10.69	14.84	13.36	9.67	9.11	9.21

12 month rolling	Sep 2025-Sep 2026	Sep 2024-Sep 2025	Sep 2023-Sep 2024	Sep 2022-Sep 2023	Sep 2021-Sep 2022
I Acc (Net)	21.09	11.28	12.38	8.47	1.73
Index	19.42	9.26	12.03	7.39	2.12
Peer Group	14.84	10.27	15.06	9.38	-0.47

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. This is a representative share class for the fund, other share classes are available and may be more suitable for your investment needs.

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 an income in excess of 80% of the income generated by the MSCI ACWI High Dividend Yield Index over any 3 year period with the potential for capital growth over the long term (5 years or more).

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	01 February 2002
Total net assets	754.21m
Asset class	Equities
Domicile	United Kingdom
Structure	OEIC
Base currency	GBP
Index	MSCI ACWI High Dividend Yield Index
Peer group	IA Global Equity Income

For benchmark/usage description, refer to Additional fund information on page 4.

Additional fund information

Tax assumptions and reliefs depend upon an investor's particular circumstances and may be subject to change. Availability of share classes shown may be limited by law in certain jurisdictions. Performance records are detailed on the specific KIID, fees and charges may vary and further information can be found in the fund's prospectus and KIID which must be reviewed before investing. Please consult your local sales representative if you have any further queries. From 31 March 2022, the Benchmark changed to the MSCI ACWI High Dividend Yield Index from the MSCI World Index, the Investment Objective & Policy also changed. The past performance shown before this change was therefore achieved under circumstances that no longer apply. In line with the standard policy for our UK funds, the new benchmark will be calculated on a gross return basis. From 1 September 2025, Faizan Baig now co-manages the fund. 100% of the Annual Management Charge is taken from capital. 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.
The MSCI ACWI High Dividend Yield Index is a measure of the combined performance of large and medium sized companies that pay above average dividends across developed and Emerging Market stock markets around the world. It is the basis for the Fund's income target.
The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The Fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Investment policy

The Fund invests at least 80% of its assets in shares (also known as equities) 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, to manage the Fund more efficiently, or to generate additional income for the Fund. The Fund is actively managed with reference to the MSCI ACWI High Dividend Yield Index, which is broadly representative of the companies in which it may invest, as this forms the basis of the Fund's income target. The Investment Manager has discretion to choose investments for the Fund with weightings different to the index or not in the index. As an additional means of assessing the performance of the Fund, the IA Global Equity Income sector average, which is based on a peer group of broadly similar funds, may also provide a useful comparator.

Investment strategy

The Investment Manager follows a dividend-seeking, valuation-driven strategy that focuses on companies with good and growing cashflow. The investment process seeks to identify companies from around the World with income growth prospects (typically with defensible competitive positions, affordable investment requirements, aligned management behaviour and sustainable returns) and companies with capital growth prospects (typically unloved, with under-appreciated earnings and undervalued shares). The process results in a portfolio well diversified by sector and geography.

Fund specific risks

Shares 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. Derivatives may be used 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. 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. 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.

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

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

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