

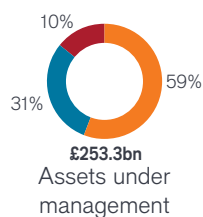
# ANNUAL REPORT & ACCOUNTS

For the year ended 31 May 2023

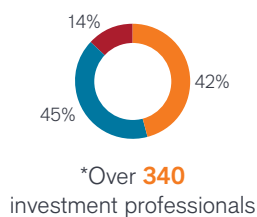


# Who are Janus Henderson Investors?

## Global Strength



■ North America ■ EMEA & LatAm ■ Asia Pacific



More than **2,000**  
employees



**24**  
Offices worldwide



**4,000**  
company engagements  
by our investment teams  
in 2022

\* Numbers may not cast due to rounding.

Source: Janus Henderson Investors, Staff and assets under management (AUM) data as at 30 June 2023. AUM data excludes Exchange-Traded Note (ETN) assets.

## Who we are

At Janus Henderson our mission is to help clients define and achieve superior financial outcomes through differentiated insights, disciplined investments, and world-class service. This means being ever mindful of the futures of the millions of lives that our thinking and our investments help shape. Our diverse client base and robust balance sheet allow us to offer financial strength and stability with which to help investors achieve their objectives.

The human connection matters in all that we do. Teams across Janus Henderson come together every day to deliver outcomes for our clients – and their clients – that make a difference. We are proud of this responsibility as we fulfil our purpose of 'Investing in a brighter future together'. The goals we set, the strategy we create, and the way that we work are all shaped with this ultimate objective in mind.

## Why us

Choosing Janus Henderson means benefiting from:

### Differentiated insights

- We are proud of our deep-rooted research culture, which has underpinned our 89-year track record of investing.
- Janus Henderson's investment teams meet thousands of companies each year. Insight from these meetings combined with proprietary analysis results in original views that shape our investment positioning.
- With 340 investment professionals around the world, we benefit from a range of perspectives that we test and share as we seek to differentiate between the winners and losers on behalf of our clients.

### Disciplined investments

- Our investment teams set clearly defined objectives and processes to deliver long-term risk-adjusted returns. We value the trust clients place in us and are disciplined in staying true to our investment style through all market conditions.
- We apply robust controls to ensure that risk taken is in accordance with client expectations and investment manager expectations. We have more than 150 experts in our risk and compliance teams.

### World class service

- We offer global reach with our broad network of investment and client service specialists. This is combined with the responsiveness, tailored solutions, and personal touch of a local partner.
- Understanding the challenges our clients – and their clients – face globally, and working in partnership, means we can provide support as we blend our best ideas and capabilities to define appropriate tailored outcomes.
- We seek to contribute to clients' understanding and decision-making – we share knowledge through published insights, at events, and by actively participating in debate on the future of investing.

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## Authorised Corporate Director's (ACD) report for the year ended 31 May 2023

We are pleased to present the Annual Report & Accounts for Janus Henderson Investment Funds Series I (the 'Company') for the year ended 31 May 2023.

### Authorised status

The Company is an open-ended investment company (OEIC) with variable capital incorporated in England and Wales under registered number IC000181 and authorised by the Financial Conduct Authority (FCA) with effect from 11 June 2002. It is a United Kingdom Undertakings for Collective Investment in Transferable Securities (UK UCITS) scheme structured as an umbrella company, comprising of seven active sub-funds ('funds'), complying with chapter 5 of the Collective Investment Schemes Sourcebook (COLL). The operation of the Company is governed by the OEIC Regulations, COLL, its Instrument of Incorporation and Prospectus.

The Company has an unlimited duration. Shareholders are not liable for the debts of the Company.

### Segregation of assets

Each fund is treated as a separate entity and is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against that fund.

### Other information

Janus Henderson UK & Irish Smaller Companies Fund merged into the Janus Henderson UK Smaller Companies Fund, a sub-fund of the Janus Henderson UK & Europe Funds, on 18 March 2021. The Janus Henderson UK & Irish Smaller Companies Fund holds delisted stocks in the Portfolio which has prevented the fund from terminating. It is the ACD's intention to terminate the fund once the stocks have been removed from the Portfolio and as such the financial statements of the fund have been prepared on a basis other than going concern.

On 2 August 2022 the Janus Henderson Emerging Markets Opportunities Fund received a windfall tax refund as a result of a successful settlement of historic tax claims filed with HM Revenue & Customs (HMRC) that increased the NAV by 0.55%. This uplift is reflected in all performance figures that span that date.

### Value assessment

The board of Janus Henderson Fund Management UK Limited (JHFMUKL) present the value assessment report for the period to 31 December 2022, made available on our website [www.janushenderson.com](http://www.janushenderson.com).

Access by this link (<https://www.janushenderson.com/en-gb/investor/notice/value-assessment-report>).

The FCA, the UK's financial services regulator, requires all fund management groups to perform a detailed assessment of whether funds are providing value to investors, and publish an annual statement summarising the outcome of this process, known as the value assessment. Our report is published by JHFMUKL, the Board of the ACD (the body responsible for an investment fund) and summarises the period to 31 December 2022.

The value assessment considers a minimum of seven criteria set by the FCA. While investment performance and quality of service are clearly important factors, costs and charges paid by investors are also key considerations. At Janus Henderson, ensuring value is delivered to investors has always been central to our process and therefore the value assessment is an extension to the existing ongoing monitoring processes that provide oversight of how the funds are managed.

The report contains an overview of the process that Janus Henderson undertook to perform this assessment along with the conclusions.

The Janus Henderson UK & Irish Smaller Companies Fund was not included within the value assessment as this fund merged into the Janus Henderson UK Smaller Companies Fund on 18 March 2021.

### Macro risks

Janus Henderson continues to monitor closely macro risks, including geopolitical risks, such as the impact of the Russia/Ukraine conflict, and market risks, such as stresses in the banking sector. We have established processes to be able to respond timely to changes. We have well-established and tested business continuity and crisis management processes in place, which cover a large number of disruptive scenarios, including cyber threats and market events. Janus Henderson also has embedded market risk monitoring processes, including modelling potential stressed market scenarios, to help inform our investment decisions.

The Janus Henderson UK & Irish Smaller Companies Fund closed on 18 March 2021 and whilst the risks noted above still exist, the impact of these on the fund during the year was minimal.

## Authorised Corporate Director's (ACD) report (continued)

### Director's statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority. I hereby certify the investment reviews and financial statements on behalf of the Directors of Janus Henderson Fund Management UK Limited.



R Chaudhuri  
(Director)

19 September 2023

## Authorised Corporate Director's (ACD) report (continued)

### Service providers

	Name	Address	Regulator
<b>Authorised Corporate Director</b>	<b>Janus Henderson Fund Management UK Limited</b> Member of the Investment Association  The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531 Enquiries – 0800 832 832	Authorised and regulated by the Financial Conduct Authority
<b>Directors of the ACD</b>	R Chaudhuri G Foggin (to 30.06.22) G Fogo S Hillenbrand JR Lowry (from 07.07.22) W Lucken (from 29.06.22) H J de Sausmarez (to 30.06.22) P Shea* F Smith* R Weallans (from 30.09.22) *Independent		
<b>Investment Manager</b>	<b>Janus Henderson Investors UK Limited</b> The ultimate holding company is Janus Henderson Group plc	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
<b>Shareholder Administrator</b>	<b>SS&amp;C Financial Services International Limited and SS&amp;C Financial Services Europe Limited</b>	SS&C House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
<b>Fund Administrator</b>	<b>BNP Paribas</b>	55 Moorgate London EC2R 6PA	Authorised and regulated by the Financial Conduct Authority
<b>Depository</b>	<b>NatWest Trustee and Depository Services Limited</b> The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority
<b>Independent Auditors</b>	<b>PricewaterhouseCoopers LLP</b>	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
<b>Legal Adviser</b>	<b>Eversheds Sutherland (International) LLP</b>	One Wood Street London EC2V 7WS	The Law Society

Global equities, as measured by the MSCI World Index, rose by 4.3% in sterling and 2.6% in US dollar terms during the year to 31 May 2023, as inflation cooled and major central banks reduced the size of their interest rate rises. An abrupt halt to China's COVID-19 lockdowns in late 2022 further cheered markets. However, bouts of uncertainty about the direction of monetary policy, particularly as inflation surged earlier in the year, coupled with anxiety about a global downturn and potential contagion from a regional banking crisis in the US, caused volatility.

In the UK, the FTSE All Share Index was up by 0.4% in sterling terms, as major central banks turned less hawkish and the economic outlook brightened a little. Initially, there had been worries that the UK economy faced a deep recession. Investor alarm about the plans of the Liz Truss government for unfunded tax cuts caused volatility in the autumn and led to her resignation, while the market largely welcomed the appointment of her successor Rishi Sunak. The improved sentiment at the end of 2022 and in early 2023 helped the FTSE 100 Index hit a record high in February. However, persistent pricing pressures unsettled investors in May. Annual inflation peaked at a 41-year high of 11.1% in October 2022, and eased in most months thereafter, hitting 8.7% in April – still well above the Bank of England's (BoE) 2% target. The BoE continued to increase interest rates – it raised the benchmark rate to 4.5% in May – although it started to slow the pace of tightening from December. UK GDP expansion was weak, at just 0.1% over both the first quarter of 2023 and the fourth quarter of 2022. Sterling strengthened against the US dollar, having recovered from a record low in September amid the turmoil over the planned tax cuts.

In Europe, the FTSE World Europe (Ex UK) Index increased by 8.5% in sterling and 7.3% in euro terms on economic optimism as inflation cooled, major central banks eased the pace of their rate rises and the region avoided a winter energy shortage. Fears about a crisis in the banking sector, as Switzerland's Credit Suisse neared collapse, caused a sell-off in the first half of March, before the lender's takeover by rival UBS spurred a relief rally. Eurozone annual inflation initially hit record highs, reaching 10.6% in October, although it ended at 6.1% in May – the lowest level since February 2022. The European Central Bank (ECB) raised its deposit rate from -0.5% to 3.25% – a near 15-year high – and signalled in May that more hikes were likely to follow. The Eurozone economy narrowly avoided a technical recession, growing by just 0.1% over the first quarter, having achieved no growth over the fourth quarter. The euro strengthened modestly against sterling and weakened slightly against the US dollar.

US equities, as measured by the S&P 500 Index, were higher by 4.7% in sterling and 2.9% in US dollar terms as a slowdown in both inflation and US Federal Reserve (Fed) rate hikes boosted sentiment. The gains helped the market recover from sharp declines in 2022 that were fuelled by anxiety about inflation and the economy. The collapse of three US regional lenders and uncertainty about the US debt ceiling talks caused significant volatility towards the end of the reporting year. The annual inflation rate reached a more than 40-year high of 9.1% in June 2022, although it subsequently declined to 4.9% in April. The Fed raised interest rates to 5.25% from 1.00% during the year following a series of aggressive increases in 2022, although it later moderated the size of its hikes. The economy remained resilient as it expanded by an annualised 1.3% in the first quarter of 2023, albeit down from 2.6% growth in the previous quarter. The Fed's rate hikes helped the US dollar to hit a more than 20-year high in September. However, the currency finished only moderately stronger overall as policy makers turned less hawkish.

In Japan, the TOPIX gained 7.2% in sterling and 14.5% in yen terms, buoyed by the improved global sentiment in 2023 and the Bank of Japan's (BoJ) continued monetary policy support. In May, some favourable corporate results helped the TOPIX hit its highest level since 1990. Equities had sold off in December as the central bank unexpectedly adjusted its yield curve control policy. Pricing pressures increased during most of the year: the annual core inflation rate, which excludes fresh food prices, rose to a more than 40-year high of 4.2% in January. Nevertheless, the BoJ's new governor, Kazuo Ueda, who took the helm in April, said the central bank's policy remained appropriate, although he announced a review. Japan's economy grew by an annualised 1.6% in the first quarter as it emerged from a mild downturn in the second half of 2022. The yen weakened against the US dollar – it slumped to a more than 30-year low in early October – given the divergence in monetary policy between the US and Japanese central banks.

In Asia, the MSCI AC Asia Pacific Ex Japan Index was down by 6.0% in sterling and 7.5% in US dollar terms. Chinese equities declined as extended COVID-19 restrictions, a weakening economy and worries about geopolitical tensions hit sentiment. The subsequent easing of lockdowns and government support for the debt-laden property market spurred a rebound, although stocks retreated in May as the economic recovery disappointed. Shares declined in South Korea and Taiwan on anxiety about economic growth and monetary tightening in the US earlier in the reporting year, although they later recouped some of the losses as the global mood improved. Australian market returns were negative as the Australian dollar weakened against sterling and the US dollar. The Reserve Bank of Australia raised interest rates during the year as inflation climbed to a more than 30-year high in the fourth quarter of 2022.

The MSCI Emerging Markets Index declined by 6.5% in sterling and 8.1% in US dollar terms, as economic worries and the US currency's appreciation reduced interest in riskier assets. Indian shares gained as the economy continued to grow and inflation cooled, although fraud accusations against conglomerate Adani unsettled the broader market in January. Brazilian stocks fell on concerns about the government's fiscal position and its perceived interference in monetary policy. The South African market dropped heavily as the rand weakened against sterling and the US dollar, given persistent power cuts that hurt the economy. Turkey's market surged higher, buoyed by strong investment flows from domestic investors keen to protect their money from soaring inflation, while February's devastating earthquake caused volatility.



## Market review (continued)

Within fixed income, the JPM Global Government Bond Index decreased by 4.0% in sterling and 5.6% in US dollar terms. Yields on core government bond markets – including the US, UK, Germany and Japan – rose (prices fell, reflecting their inverse relationship) as most major central banks raised interest rates to bring inflation under control. However, yields generally declined in late 2022 and in 2023 as policy makers eased the pace of tightening. The yield on US benchmark 10-year Treasuries ended the year above 3.5%, up from more than 2.8% at the start of June 2022. Corporate credit markets were weak overall. Improved sentiment helped corporate bonds rally in January, although they reversed course in the following month.

In commodity markets, oil prices weakened as worries about a global downturn and the effects of China's COVID-19 lockdowns in 2022 offset disruptions caused by the Ukraine conflict and supply tightness. US crude benchmark West Texas Intermediate ended the year down by about 40%. Spot gold prices rose – they neared a record high level in May – as major central banks slowed the pace of monetary tightening and the US dollar weakened in the latter part of the year. Copper prices were lower overall as worries about a recession earlier in the reporting year hurt the demand outlook. Optimism about Chinese consumption as COVID-19 restrictions were eased helped the commodity regain some ground.

## Statement of Authorised Corporate Director's (ACD) responsibilities

for the year ended 31 May 2023

The FCA's COLL requires the ACD to prepare financial statements for each annual accounting year which give a true and fair view, in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014 and amended in June 2017, UK Generally Accepted Accounting Practice (UK GAAP) (UK Accounting Standards, comprising the Financial Reporting Standard 102 (FRS 102) applicable in the UK and Republic of Ireland), of the financial affairs of the Company and each of the sub-funds, and their revenue/expenditure for the year. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the SORP for Authorised Funds issued by the IMA in May 2014 and amended in June 2017;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements, as prepared by JHFMUKL, comply with the above requirements;
- make best judgements and estimates that are reasonable; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, Prospectus and the OEIC Regulations. The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement of the Depositary's responsibilities and report of the Depositary to the shareholders of Janus Henderson Investment Funds Series I (the 'Company')

for the year ended 31 May 2023

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended (together 'the Regulations'), the Company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares in the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the ACD are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the ACD:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited  
London  
19 September 2023

# Independent Auditors' report to the shareholders of Janus Henderson Investment Funds Series I

## Report on the audit of the financial statements

### Opinion

In our opinion, the financial statements of Janus Henderson Investment Funds Series I (the 'Company'):

- give a true and fair view of the financial position of each of the sub-funds as at 31 May 2023 and of the net revenue/expenses and the net capital gains/losses/result on the scheme property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Janus Henderson Investment Funds Series I is an Open Ended Investment Company ('OEIC') with eight sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report & Accounts (the 'Annual Report'), which comprise: the Balance sheets as at 31 May 2023; the Statements of total return and the Statements of change in net assets attributable to shareholders for the year then ended; the Distribution tables; the Accounting policies; and the Notes to the financial statements.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Emphasis of matter – financial statements of a sub-fund prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1(a) Basis of Preparation which describes the Authorised Corporate Directors' reasons why the financial statements for the Janus Henderson UK & Irish Smaller Companies Fund (the 'terminating sub-fund'), a sub-fund of Janus Henderson Investment Funds Series I, have been prepared on a basis other than going concern. The financial statements of the remaining sub-funds of the Company (the 'continuing sub-funds') have been prepared on a going concern basis.

### Conclusions relating to going concern

In respect of the Company as a whole and the continuing sub-funds, based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or the continuing sub-funds ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

With the exception of the terminating sub-fund, in auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or its continuing sub-funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

## Independent Auditors' report to the shareholders of Janus Henderson Investment Funds Series I (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

### Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's (ACD) Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Responsibilities for the financial statements and the audit

#### Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of Authorised Corporate Director's (ACD) responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of any sub-fund of the Company and judgements and assumptions made by management in their significant accounting estimates. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to level 3 investments and private placements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

# Independent Auditors' report to the shareholders of Janus Henderson Investment Funds Series I (continued)

## Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Opinion on matter required by the Collective Investment Schemes sourcebook


In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

### Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Glasgow  
19 September 2023

## **1 Accounting policies**

### **(a) Basis of preparation**

The financial statements of Janus Henderson Investment Funds Series I (the 'Company') comprise the financial statements of each of the funds. They have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the SORP for UK Authorised Funds issued by the IMA in May 2014 and amended in June 2017, FRS 102, FCA's COLL, the Company's Instrument of Incorporation and the Prospectus.

The financial statements for all funds with the exception of Janus Henderson UK & Irish Smaller Companies Fund have been prepared on a going concern basis.

The financial statements for Janus Henderson UK & Irish Smaller Companies Fund have been prepared on a basis other than going concern as the ACD has merged this fund with Janus Henderson UK Smaller Companies Fund on 18 March 2021. The ACD intends to terminate this fund at a future date once the delisted stocks have been removed from the portfolio and Custodian records. There has been no impact on the financial statements or disclosure notes to adjust assets or liabilities to realisable value. No adjustments were necessary to provide for the costs of terminating the fund as the ACD will bear any related costs for this fund.

### **(b) Basis of valuation of investments**

The valuation of listed investments has been at fair value, which is generally deemed to be bid market price, excluding any accrued interest in the case of debt securities, at close of business on the last working day of the accounting year (31 May 2023) in accordance with the provisions of the scheme particulars.

The ACD reviews and approves fair value pricing decisions on a regular basis with the support of the Janus Henderson EMEA Pricing Committee (EPC). The Committee reports to the Board of Directors on suspended, defaulted, delisted, unquoted or manually priced securities, taking into consideration where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

Investments in collective investment schemes (CIS) have been valued at bid prices. For those CIS funds that are not dual priced, single prices are used.

The realised and unrealised gains and losses derived from investments in Non-derivative securities are included in Net capital gains/ (losses) in the Statement of total return.

Derivative assets and liabilities are valued at the fair value price to close out the contract at the Balance sheet date, using available market prices or an assessment of fair value based on counterparty valuations and appropriate pricing models.

Certificates of deposit are valued using a yield curve approach. The yield curve provides a graphical illustration of the relationship between redemption yields and instrument's maturity dates, and from this an appropriate market yield can be derived for the instrument which can in turn be used to calculate its fair value.

### **(c) Revenue recognition**

Distributions from CIS and dividends receivable from quoted equity and non equity shares/units are credited to revenue, when the security is quoted ex-dividend. Dividends on unquoted stocks are credited to revenue when the dividend is announced.

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment. The effective yield is a calculation that amortises any discount or premium on the purchase of an investment over its remaining life based on estimated cash flows.

Overseas dividends and overseas REIT revenue are disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the tax note.

Bank interest, deposit interest and interest from certificates of deposit are recognised on an accruals basis.

Accumulation of revenue relating to accumulation units or shares held in underlying funds is recognised as revenue and included in the amount available for distribution. Equalisation received and accrued from distributions or accumulations on units or shares in underlying investments is treated as capital and deducted from the cost of the investment.

Revenue earned on derivatives and interest on margin are accounted for on an accruals basis.

Any annual management charge (AMC) rebates from underlying funds, including offshore, are recognised on an accruals basis when the entitlement arises in accordance with the treatment of the AMC on the underlying CIS.

Distributions from offshore funds on accumulation shares are recognised as revenue and added to the bookcost of the holding when they are declared.

## Aggregated notes to the financial statements (continued)

### 1 Accounting policies (continued)

#### (c) Revenue recognition (continued)

Under the UK Reporting Regime, an offshore fund with reporting status is required on an annual basis to calculate its excess reportable income (ERI) which is broadly a calculation of its revenue income (interest and dividends received) less its revenue expenses such as management fees (but not performance fees or incentive allocations). The ERI will be recognised in the fund as income when the ERI is made public by the Offshore Fund.

Stock lending revenue is accounted for on an accruals basis, net of bank charges, agent fees and any withholding tax deducted.

Revenue derived from the gains/losses on hedged class forward currency contracts is allocated to both the capital and revenue of the share class based upon the prior day capital/revenue split.

Special dividends are recognised as either revenue or capital depending on the nature and circumstances of the special dividend declared.

Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue.

If any revenue receivable at the Balance sheet date is not considered recoverable, a provision is made for the relevant amount.

#### (d) Treatment of expenses (including ACD expenses)

All expenses (other than those detailed below and those relating to the purchase and sale of investments) are charged against revenue on an accruals basis.

#### Annual Management Charge

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Company's property, calculated as a percentage of the relevant value of the property of each class of the funds. The AMC is accrued on a daily basis in arrears by reference to the net asset value (NAV) of each share class and the amount due for each month is payable on the last working day of the month.

The investment objective of Class I income of Janus Henderson Emerging Markets Opportunities Fund concentrates on the generation of income as a higher priority than capital growth. The ACD and Depositary have agreed that 100% of the AMC for the share class is to be taken to capital for the purpose of calculating the distribution, as permitted by the OEIC regulations and in accordance with the Prospectus. The distribution currently payable reflects this treatment together with any associated tax effect.

#### General Administration Charge

All fees with the exception of the AMC, Depositary, legal fees, professional fees, dividend collection charges and safe custody fees have been replaced by a single ad valorem charge, the General Administration Charge (GAC). The ACD believes that this creates more efficiency around the charging process than more traditional methods. The GAC is calculated as a percentage of the scheme property and the amount each share class in each fund will pay will depend on the costs attributable to each share class based on whether the class is an A class (for retail investors) or an I class (for institutional investors). The GAC accrues on a daily basis and is payable to the ACD by each share class monthly.

#### Performance fee on Janus Henderson Absolute Return Fund and Janus Henderson European Absolute Return Fund

The European Securities and Markets Authority (ESMA) issued new guidance on performance fees which was effective from 1 June 2021.

Janus Henderson Absolute Return Fund and Janus Henderson European Absolute Return Fund may pay a performance related fee. Each fund's performance fee will be 20% of the outperformance of the share class relative to the hurdle rate, subject to the high water mark.

The hurdle rate is a rate of return that the share class must achieve before it can charge a performance fee. It may be a set percentage or it may be referenced to a financial rate.

The high water mark means the initial launch price of the share class for the first crystallisation period or, in subsequent crystallisation periods, the NAV at the end of the last crystallisation period where crystallisation occurs and a performance fee is paid. The high water mark is adjusted for any distribution paid.

If the funds underperform in relation to either the hurdle rate or the high water mark, no performance fee is paid.

For all base currency share classes the performance fee will be calculated with reference to the returns of the share class NAV and hurdle rate in the base currency of the relevant fund. For hedged share classes, the performance fee will be calculated with reference to the returns of the share class NAV and the hurdle rate in the relevant share class currency.

The performance fee may crystallise at an annual crystallisation period end and on cancellation of shares with the Depositary on a dealing day. Once a performance fee crystallises it is due to the Investment Manager and is paid as soon as practicable. No refund will be made in respect of any performance fee paid out at that point even if the NAV of the relevant share class subsequently falls below the high water mark and/or hurdle rate.



## Aggregated notes to the financial statements (continued)

### 1 Accounting policies (continued)

#### (d) Treatment of expenses (including ACD expenses) (continued)

##### Performance fee on Janus Henderson Absolute Return Fund and Janus Henderson European Absolute Return Fund (continued)

In accordance with the Prospectus, performance fees are taken to capital for the purpose of calculating the distribution. Details of amounts payable for the year can be seen in Note 4 of the financial statements for each fund.

#### Allocation of revenue and expenses to multiple share classes

With the exception of the AMC, the GAC and revenue derived from the gains/losses on hedged class forward currency contracts, which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.

#### (e) Exchange rates

Foreign currency transactions are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies at the end of the accounting year are translated into sterling at the exchange rates prevailing at close of business on the last valuation day of the accounting year.

#### (f) Taxation

Provision is made for tax at the current rates on the excess of taxable revenue over allowable expenses, with relief for overseas taxation taken where appropriate.

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses.

Deferred tax is provided on all timing differences that have originated but not reversed at the Balance sheet date other than those recorded as permanent differences. Deferred tax is provided at the standard rate of 20%. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Deferred tax assets are only recognised to the extent it is regarded as more likely than not that there will be taxable profits against which the future reversal of underlying timing differences can be offset.

Capital gains tax on disposal of shares in Indian securities is charged on short-term and long-term capital gains. A deferred tax provision based on the short-term and long-term capital gains and associated tax rates at the Balance sheet date calculated in accordance with the Indian tax authorities required methodology has been included in the financial statements.

#### (g) Cash flow statement

The funds are not required to produce a cash flow statement as they meet the exemption criteria set out in FRS 102 7.1A as the funds' investments are highly liquid, are carried at market value and a Statement of change in net assets attributable to shareholders is provided for the funds.

#### (h) Cash equivalents

Cash equivalents are highly liquid investments held in the base currency of the fund, which are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond.

#### (i) Hedged share classes

The following hedged share classes are available within the funds:

- Class I EUR Hedged accumulation and Class I USD Hedged accumulation on Janus Henderson European Absolute Return Fund

Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and sterling which is the base currency of the fund.

Any benefits or losses of the hedging transactions accrue to shareholders in that hedged share class only. The ACD will review the relevant hedging positions on a regular basis and, if considered appropriate, make adjustments to correct the allocations across share classes. However, the hedge may not always be 100% effective.

The currency transactions will not cause the EUR and US Dollar Hedged share classes to be leveraged. The value of the share class to be hedged will be made up of both capital and income elements and the ACD intends to hedge between 95-105% of the value of each hedged share class. Adjustments to any hedge to keep within this target range will only be made when the required adjustment is material. As such the EUR and US Dollar Hedged share classes will not be completely protected from all currency fluctuations.

#### (j) Treatment of derivatives

Derivative transactions are accounted for on a trade date basis. Where such transactions are used to protect or enhance revenue and the circumstances support it, the revenue and expenses derived there from are included in Revenue in the Statement of total return on an accruals basis. Where such transactions are used to protect or enhance capital and the circumstances support it, the gains and losses derived there from are included in Net capital gains/(losses) in the Statement of total return.

### 1 Accounting policies (continued)

#### (j) Treatment of derivatives (continued)

##### Forward foreign currency contracts

Open forward currency contracts are shown in the Portfolio statement at fair value and the net gains/(losses) are reflected in Forward currency contracts in Net capital gains/(losses).

##### Forward foreign currency contracts on hedged share classes

Open forward currency contracts on hedged share classes are shown in the Portfolio statement at fair value. The net gains/(losses) on forward currency contracts on hedged share classes are apportioned between hedged income on forward currency contracts in the Revenue account and Forward currency contracts on hedged share classes in Net capital gains/(losses), reflecting the income and capital elements of the hedged share classes.

##### Equity and Index future contracts

The unrealised gain/(loss) on open future contracts is disclosed in the Portfolio statement. The margins paid on these contracts are included in amounts held at derivative clearing houses and brokers. The net gains/(losses) are apportioned between the revenue account and derivative securities in net capital gains/(losses), reflecting the nature of the return. The basis of the apportionment is typically made by reference to the yield on the underlying security or index or other appropriate source.

##### Options contracts

Options contracts are shown in the Portfolio statement at fair value and the net gains/(losses) are reflected within Derivative securities in Net capital gains/(losses). Premiums receivable or payable on options are included within Derivative contracts in Net capital gains/(losses).

##### Contracts for difference

Contracts for difference (CFD) are shown in the Portfolio statement at fair value and the net gains/(losses) are reflected within Derivative securities in Net capital gains/(losses). The margins paid on these contracts are included in the Amounts held at derivative clearing houses and brokers. Dividends receivable and payable on CFDs are recognised as either revenue or capital depending on the nature and circumstances of the underlying dividends receivable. Dividends receivable or payable that are recognised as capital are included in Derivative securities in Net capital gains/(losses) on an accruals basis. Dividends receivable that are recognised as revenue are included in the Revenue account on an accruals basis. Dividends payable on CFDs that are recognised as revenue are included in Interest payable and similar charges on an accruals basis.

#### (k) Dilution adjustment

The funds are priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment when there is a large volume of deals and, in accordance with the FCA regulations, to pay this amount into the fund by swinging the price of the shares purchased or sold. In particular the ACD reserves the right to make such an adjustment in the following circumstances:

- On a fund experiencing large levels of net purchases (i.e. purchases less redemptions), relative to its size;
- On a fund experiencing large levels of net redemptions (i.e. redemptions less purchases), relative to its size;
- In any other case where the ACD is of the opinion that the interests of existing or continuing shareholders and potential investors require the imposition of a dilution adjustment.

#### (l) Private placement investments

A private placement is a private alternative to issuing a publicly offered security as a means for raising capital. In a private placement the sale of securities is made directly by the issuer to a select number of investors without public offering through an investment bank.

Typically, when the sub-fund invests through a private placement, the sub-fund makes a commitment to invest a specified amount of capital in the investee private company in a series of tranches. The capital commitment for the initial and any future closings are triggered following the completion of defined conditions or events.

The sub-fund recognises investment purchases in the financial statements for tranches that completed or became binding transactions prior to the end of the financial reporting period. These are then included in the period end investment portfolio as an investment holding.

### 2 Distribution policy

The distribution policy of the funds is to distribute/accumulate all available revenue, after the deduction of expenses properly chargeable against revenue, subject to any expense which may currently be transferred to capital. The funds pay dividend distributions.

Revenue attributed to accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue.

Marginal tax relief is not taken into account when determining the amount available for distribution on Janus Henderson Emerging Markets Opportunities Fund.

Stock dividends are taken to capital and are therefore not taken into account when determining the amount available for distribution.

Gains and losses on investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution.

### 2 Distribution policy (continued)

When the revenue from investments exceeds the expenses, a distribution will be made. Should expenses exceed revenue there will be no distribution and the shortfall will be transferred from capital at the year end.

All funds, except Janus Henderson UK & Irish Smaller Companies Fund, make biannual distributions (31 January and 31 July) to shareholders.

In the event that the income yielded is low (generally less than 1% p.a.) the ACD has the discretion not to make an income allocation in respect of a particular interim income allocation date and instead to hold over that payment until the final income allocation date.

All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the funds.

### Equalisation

Income equalisation applies to all the funds.

Equalisation applies only to shares purchased during the distributions period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

### 3 Risk

In pursuing their investment objectives the funds hold a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors arising from the funds' operations. The funds may also enter into derivatives and forward transactions for the purpose of hedging and efficient portfolio management (EPM).

Janus Henderson Absolute Return Fund and Janus Henderson European Absolute Return Fund may also use derivatives for investment purposes.

The risk management policy and process for the funds is designed to satisfy the regulatory requirements for a UK UCITS; associated regulatory technical standards and guidelines; and local regulations. The framework for risk controls and limits for the funds are documented within the ACD's Risk Management Policy and Process document, which outlines for each main risk category the controls and risk measures in place, including stress tests for assessing sensitivity to the most relevant risks. This risk framework includes setting of limits and monitoring against those limits.

In the normal course of business, the funds' activities expose them to various types of risk which are associated with the financial instruments and markets in which they invest. These financial risks: market risk (comprising currency risk, interest rate risk and other market price risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the funds, reference should be made to the Prospectus; investors and prospective investors are recommended to discuss all potential risks with their own legal, tax and financial advisors.

The risk management systems to which the Janus Henderson Risk, Compliance and Operations teams have access for independent monitoring and risk measurement purposes include:

- Charles River system's Compliance module for investment restrictions monitoring;
- Nasdaq BWISE operational risk database;
- RiskMetrics, UBS Delta, Style Analytics and Barra for market risk measurement; and
- Bloomberg for market data and price checking.

These are supplemented by an in-house developed system, the Janus Henderson Derivatives Risk and Compliance database.

#### (a) Market risk

Market risk is the risk of loss resulting from fluctuations in the market value of positions in the funds attributable to changes in market variables such as interest rates, foreign exchange rates or an issuer's creditworthiness.

The investments of the funds are subject to normal market fluctuations and other risks inherent in investing in securities in pursuance of the investment objectives and policies.

There can be no assurance that any appreciation in the value of investments will occur. There is no certainty that the investment objective of the funds will actually be achieved and no warranty or representation is given to this effect.

Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a limited number of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets. Some of the more common risks associated with emerging markets investments include: fraudulent securities; lack of liquidity; currency fluctuations; settlement and custody risks; investment and remittance restrictions; and accounting, auditing and financial reporting requirements.

### 3 Risk (continued)

#### (a) Market risk (continued)

Where a fund invests in a specific country or geographical region, changes to local political and economic conditions may have a greater impact on the fund's value.

Funds investing in technology related industries may be susceptible to greater risks and market fluctuations than investment in a broader range of investments covering different economic sectors.

Smaller company shares held by a fund can be riskier as they may be more difficult to buy and sell and their share price may fluctuate more than that of larger companies.

Funds may hold a limited number of investments. If one of these investments declines in value, this can reduce the fund's value more than if it held a larger number of investments.

Funds may hold a private placement which is a private alternative to issuing a publicly offered security as a means for raising capital. In a private placement the sale of securities is made directly by the issuer to a select number of investors without public offering through an investment bank. Due to the nature of private placements, the free negotiability of these assets is restricted.

The funds may use derivatives for the purposes of EPM. Janus Henderson Absolute Return Fund and Janus Henderson European Absolute Return Fund may also use derivatives for investment purposes. Derivatives are linked in value to an underlying asset and any fall in the value of that asset may result in a loss greater than the original amount invested in the derivative itself. It is not intended that using derivatives for EPM will increase the volatility of the funds. In adverse situations, however, a fund's use of derivatives may become ineffective in hedging or EPM and a fund may suffer significant loss as a result.

The global exposure of the funds is calculated by using either the commitment approach or Value-at-Risk (VaR) approach by reference to their risk profile.

The global exposure of the funds (excluding Janus Henderson Absolute Return Fund and Janus Henderson European Absolute Return Fund) is calculated using the commitment approach; the commitment approach means that financial derivative instruments are converted into the market value of the equivalent position in the underlying asset(s). These funds may use derivatives for the purposes of hedging and EPM, it is not expected that the use of derivatives for these purposes will alter the risk profile of the funds. Such funds do not employ significant leverage.

The global exposure of Janus Henderson Absolute Return Fund and Janus Henderson European Absolute Return Fund and the sensitivity analysis of the funds is calculated using the VaR approach. VaR is a mathematical-statistical concept and is commonly used as a standard measure of risk in the financial sector. For each fund the maximum potential loss that it could suffer in normal market conditions within a given time horizon and a certain degree of confidence is estimated. In these calculations all positions in the relevant investment portfolio are taken into consideration including those undertaken for EPM purposes. VaR is calculated using a Monte Carlo simulation approach; as a control mechanism, Monte Carlo results are compared to the parametric model for validation purposes within the daily monitoring process.

The following parameters are applied as a minimum: a one-tailed 99% confidence interval, a holding period equivalent to one month (20 business days), effective observation period (history) of risk factors of at least 1 year (250 business days), quarterly data set updates and daily calculation.

Absolute VaR is calculated on all the positions in a fund's investment portfolio. For those funds using the VaR approach to calculate global exposure for which it is not appropriate to determine a reference portfolio absolute monthly VaR is not to exceed a regulatory maximum limit of 20%.

Please refer to the individual funds' financial statements for details of global exposure, leverage and sensitivity analysis, where relevant.

#### Currency risk

Currency risk is the risk that the value of the funds' investments will fluctuate as a result of changes in foreign currency exchange rates.

A proportion of the funds' assets and income may be denominated in currencies other than sterling (the funds' functional currency and the one in which financial statements are reported). As a result, movements in exchange rates may affect the sterling value of those items so the funds' total return and Balance sheet can be significantly affected by currency fluctuations.

The Investment Manager may seek to manage exposure to currency movements by using hedging transactions in line with each fund's investment objective, powers and limits, though this will not eliminate the fund's currency risk.

Please refer to the individual funds' financial statements for details of currency exposure.

### 3 Risk (continued)

#### (a) Market risk (continued)

##### Hedged share classes

Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in such classes and sterling which is the base currency of the funds.

Any benefits or losses of the hedging transactions accrue to shareholders in that hedged share class only. The ACD will review the relevant hedging positions on a regular basis and, if considered appropriate, make adjustments to correct the allocations across share classes.

The currency transactions will not cause the hedged share classes to be leveraged. The value of the share class to be hedged will be made up of both capital and income elements and the ACD intends to hedge between 95-105% of the value of each hedged share class. Adjustments to any hedge to keep within this target range will only be made when the required adjustment is material. As such the hedged share classes will not be completely protected from all currency fluctuations.

Where such hedging is undertaken it may substantially protect investors in the relevant class against a decrease in the value of sterling relative to the US dollar or euro but it may also preclude investors from benefiting from an increase in the value of sterling.

##### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Some securities such as bonds are directly impacted by interest rate movements but others are indirectly affected.

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of the capital may fall, and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. High yield bonds with lower credit rating (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds and may have an increased risk of default on repayment.

Please refer to the individual funds' financial statements for details of interest rate risk exposure.

##### Other market price risk

Other market price risk is the risk that the value of the funds' investments will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. The risk arises mainly from uncertainty about future prices of financial instruments the funds might hold. It represents the potential loss the funds might suffer through holding market positions in the face of price movements.

The funds' investment portfolios are exposed to market price fluctuations, which are monitored by the ACD in pursuance of the investment objectives and policies.

The Russia/Ukraine conflict and market risks, such as stresses in the banking sector are closely monitored and assessed by various business units which has not required activation of the business continuity plans or a change from regular business processes. The sub-funds did not have any direct exposure to Russia or Ukraine. The secondary market impact resulting in an increase in overall market volatility influences risk levels of the sub-funds. The sub-funds continue to be managed according to their investment objectives through this period of uncertainty with currently no areas of concern identified. Fund valuations are carried out without any necessary deviation from the valuation policy, the sub-funds' risk profiles remain within pre-defined ranges and redemptions and subscriptions continue to be met in the normal course of business.

#### (b) Credit and counterparty risk

Credit and counterparty risk is the risk of loss resulting from the possibility that the counterparty to a transaction may default on its obligations prior to the settlement of the transaction's cash flow.

In order to manage credit risk the funds are subject to investment limits for issuers of securities as outlined in the Prospectus. Issuer credit ratings are evaluated periodically and an approved issuer list is maintained and monitored. In addition the funds may only buy and sell investments through brokers which have been approved by the ACD as acceptable counterparties and limits are set and monitored to cover the exposure to any individual broker. Changes in brokers financial ratings are periodically reviewed by the Janus Henderson Counterparty Risk Committee along with set limits and new counterparty approval.

The funds' assets that are held with the banks could be exposed to credit and counterparty risk. The banks used by the funds and ACD are subject to regular reviews. Only counterparties that have been approved by Janus Henderson's Counterparty Risk Committee are used for derivative transactions. The continuing creditworthiness of counterparties is monitored on a daily basis.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the FCA's COLL mitigates the risk of excessive exposure to any particular type of security or issuer.

Please refer to the individual funds' financial statements for details of credit and counterparty risk exposure.

### 3 Risk (continued)

#### (c) Operational risk

Failure of Janus Henderson systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets. Janus Henderson has a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption or major disaster.

#### (d) Liquidity risk

Liquidity risk is the risk that a position in the funds' portfolios cannot be sold, liquidated or closed out at limited cost in an adequately short timeframe and that the ability of the funds to meet their settlement obligations is thereby compromised.

The funds are generally able to realise cash quickly to meet their liabilities. The main liquidity requirements of the funds include the redemption of any shares that a shareholder wishes to sell. Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy, or following a large issue of shares.

The ACD manages the funds' cash positions to ensure they can meet their liabilities. The ACD receives daily reports of subscriptions and redemptions enabling the ACD to raise cash from the funds' portfolios in order to meet redemption requests. In addition the ACD monitors the market liquidity of all securities, seeking to ensure the funds maintain sufficient liquidity to meet known and potential redemption activity. The funds' cash balances are monitored daily by the ACD and administrator. Where a fund has exposure to less liquid assets, such as private placement notes, the ACD evaluates the degree of illiquidity for each instrument in order to determine the overall liquidity risk of each fund as, by their nature, these type of assets are more difficult to dispose of, especially in times of stress, as they typically require a longer time to sell, liquidate, or close out. Where investments cannot be realised in time to meet any potential liability, the funds may borrow up to 10% of their property value to ensure settlement.

A maturity analysis of each funds' financial liabilities is disclosed in the notes in each funds' accounts.

### 4 Cross holdings

As at 31 May 2023 there were no sub-fund cross holdings within Janus Henderson Investment Funds Series I (2022: none).

# Janus Henderson China Opportunities Fund

## Authorised Corporate Director's report

### Investment Fund Manager

May Ling Wee

### Investment objective and policy

The fund aims to provide a return, from a combination of capital growth and income over the long term.

Performance target: To outperform the MSCI Zhong Hua 10/40 Index by 2.5% per annum, before the deduction of charges, over any 5 year period.

The fund invests at least 80% of its assets in a concentrated portfolio of shares (also known as equities) of companies, of any size, in any industry, in China or Hong Kong. Companies will have their registered office in or do most of their business (directly or through subsidiaries) in this region. The fund may invest up to 50% of its assets in China A-Shares. The portfolio may be concentrated in terms of its number of holdings and/or the size of its largest holdings.

The fund may also invest in other assets including companies outside this region, depositary receipts, 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 Zhong Hua 10/40 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.

### Strategy

The Investment Manager seeks to identify companies that can generate unexpected earnings growth, at both an industry and stock level, not yet recognised by the broader market. Central to this is the belief that Chinese equity markets are noisy and inefficient, thereby allowing regular, meaningful and profitable investment opportunities to appear.

### Performance summary

#### Cumulative performance

	One year 31 May 22 - 31 May 23 %	Three years 31 May 20 - 31 May 23 %	Five years 31 May 18 - 31 May 23 %	Since inception 31 Mar 83 - 31 May 23 %
<b>Class I accumulation (Net)</b>	(21.8)	(27.7)	(30.8)	6,325.8
<b>MSCI Zhong Hua 10/40 Index*</b>	(12.6)	(17.2)**	(19.5)**	_-***
<b>IA China/Greater China Sector</b>	(16.1)	(15.1)	(14.2)	5,427.4
<b>Class I accumulation (Gross)</b>	(21.1)	(25.8)	(27.7)	8,950.0
<b>MSCI Zhong Hua 10/40 Index + 2.5%*</b>	(10.4)	(10.8)**	(8.9)**	_-***

Performance/performance target related data will display only when relevant to the fund/share class inception date and the annualised target time period.

#### Discrete performance

	31 May 22 - 31 May 23 %	31 May 21 - 31 May 22 %	31 May 20 - 31 May 21 %	31 May 19 - 31 May 20 %	31 May 18 - 31 May 19 %
<b>Class I accumulation (Net)</b>	(21.8)	(25.4)	23.9	9.7	(12.7)
<b>MSCI Zhong Hua 10/40 Index*</b>	(12.6)	(23.7)	24.3**	7.5*	(9.6)*
<b>IA China/Greater China Sector</b>	(16.1)	(23.0)	31.5	14.5	(11.8)
<b>Class I accumulation (Gross)</b>	(21.1)	(24.7)	25.0	10.6	(11.9)
<b>MSCI Zhong Hua 10/40 Index + 2.5%*</b>	(10.4)	(21.8)	27.4**	10.2*	(7.3)*

Please note that the performance target is to be achieved over a specific annualised time period. Refer to the the investment objective and policy above.



## Authorised Corporate Director's report (continued)

### Performance summary (continued)

\* From 1 July 2020, the fund benchmark changed from the MSCI Zhong Hua Index to the MSCI Zhong Hua 10/40 Index. Past performance before 1 July 2020 is shown for the previous fund benchmark.

\*\* Performance is a blend of the old and new benchmark.

\*\*\* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Class I accumulation (Gross), NAV to NAV, gross of OCF and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

### Benchmark usage:

Index: MSCI Zhong Hua 10/40 Index

Index usage: Target

Index description: The MSCI Zhong Hua 10/40 Index is a measure of the combined performance of large and medium sized companies listed on Hong Kong and Chinese stock markets re-weighted from the parent index by the benchmark provider to align with the UCITS fund investment restrictions. It forms the basis for the fund's performance target.

Peer group: IA China/Greater China Sector

Peer group usage: Comparator

Peer group description: 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) provides a useful performance comparison against other funds with similar aims.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

## Significant portfolio changes for the year ended 31 May 2023

<b>Largest purchases</b>	<b>£000</b>	<b>Largest sales</b>	<b>£000</b>
WuXi Biologics	10,471	AIA	17,934
Ping An Insurance 'H'	8,750	JD.com 'A'	16,407
Pinduoduo ADS	7,545	Tencent	15,977
Taiwan Semiconductor Manufacturing	6,476	Sungrow 'A'	12,273
Yunnan Energy New Material 'A'	6,462	NARI Technology 'A'	11,896
China Resources Land	5,833	LONGi Green Energy Technology 'A'	11,776
China Oilfield Services	5,694	Zijin Mining 'H'	10,287
ZTO Express (Cayman) ADR	5,655	NetEase	9,834
Swire Pacific 'A'	5,384	Contemporary Amperex Technology 'A'	9,098
Trip.com ADR	5,324	Longfor	9,057
<b>Total purchases</b>	<b>155,481</b>	<b>Total sales</b>	<b>298,713</b>



### Investment review

The fund fell 21.8% (Net), 21.1% (Gross) based on Class I accumulation over the year under review, compared with a fall of 12.6% in the MSCI Zhong Hua 10/40 Index, a fall of 10.4% in the Target Index + 2.5% and a fall of 16.1% in the IA China/Greater China Sector peer group benchmark.

Chinese equities continued to lose ground during the reporting year, which was marked by significant volatility. The market sold off and hit its lowest point in October before rebounding to its peak around the Spring Festival towards the end of January.

Stocks made gains at the start of the reporting year as China's largest and most economically vibrant cities of Shanghai and Beijing emerged from COVID-19 lockdowns. The positive sentiment was soon lost when house buyers boycotted mortgage payments on properties that developers had failed to complete due to cash-flow constraints. While the domestic real estate market remained challenged, the rivalry between the US and China worsened. Washington broadened restrictions on the sale of advanced chips and equipment to include a ban on US citizens from aiding the development of China's semiconductor industry. It also prohibited non-US companies that use US technology from selling to China.

The fourth quarter of 2022 saw the market swing from extreme pessimism, at the time of the Communist Party's National People's Congress (NPC), to optimism. Policy action to support the property market and developers helped to turn the mood, while an abrupt and aggressive reversal of China's 'zero COVID-19' policy provided a further strong boost.

The new calendar year started strongly as China's economy reopened and COVID-19 infections declined following a surge. Meanwhile, mobility data suggested social and business activities had increased. Sentiment reversed after the Spring Festival, however, as US/China tensions ratcheted up with the discovery of a Chinese surveillance balloon over the US. In addition, the political conflict between the two over technology widened when Japan and the Netherlands restricted the sale of advanced semiconductor equipment to China. China's 5% GDP growth target was announced at the start of the NPC, which suggested that the government would let the reopening-led rebound drive the economy and was unlikely to employ large stimulus measures. From April, macroeconomic data weakened and underwhelmed, while a poor first-quarter 2023 corporate earnings season from domestic onshore listed companies led to downward earnings revisions. At the sector level, selection in materials, an underweight position and selection in financials, and selection in healthcare were the largest detractors from the fund's performance.

At the stock level, the largest detractors were Beijing Oriental Yuhong Waterproof Technology, a waterproofing material provider for infrastructure and real estate projects, and Yunnan Energy New Material, which makes separator film for electric vehicles. Beijing Oriental Yuhong Waterproof Technology performed poorly as a demand slowdown led to a weak pricing environment, while prices of its key raw materials increased, which significantly compressed margins. Yunnan Energy New Material sold off after its chairman and CEO were arrested, although both were subsequently released. The arrests raised doubts about the company's ability to raise new financing to fund future projects. In the healthcare sector, clinical research services provider Wuxi Biologics performed poorly because of concerns that the US would try to restrict US pharmaceutical companies from working with Chinese owned clinical research organisations. Poor funding conditions for Chinese biotechnology companies also raised worries about the resilience of Wuxi Biologics domestic customers.

The top contributors to returns at the stock level were fast-food restaurant operator Yum China, solar inverter manufacturer Sungrow, not owning electric carmaker Nio, and Taiwan Semiconductor Manufacturing (TSMC).

During the year, we initiated a holding in TSMC given our confidence in its strong technological position and what we viewed as an attractive valuation. The fund purchased travel aggregator Trip.com as we liked its leadership in China's outbound travel market. In the express delivery sector, we initiated a position in ZTO Express, where the pricing environment had improved, while the company had sustained market share gains. To fund these purchases, we closed positions in real estate developer Longfor, Zijin Mining and power grid equipment provider NARI Technology.

Investors have moved on from watching China's fast and rapid economic reopening to measuring its recovery. Macroeconomic data has been mixed and the recovery has so far appeared slower and bumpier than expected, while it has also been uneven across the economy. Within the consumer space, spending in the luxury segment has outperformed middle and mass market consumption. Since the reopening, the Chinese economy has grown at a slower rate than in previous years and performance between industries and companies has diverged. We believe corporate China is still on track to see an earnings and cash-flow recovery, especially for companies that have driven down costs and reinvested in their businesses to propel longer-term growth. Our focus remains on these companies, and we have seen more of them at attractive valuations amid the market sell-off.

## Comparative tables for the year ended 31 May 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	1,321.64	1,792.63	1,460.98
Return before operating charges*	(279.99)	(444.40)	362.97
Operating charges	(21.72)	(26.59)	(31.32)
Return after operating charges*	(301.71)	(470.99)	331.65
Distributions on accumulation shares	(3.15)	-	(2.04)
Retained distributions on accumulation shares	3.15	-	2.04
Closing net asset value per share	1,019.93	1,321.64	1,792.63
* after direct transaction costs of:	2.66	2.00	1.40

### Performance

Return after charges	(22.83%)	(26.27%)	22.70%
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### Other information

Closing net asset value (£000s)	42,694	73,346	112,533
Closing number of shares	4,185,985	5,549,614	6,277,504
Operating charges	1.75%	1.75%	1.75%
Direct transaction costs	0.21%	0.13%	0.08%

### Prices

Highest share price (pence)	1,445.00	1,822.00	2,145.00
Lowest share price (pence)	947.60	1,147.00	1,483.00

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	1,341.25	1,810.10	1,467.85
Return before operating charges*	(285.16)	(449.66)	364.83
Operating charges	(15.74)	(19.19)	(22.58)
Return after operating charges*	(300.90)	(468.85)	342.25
Distributions on accumulation shares	(6.40)	(1.80)	(6.37)
Retained distributions on accumulation shares	6.40	1.80	6.37
Closing net asset value per share	1,040.35	1,341.25	1,810.10
* after direct transaction costs of:	2.69	2.02	1.41

### Performance

Return after charges	(22.43%)	(25.90%)	23.32%
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### Other information

Closing net asset value (£000s)	16,983	23,224	34,116
Closing number of shares	1,632,431	1,731,537	1,884,780
Operating charges	1.25%	1.25%	1.25%
Direct transaction costs	0.21%	0.13%	0.08%

### Prices

Highest share price (pence)	1,467.00	1,841.00	2,163.00
Lowest share price (pence)	963.70	1,163.00	1,490.00

## Comparative tables (continued)

	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	196.32	263.94	213.23
Return before operating charges*	(41.85)	(65.66)	52.99
Operating charges	(1.61)	(1.96)	(2.28)
Return after operating charges*	(43.46)	(67.62)	50.71
Distributions on accumulation shares	(1.37)	(1.00)	(1.75)
Retained distributions on accumulation shares	1.37	1.00	1.75
Closing net asset value per share	152.86	196.32	263.94
* after direct transaction costs of:	0.40	0.30	0.20

### Performance

Return after charges	(22.14%)	(25.62%)	23.78%
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### Other information

Closing net asset value (£000s)	156,897	208,229	352,360
Closing number of shares	102,642,192	106,065,674	133,499,105
Operating charges	0.87%	0.87%	0.87%
Direct transaction costs	0.21%	0.13%	0.08%

### Prices

Highest share price (pence)	214.90	268.50	315.00
Lowest share price (pence)	141.30	170.00	216.40

	Class I USD accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	1,456.19	1,962.10	1,588.67
Return before operating charges*	(309.27)	(487.75)	394.50
Operating charges	(15.53)	(18.16)	(21.07)
Return after operating charges*	(324.80)	(505.91)	373.43
Distributions on accumulation shares	(7.98)	(3.49)	(8.33)
Retained distributions on accumulation shares	7.98	3.49	8.33
Closing net asset value per share	1,131.39	1,456.19	1,962.10
* after direct transaction costs of:	3.05	2.20	1.51

### Performance

Return after charges	(22.30%)	(25.78%)	23.51%
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### Other information

Closing net asset value (£000s)	14,485	146,133	237,288
Closing number of shares	1,280,289	10,035,322	12,093,566
Operating charges	1.09%	1.09%	1.09%
Direct transaction costs	0.21%	0.13%	0.08%

### Prices

Highest share price (USD cents)	1,945.00	2,813.00	3,248.00
Lowest share price (USD cents)	1,208.00	1,627.00	2,012.00

## Comparative tables (continued)

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

### **Operating charges**

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

### **Share class launches and closures**

There were no share classes launched or closed during the year.

## Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
<b>Class A accumulation</b>	1.75	1.75
<b>Class E accumulation</b>	1.25	1.25
<b>Class I accumulation</b>	0.87	0.87
<b>Class I USD accumulation</b>	1.09	1.09

The OCF is calculated in accordance with guidelines issued by ESMA.

## Risk and reward profile

The fund currently has 4 types of share class in issue: A accumulation, E accumulation, I accumulation and I USD accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling five\* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk rating during the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class E accumulation launched on 24 June 2019 and as it does not have a five year history, a synthetic history has been created using the A accumulation share class.

## Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 99.08% (2022: 98.71%)</b>		
	<b>China 80.68% (2022: 83.29%)</b>		
	<b>Basic Materials 0.00% (2022: 2.94%)</b>		
	<b>Chemicals 0.00% (2022: 0.33%)</b>		
	<b>Precious Metals and Mining 0.00% (2022: 2.61%)</b>		
	<b>Consumer Discretionary 26.43% (2022: 26.63%)</b>		
	<b>Automobiles and Parts 0.00% (2022: 1.57%)</b>		
	<b>Consumer Services 0.37% (2022: 0.00%)</b>		
27,906	New Oriental	848	0.37
	<b>Household Goods and Home Construction 1.88% (2022: 1.84%)</b>		
745,307	Midea 'A'	4,332	1.88
	<b>Leisure Goods 4.32% (2022: 4.51%)</b>		
730,995	NetEase	9,983	4.32
	<b>Personal Goods 4.25% (2022: 3.61%)</b>		
1,330,500	Li Ning	5,760	2.49
621,600	Shenzhou International	4,062	1.76
		9,822	4.25
	<b>Retailers 9.49% (2022: 12.43%)</b>		
2,486,380	Alibaba	19,950	8.63
153,263	JD.com 'A'	1,986	0.86
		21,936	9.49
	<b>Travel and Leisure 6.12% (2022: 2.67%)</b>		
71,134	H World ADR	2,102	0.91
212,074	Trip.com ADR	5,407	2.34
145,964	Yum China	6,642	2.87
		14,151	6.12
	<b>Consumer Staples 10.72% (2022: 6.45%)</b>		
	<b>Beverages 10.05% (2022: 3.93%)</b>		
38,421	Kweichow Moutai 'A'	7,086	3.07
1,034,000	Tsingtao Brewery 'H'	7,178	3.11
399,376	Wuliangye Yibin 'A'	7,289	3.15
2,287,400	ZJLD	1,671	0.72
		23,224	10.05
	<b>Food Producers 0.67% (2022: 2.52%)</b>		
497,000	China Mengniu Dairy	1,555	0.67

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Energy 4.05% (2022: 5.38%)</b>		
	<b>Alternative Energy 0.00% (2022: 3.53%)</b>		
	<b>Oil, Gas and Coal 4.05% (2022: 1.85%)</b>		
5,564,000	China Oilfield Services	4,576	1.98
9,188,000	PetroChina 'H'	4,792	2.07
		<u>9,368</u>	<u>4.05</u>
	<b>Financials 7.70% (2022: 6.00%)</b>		
	<b>Banks 3.28% (2022: 4.20%)</b>		
2,022,000	China Merchants Bank 'H'	<u>7,575</u>	<u>3.28</u>
	<b>Life Insurance 4.42% (2022: 1.80%)</b>		
1,634,000	China Life Insurance 'H'	2,223	0.96
1,562,000	Ping An Insurance 'H'	7,985	3.46
		<u>10,208</u>	<u>4.42</u>
	<b>Health Care 7.69% (2022: 3.93%)</b>		
	<b>Health Care Providers 1.10% (2022: 0.00%)</b>		
838,700	Aier Eye Hospital 'A'	<u>2,545</u>	<u>1.10</u>
	<b>Medical Equipment and Services 2.91% (2022: 2.20%)</b>		
197,835	Shenzhen Mindray Bio-Medical Electronics 'A'	<u>6,733</u>	<u>2.91</u>
	<b>Pharmaceuticals and Biotechnology 3.68% (2022: 1.73%)</b>		
534,100	WuXi AppTec 'H'	3,545	1.53
1,205,000	WuXi Biologics	4,968	2.15
		<u>8,513</u>	<u>3.68</u>
	<b>Industrials 4.25% (2022: 7.65%)</b>		
	<b>Construction and Materials 0.97% (2022: 2.81%)</b>		
756,547	Beijing Oriental Yuhong Waterproof Technology 'A'	<u>2,246</u>	<u>0.97</u>
	<b>Electronic and Electrical Equipment 0.00% (2022: 2.53%)</b>		
	<b>Industrial Engineering 1.04% (2022: 1.30%)</b>		
360,161	Shenzhen Inovance Technology 'A'	<u>2,410</u>	<u>1.04</u>
	<b>Industrial Transportation 2.24% (2022: 1.01%)</b>		
254,280	ZTO Express (Cayman) ADR	<u>5,178</u>	<u>2.24</u>
	<b>Real Estate 2.05% (2022: 2.67%)</b>		
	<b>Real Estate Investment and Services 2.05% (2022: 2.67%)</b>		
1,566,000	China Resources Land	<u>4,729</u>	<u>2.05</u>



## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Technology 17.79% (2022: 16.53%)</b>		
	<b>Software and Computer Services 16.48% (2022: 11.62%)</b>		
249,300	Baidu 'A'	3,065	1.33
498,250	Meituan 'B'	5,659	2.45
68,650	Pinduoduo ADS	3,616	1.57
699,700	Tencent	22,399	9.69
933,993	Venustech 'A'	3,335	1.44
		<u>38,074</u>	<u>16.48</u>
	<b>Technology Hardware and Equipment 1.31% (2022: 4.91%)</b>		
3,094,000	Lenovo	2,347	1.02
204,046	LONGi Green Energy Technology 'A'	666	0.29
		<u>3,013</u>	<u>1.31</u>
	<b>Telecommunications 0.00% (2022: 1.12%)</b>		
	<b>Telecommunications Equipment 0.00% (2022: 1.12%)</b>		
	<b>Utilities 0.00% (2022: 3.99%)</b>		
	<b>Electricity 0.00% (2022: 2.13%)</b>		
	<b>Gas, Water and Multi-utilities 0.00% (2022: 1.86%)</b>		
	<b>Hong Kong 15.51% (2022: 15.42%)</b>		
	<b>Consumer Discretionary 1.85% (2022: 0.87%)</b>		
	<b>Travel and Leisure 1.85% (2022: 0.87%)</b>		
853,000	Galaxy Entertainment	<u>4,264</u>	<u>1.85</u>
	<b>Consumer Staples 1.22% (2022: 0.00%)</b>		
	<b>Beverages 1.22% (2022: 0.00%)</b>		
522,500	Swire Pacific 'A'	<u>2,814</u>	<u>1.22</u>
	<b>Financials 10.11% (2022: 12.58%)</b>		
	<b>Banks 0.00% (2022: 1.76%)</b>		
	<b>Investment Banking and Brokerage Services 2.71% (2022: 2.95%)</b>		
212,300	Hong Kong Exchanges & Clearing	<u>6,267</u>	<u>2.71</u>
	<b>Life Insurance 7.40% (2022: 7.87%)</b>		
2,207,800	AIA	<u>17,089</u>	<u>7.40</u>
	<b>Industrials 1.31% (2022: 1.19%)</b>		
	<b>Industrial Engineering 1.31% (2022: 1.19%)</b>		
403,000	Techtronic Industries	<u>3,018</u>	<u>1.31</u>
	<b>Real Estate 1.02% (2022: 0.78%)</b>		
	<b>Real Estate Investment Trusts 1.02% (2022: 0.78%)</b>		
503,340	Link REIT	<u>2,360</u>	<u>1.02</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Taiwan 2.89% (2022: 0.00%)</b>		
	<b>Technology 2.89% (2022: 0.00%)</b>		
	<b>Technology Hardware and Equipment 2.89% (2022: 0.00%)</b>		
456,000	Taiwan Semiconductor Manufacturing	6,681	2.89
	<b>Investment assets</b>	<b>228,936</b>	<b>99.08</b>
	Other net assets	2,123	0.92
	<b>Total net assets</b>	<b>231,059</b>	<b>100.00</b>

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

## Statement of total return for the year ended 31 May 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital losses	2		(73,642)		(178,721)
Revenue	3	5,833		7,891	
Expenses	4	(3,534)		(6,173)	
Interest payable and similar charges	5	(2)		(1)	
Net revenue before taxation		2,297		1,717	
Taxation	6	(135)		(361)	
Net revenue after taxation			2,162		1,356
Total return before distributions			(71,480)		(177,365)
Distributions	7		(2,451)		(1,752)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>(73,931)</b>		<b>(179,117)</b>

## Statement of change in net assets attributable to shareholders for the year ended 31 May 2023

	2023		2022	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>450,932</b>		<b>736,297</b>
Amounts receivable on issue of shares	9,330		64,035	
Amounts payable on cancellation of shares	(157,128)		(171,850)	
		(147,798)		(107,815)
Dilution adjustment		53		55
Change in net assets attributable to shareholders from investment activities		(73,931)		(179,117)
Retained distributions on accumulation shares		1,803		1,512
<b>Closing net assets attributable to shareholders</b>		<b>231,059</b>		<b>450,932</b>

## Balance sheet as at 31 May 2023

	Note	2023 £000	2022 £000
<b>Assets:</b>			
Investments		228,936	445,055
Current assets:			
Debtors	8	2,905	6,072
Cash and bank balances	9	768	7,564
<b>Total assets</b>		<b>232,609</b>	<b>458,691</b>
<b>Liabilities:</b>			
Creditors:			
Other creditors	10	1,550	7,759
<b>Total liabilities</b>		<b>1,550</b>	<b>7,759</b>
<b>Net assets attributable to shareholders</b>		<b>231,059</b>	<b>450,932</b>

## Notes to the financial statements for the year ended 31 May 2023

### 1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

### 2 Net capital losses

Net capital losses on investments during the year comprise:

	2023 £000	2022 £000
Forward currency contracts	250	103
Non-derivative securities	(72,899)	(178,928)
Other currency (losses)/gains	(987)	109
Transaction costs	(6)	(5)
<b>Net capital losses</b>	<b>(73,642)</b>	<b>(178,721)</b>

### 3 Revenue

	2023 £000	2022 £000
Bank interest	97	12
Overseas dividends	5,555	7,685
Overseas REIT revenue	155	-
Stock lending revenue	7	3
UK dividends	19	191
<b>Total revenue</b>	<b>5,833</b>	<b>7,891</b>

### 4 Expenses

	2023 £000	2022 £000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
Annual management charge	3,056	5,413
GAC*	384	604
	<b>3,440</b>	<b>6,017</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary fees	21	34
Safe custody fees	70	117
	<b>91</b>	<b>151</b>
<b>Other expenses:</b>		
Dividend collection charges	3	2
Professional fees	-	3
	<b>3</b>	<b>5</b>
<b>Total expenses</b>	<b>3,534</b>	<b>6,173</b>

Irrecoverable VAT is included in the above expenses where relevant.

\* The current audit fee, which is levied through the GAC, is £10,354 (2022: £9,393).

## Notes to the financial statements (continued)

### 5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable	2	1
<b>Total interest payable and similar charges</b>	<b>2</b>	<b>1</b>

### 6 Taxation

#### a) Analysis of charge in the year

The tax charge comprises:

	2023 £000	2022 £000
<b>Current tax</b>		
Overseas withholding tax	135	361
<b>Total tax (note 6b)</b>	<b>135</b>	<b>361</b>

#### b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue before taxation	2,297	1,717
Corporation tax at 20% (2022: 20%)	459	344
Effects of:		
Overseas withholding tax	135	361
Overseas dividends	(1,110)	(1,538)
UK dividends*	(4)	(38)
Unused management expenses	655	1,232
<b>Tax charge for the year (note 6a)</b>	<b>135</b>	<b>361</b>

\* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

#### c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

#### d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £22,685,394 (2022: £22,030,126) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

## Notes to the financial statements (continued)

### 7 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £000	2022 £000
Interim accumulation	1,728	1,208
Final accumulation	75	304
	<u>1,803</u>	<u>1,512</u>
Amounts deducted on cancellation of shares	680	318
Amounts received on issue of shares	(32)	(78)
<b>Total distributions</b>	<b><u>2,451</u></b>	<b><u>1,752</u></b>
Net revenue after taxation	2,162	1,356
Equalisation on conversions	-	2
Revenue shortfall	289	394
<b>Total distributions</b>	<b><u>2,451</u></b>	<b><u>1,752</u></b>

Details of the distribution per share are set out in the Distribution tables on page 41.

### 8 Debtors

	2023 £000	2022 £000
Accrued revenue	476	1,515
Amounts receivable for issue of shares	28	-
Currency transactions awaiting settlement	3	-
Sales awaiting settlement	2,398	4,557
<b>Total debtors</b>	<b><u>2,905</u></b>	<b><u>6,072</u></b>

### 9 Cash and bank balances

	2023 £000	2022 £000
Cash and bank balances	768	7,564
<b>Total cash and bank balances</b>	<b><u>768</u></b>	<b><u>7,564</u></b>

### 10 Other creditors

	2023 £000	2022 £000
Accrued annual management charge	196	355
Accrued Depositary's fee	3	6
Accrued other expenses	37	60
Amounts payable for cancellation of shares	308	373
Purchases awaiting settlement	1,006	6,965
<b>Total other creditors</b>	<b><u>1,550</u></b>	<b><u>7,759</u></b>

## Notes to the financial statements (continued)

### 11 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

### 12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 31 and 32 and notes 4, 7, 8 and 10 on pages 33 to 35 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

### 13 Shareholders' funds

The fund currently has 4 share classes available: Class A (Retail), Class E (Retail), Class I (Institutional) and Class I USD (Institutional). The annual management charge on each share class is as follows:

	2023 %	2022 %
Class A	1.50	1.50
Class E	1.00	1.00
Class I	0.75	0.75
Class I USD	1.00	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 22 to 24. The distribution per share class is given in the Distribution tables on page 41. All share classes have the same rights on winding up.

### Shares reconciliation as at 31 May 2023

	Class A accumulation	Class E accumulation	Class I accumulation	Class I USD accumulation
Opening number of shares	5,549,614	1,731,537	106,065,674	10,035,322
Issues during the year	201,948	10,657	3,083,106	72,893
Cancellations during the year	(629,007)	(116,053)	(12,734,557)	(8,827,926)
Shares converted during the year	(936,570)	6,290	6,227,969	-
<b>Closing shares in issue</b>	<b>4,185,985</b>	<b>1,632,431</b>	<b>102,642,192</b>	<b>1,280,289</b>

### 14 Financial derivatives

The fund may use financial derivatives to reduce risk or to manage the fund more efficiently.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

There was no collateral pledged or collateral held as at 31 May 2023 (2022: nil). The fund had cash assets of nil (2022: nil) and cash liabilities of nil (2022: nil) held in margin accounts at derivative clearing houses and brokers as at 31 May 2023.

#### 2023

The fund had no exposure to derivatives as at 31 May 2023 with a positive market value.

#### 2022

The fund had no exposure to derivatives as at 31 May 2022 with a positive market value.



## Notes to the financial statements (continued)

### 15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

#### 2023

Counterparty		Total market value of stock on loan	Amount of collateral received	Type of collateral category
		£000	£000	
JPMorgan Chase		654	716	Equity/Government Bond
		<b>654</b>	<b>716</b>	
Recipient	Relationship	Total gross amount of stock lending revenue	Direct and indirect costs and fees deducted by securities lending agent	Net stock lending revenue retained by the fund
		£000	£000	£000
JPMorgan Chase	Stock lending agent	8	1	7

#### 2022

Counterparty		Total market value of stock on loan	Amount of collateral received	Type of collateral category
		£000	£000	
HSBC		930	980	Government Bond
		<b>930</b>	<b>980</b>	
Recipient	Relationship	Total gross amount of stock lending revenue	Direct and indirect costs and fees deducted by securities lending agent	Net stock lending revenue retained by the fund
		£000	£000	£000
JPMorgan Chase	Stock lending agent	3	-*	3

\* Due to rounding to the nearest thousand, stock lending commission is below the minimum reporting threshold.

## Notes to the financial statements (continued)

### 16 Risk

#### Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies:

	Investment assets £000	Other net assets £000	Total net assets £000
<b>2023</b>			
<b>Currency</b>			
Chinese yuan	36,641	99	36,740
Hong Kong dollar	161,821	463	162,284
Taiwan dollar	6,681	-	6,681
UK sterling	-	839	839
US dollar	23,793	722	24,515
<b>Total</b>	<b>228,936</b>	<b>2,123</b>	<b>231,059</b>

	Investment assets £000	Other net assets/ (liabilities) £000	Total net assets £000
<b>2022</b>			
<b>Currency</b>			
Chinese yuan	113,953	348	114,301
Hong Kong dollar	269,266	1,212	270,478
UK sterling	-	4,318	4,318
US dollar	61,836	(1)	61,835
<b>Total</b>	<b>445,055</b>	<b>5,877</b>	<b>450,932</b>

#### Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £230,219,742 (2022: £446,613,512). A 10% increase/(decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/(decreasing) the return for the accounting year and the year end net assets by £23,021,974 (2022: £44,661,351).

#### Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

#### Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

#### Leverage

The fund has not employed significant leverage in the current or prior year.

#### Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis:

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2023</b>				
Other creditors	-	1,550	-	-
<b>Total</b>	<b>-</b>	<b>1,550</b>	<b>-</b>	<b>-</b>

## Notes to the financial statements (continued)

### 16 Risk (continued)

#### Liquidity risk (continued)

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2022				
Other creditors	-	7,759	-	-
<b>Total</b>	<b>-</b>	<b>7,759</b>	<b>-</b>	<b>-</b>

### 17 Fair value disclosure

#### Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

#### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

#### Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

#### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

#### Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	228,936	-	445,055	-
Level 2	-	-	-	-
Level 3	-	-	-	-
	<b>228,936</b>	<b>-</b>	<b>445,055</b>	<b>-</b>

## Notes to the financial statements (continued)

### 18 Direct transaction costs

	Purchases		Sales	
	2023	2022	2023	2022
	£000	£000	£000	£000
<b>Trades in the year</b>				
Equities	155,255	200,750	299,228	305,449
<b>Trades in the year before transaction costs</b>	<b>155,255</b>	<b>200,750</b>	<b>299,228</b>	<b>305,449</b>
<b>Transaction costs</b>				
<b>Commissions</b>				
Equities	109	129	155	175
<b>Total commissions</b>	<b>109</b>	<b>129</b>	<b>155</b>	<b>175</b>
<b>Taxes</b>				
Equities	107	134	330	310
<b>Total taxes</b>	<b>107</b>	<b>134</b>	<b>330</b>	<b>310</b>
<b>Other expenses</b>				
Equities	10	20	30	29
<b>Total other expenses</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>29</b>
<b>Total transaction costs</b>	<b>226</b>	<b>283</b>	<b>515</b>	<b>514</b>
<b>Total net trades in the year after transaction costs</b>	<b>155,481</b>	<b>201,033</b>	<b>298,713</b>	<b>304,935</b>

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
<b>Total transaction costs expressed as a percentage of asset type cost</b>				
<b>Commissions</b>				
Equities	0.07	0.06	0.05	0.06
<b>Taxes</b>				
Equities	0.07	0.07	0.11	0.10
<b>Other expenses</b>				
Equities	0.01	0.01	0.01	-
<b>Total transaction costs expressed as a percentage of net asset value</b>	<b>2023</b>	<b>2022</b>		
	%	%		
Commissions	0.08	0.05		
Taxes	0.14	0.08		
Other expenses	0.01	0.01		
<b>Total costs</b>	<b>0.23</b>	<b>0.14</b>		

There were no in specie transfers during the year (2022: nil). There were no corporate actions during the year (2022: nil).

There were no direct transaction costs associated with derivatives in the year (2022: nil).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 31 May 2023 was 0.11% (2022: 0.09%). The portfolio dealing spread is calculated at a 12 noon valuation point.

### 19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

## Distribution tables for the year ended 31 May 2023 (in pence per share)

### Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 June 2022

Group 2: shares purchased on or after 1 June 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
<b>Class A accumulation</b>				
Group 1	3.1454	-	3.1454	-
Group 2	-	3.1454	3.1454	-
<b>Class E accumulation</b>				
Group 1	6.3962	-	6.3962	1.8008
Group 2	-	6.3962	6.3962	1.8008
<b>Class I accumulation</b>				
Group 1	1.2927	-	1.2927	0.7201
Group 2	0.1295	1.1632	1.2927	0.7201
<b>Class I USD accumulation<sup>1</sup></b>				
Group 1	9.4994	-	9.4994	4.4666
Group 2	0.0941	9.4053	9.4994	4.4666

<sup>1</sup> in USD cents per share

### Final dividend distribution (accounting date 31 May 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
<b>Class A accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class E accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class I accumulation</b>				
Group 1	0.0727	-	0.0727	0.2758
Group 2	0.0710	0.0017	0.0727	0.2758
<b>Class I USD accumulation<sup>1</sup></b>				
Group 1	-	-	-	0.1441
Group 2	-	-	-	0.1441

<sup>1</sup> in USD cents per share

# Janus Henderson Emerging Markets Opportunities Fund

## Authorised Corporate Director's report

### Investment Fund Managers

Daniel J. Graña and Matthew Culley

### Investment objective and policy

The fund aims to provide a return, from a combination of capital growth and income over the long term.

Performance target: To outperform the MSCI Emerging Markets Index by 2% per annum, before the deduction of charges, over any 5 year period.

The fund invests at least 80% of its assets in a concentrated portfolio of shares (also known as equities) of companies, of any size, in any industry, in emerging markets. Companies will have their registered office in or do most of their business (directly or through subsidiaries) in emerging markets. 'Emerging markets' are countries in the MSCI Emerging Markets Index, included in the World Bank definition of developing economies, or which are, in the Investment Manager's opinion, developing. The portfolio may be concentrated in terms of its number of holdings and/or the size of its largest holdings.

The fund may also invest in other assets including companies outside emerging markets, depositary receipts, 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 Emerging Markets 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.

### Strategy

The Investment Manager seeks consistent risk-adjusted returns by looking to identify the most attractive opportunities within countries across various stages of economic and political development. This diverse landscape requires investors to utilise an array of perspectives to fully evaluate these opportunities. By combining fundamental company research, market and economic analysis, a keen focus on governance and quantitative input, the portfolio attempts to capture price inefficiencies across the market-cap spectrum.

### Performance summary

#### Cumulative performance

	One year 31 May 22 - 31 May 23 %	Three years 31 May 20 - 31 May 23 %	Five years 31 May 18 - 31 May 23 %	Since inception 27 Feb 87 - 31 May 23 %
<b>Class I accumulation (Net)</b>	(7.4)	9.0	(2.3)	786.3
<b>MSCI Emerging Markets Index</b>	(6.5)	11.8	5.8	-*
<b>IA Global Emerging Markets Sector</b>	(5.1)	12.0	3.0	-*
<b>Class I accumulation (Gross)</b>	(6.5)	12.1	2.2	1,128.8
<b>MSCI Emerging Markets Index + 2%</b>	(4.7)	18.6	16.8	-*

Performance/performance target related data will display only when relevant to the fund/share class inception date and the annualised target time period.

#### Discrete performance

	31 May 22 - 31 May 23 %	31 May 21 - 31 May 22 %	31 May 20 - 31 May 21 %	31 May 19 - 31 May 20 %	31 May 18 - 31 May 19 %
<b>Class I accumulation (Net)</b>	(7.4)	(13.9)	36.7	(9.0)	(1.5)
<b>MSCI Emerging Markets Index</b>	(6.5)	(9.3)	31.8	(2.2)	(3.2)
<b>IA Global Emerging Markets Sector</b>	(5.1)	(11.9)	34.1	(5.4)	(2.8)
<b>Class I accumulation (Gross)</b>	(6.5)	(13.1)	38.0	(8.2)	(0.6)
<b>MSCI Emerging Markets Index + 2%</b>	(4.7)	(7.5)	34.4	(0.2)	(1.3)

## Authorised Corporate Director's report (continued)

### Performance summary (continued)

Please note that the performance target is to be achieved over a specific annualised time period. Refer to the the investment objective and policy above.

On 2 August 2022 the Janus Henderson Emerging Markets Opportunities Fund received a windfall tax refund as a result of a successful settlement of historic FII GLO tax claims filed with HMRC that increased the NAV by 0.55%. This uplift is reflected in all performance figures for the representative share class that span that date.

\* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Class I accumulation (Gross), NAV to NAV, gross of OCF and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

### Benchmark usage:

Index: MSCI Emerging Markets Index

Index usage: Target

Index description: The MSCI Emerging Markets Index is a measure of the combined performance of large and medium sized companies from emerging stock markets. It forms the basis of the fund's performance target.

Peer group: IA Global Emerging Markets Sector

Peer group usage: Comparator

Peer group description: 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) provides a useful performance comparison against other funds with similar aims.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

## Significant portfolio changes for the year ended 31 May 2023

Largest purchases	£000	Largest sales	£000
Samsung Electronics	3,580	Alibaba	3,818
Alibaba	3,038	Housing Development Finance	3,699
Bharti Airtel	3,032	Hon Hai Precision Industry	3,566
Wal-Mart de Mexico	2,838	Samsung Electronics	2,832
AI Rajhi Banking and Investment	2,731	Yum China	2,809
BGF Retail	2,363	Varun Beverages	2,752
Alinma Bank	2,023	Anglo American	2,461
Zai Lab	1,976	AI Rajhi Banking and Investment	2,187
BDO Unibank	1,947	Tencent	2,176
AIA	1,767	Regional SAB de CV	2,048
<b>Total purchases</b>	<b>74,590</b>	<b>Total sales</b>	<b>82,388</b>

### Investment review

The fund fell 7.4% (Net), 6.5% (Gross) based on Class I accumulation over the year under review, compared with a fall of 6.5% in the MSCI Emerging Markets Index, a fall of 4.7% in the Target Index + 2% and a fall of 5.1% in the IA Global Emerging Markets Sector peer group benchmark.

Emerging market equities came under pressure at the end of the reporting period, due to investor concerns about surging inflation, rising interest rates and increased global economic uncertainty. Stocks regained ground in the fourth quarter of 2022 on investor hopes that moderating inflation might allow central banks to slow their interest rate hikes. Meanwhile, China announced a relaxation of its 'zero-COVID-19' policy, which was seen as a potential positive development for economic growth.

Markets encountered increased volatility in the first quarter of 2023, however, especially after the failure of several US regional banks raised concerns about the health of the global banking sector. Most central banks remained in policy tightening mode, even if the pace of rate hikes slowed. Recession fears also buffeted stocks amid signs of slowing economic growth, especially in Europe. Moreover, by the end of May, the anticipated post-reopening rebound in China also appeared to be losing steam amid reports of declining consumer confidence. The fund's underperformance relative to its benchmark during the period reflected both stock selection and country allocation decisions.

Among individual holdings, several Chinese investments detracted, including Linklogis, a leading blockchain technology that specialises in providing supply-chain financing for small and medium-sized businesses. Linklogis counts leading property developers among its clients and the stock sold off in the second half of 2022 on concerns about its indirect exposure to China's troubled property market. It regained some ground in December 2022, after the Chinese government announced the relaxation of its strict COVID-19 lockdowns. However, it declined in the second quarter of 2023 as the anticipated rebound in Chinese economic growth appeared to be weaker than anticipated. Despite near-term uncertainty, we continued to appreciate Linklogis' advantages in blockchain technology and strong customer relationships.

Brazilian aluminium producer Cia Brasileira de Alumínio was also a laggard. The stock declined on softer pricing in the global aluminum market and weakening demand, given Brazil's unfavourable macroeconomic backdrop. Cia Brasileira de Alumínio has committed to 'green' aluminum production through its advantaged access to hydropower resources in Brazil. This reliance on hydropower can leave it exposed to weather-related short-term volatility. Low rainfall in Brazil led to lower power output and higher energy costs, which pressured its business. We saw this as a short-term issue and continued to own the stock.

New Horizon Health was a standout performer. The healthcare company has changed the detection and treatment of colorectal cancer in China with its ColoClear test, which is non-invasive, easy to use, accurate and reasonably priced. Sales of the test continued to rise across China while the company has begun to expand into other geographic markets, starting with Hong Kong, which helped it report strong results and guidance. We remained invested in the company given its market leadership and patented technology platform, which it hopes may have applications for other indications beyond colorectal cancer.

Varun Beverages, another contributor, is a prominent bottler of Pepsi products that has expanded its footprint in India's soft drink market. Varun Beverages' business trends initially slowed during the pandemic, as reduced mobility hurt soft drink sales. In response, the company took measures to encourage at-home consumption and these steps helped support its revenue growth. The company's on-the-go beverage sales have improved with the lifting of COVID-19 restrictions, even as at-home consumption remained strong, which have benefited its financial performance.

We recognise that near-term headwinds for global economic growth could have implications for emerging markets. At the same time, we have become more optimistic about the outlook for emerging markets relative to developed economies. Emerging market central banks started to raise interest rates before those in the US and Europe. We believe they are further along in their efforts to contain inflation and, therefore, closer to ending their policy tightening. For this reason, we believe that rates could stabilise sooner in emerging markets than in the US and Europe. We have continued to see encouraging fundamentals in a number of countries. We have also continued to identify longer-term trends that we believe are creating attractive opportunities, from healthcare innovation to investment in electric vehicles and green energy. We also believe that the reshoring of manufacturing capacity may spur stronger economic growth and investment potential in emerging markets such as Vietnam and Mexico. We have also found opportunities in the Middle East, especially in Saudi Arabia, where we have seen the potential of the government's efforts to modernise the economy. As we look to take advantage of this broad array of opportunities, we continue to pay close attention to company and country fundamentals, as well as corporate governance. We believe this strategy may lead to favorable long-term outcomes for our investors.



## Comparative tables for the year ended 31 May 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	207.20	245.79	179.57
Return before operating charges*	(13.80)	(34.45)	70.29
Operating charges	(3.67)	(4.14)	(4.07)
Return after operating charges*	(17.47)	(38.59)	66.22
Distributions on accumulation shares	(1.44)	-	(0.06)
Retained distributions on accumulation shares	1.44	-	0.06
Closing net asset value per share	189.73	207.20	245.79
* after direct transaction costs of:	0.54	0.48	0.54

### Performance

Return after charges	(8.43%)	(15.70%)	36.88%
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### Other information

Closing net asset value (£000s)	24,419	31,679	42,457
Closing number of shares	12,870,293	15,288,658	17,273,835
Operating charges	1.85%	1.78%	1.79%
Direct transaction costs	0.27%	0.21%	0.24%

### Prices

Highest share price (pence)	212.50	258.80	268.20
Lowest share price (pence)	179.60	195.80	182.60

	Class C accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	673.91	790.54	571.10
Return before operating charges*	(45.58)	(111.98)	224.04
Operating charges	(4.40)	(4.65)	(4.60)
Return after operating charges*	(49.98)	(116.63)	219.44
Distributions on accumulation shares	(11.43)	(4.42)	(5.42)
Retained distributions on accumulation shares	11.43	4.42	5.42
Closing net asset value per share	623.93	673.91	790.54
* after direct transaction costs of:	1.75	1.54	1.74

### Performance

Return after charges	(7.42%)	(14.75%)	38.42%
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### Other information

Closing net asset value (£000s)	4	4	4
Closing number of shares	547	547	547
Operating charges	0.68%	0.62%	0.63%
Direct transaction costs	0.27%	0.21%	0.24%

### Prices

Highest share price (pence)	693.20	833.30	859.80
Lowest share price (pence)	587.00	635.40	580.70

## Comparative tables (continued)

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	210.28	248.19	180.41
Return before operating charges*	(14.08)	(34.90)	70.75
Operating charges	(2.70)	(3.01)	(2.97)
Return after operating charges*	(16.78)	(37.91)	67.78
Distributions on accumulation shares	(2.38)	-	(0.59)
Retained distributions on accumulation shares	2.38	-	0.59
Closing net asset value per share	193.50	210.28	248.19
* after direct transaction costs of:	0.54	0.48	0.55

### Performance

Return after charges	(7.98%)	(15.28%)	37.57%
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### Other information

Closing net asset value (£000s)	7,683	8,959	10,975
Closing number of shares	3,970,403	4,260,643	4,422,156
Operating charges	1.34%	1.28%	1.29%
Direct transaction costs	0.27%	0.21%	0.24%

### Prices

Highest share price (pence)	215.90	261.50	270.40
Lowest share price (pence)	182.70	198.50	183.40

	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	160.01	188.14	136.25
Return before operating charges*	(10.74)	(26.52)	53.46
Operating charges	(1.47)	(1.61)	(1.57)
Return after operating charges*	(12.21)	(28.13)	51.89
Distributions on accumulation shares	(2.41)	(0.59)	(0.84)
Retained distributions on accumulation shares	2.41	0.59	0.84
Closing net asset value per share	147.80	160.01	188.14
* after direct transaction costs of:	0.42	0.37	0.41

### Performance

Return after charges	(7.63%)	(14.95%)	38.08%
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### Other information

Closing net asset value (£000s)	28,517	31,231	41,895
Closing number of shares	19,294,294	19,518,061	22,267,756
Operating charges	0.96%	0.90%	0.91%
Direct transaction costs	0.27%	0.21%	0.24%

### Prices

Highest share price (pence)	164.50	198.30	204.70
Lowest share price (pence)	139.20	150.90	138.50

## Comparative tables (continued)

	Class I income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	112.13	133.34	97.74
Return before operating charges*	(7.47)	(18.71)	38.23
Operating charges	(1.03)	(1.14)	(1.09)
Return after operating charges*	(8.50)	(19.85)	37.14
Distributions on income shares	(2.48)	(1.36)	(1.54)
Closing net asset value per share	101.15	112.13	133.34
* after direct transaction costs of:	0.29	0.26	0.28
<b>Performance</b>			
Return after charges	(7.58%)	(14.89%)	38.00%
<b>Other information</b>			
Closing net asset value (£000s)	223	297	454
Closing number of shares	220,649	265,370	340,494
Operating charges	0.96%	0.90%	0.91%
Direct transaction costs	0.27%	0.21%	0.24%
<b>Prices</b>			
Highest share price (pence)	115.20	140.50	145.70
Lowest share price (pence)	97.56	106.50	99.41

	Class Z accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	414.15	483.00	346.94
Return before operating charges*	(27.85)	(68.44)	136.51
Operating charges	(0.60)	(0.41)	(0.45)
Return after operating charges*	(28.45)	(68.85)	136.06
Distributions on accumulation shares	(9.50)	(5.27)	(5.78)
Retained distributions on accumulation shares	9.50	5.27	5.78
Closing net asset value per share	385.70	414.15	483.00
* after direct transaction costs of:	1.08	0.94	1.07
<b>Performance</b>			
Return after charges	(6.87%)	(14.25%)	39.22%
<b>Other information</b>			
Closing net asset value (£000s)	33,017	38,357	41,972
Closing number of shares	8,560,273	9,261,576	8,689,779
Operating charges	0.15%	0.09%	0.10%
Direct transaction costs	0.27%	0.21%	0.24%
<b>Prices</b>			
Highest share price (pence)	427.10	509.40	524.40
Lowest share price (pence)	361.50	390.00	352.80

## Comparative tables (continued)

	Class I USD accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	101.77	119.29	86.14
Return before operating charges*	16.05	(16.50)	34.15
Operating charges	(0.72)	(1.02)	(1.00)
Return after operating charges*	15.33	(17.52)	33.15
Distributions on accumulation shares	(1.22)	(0.66)	(0.79)
Retained distributions on accumulation shares	1.22	0.66	0.79
Final cancellation	(117.10) <sup>1</sup>	-	-
Closing net asset value per share	-	101.77	119.29
* after direct transaction costs of:	0.26	0.23	0.26
<b>Performance</b>			
Return after charges	15.06% <sup>2</sup>	(14.69%)	38.48%
<b>Other information</b>			
Closing net asset value (£000s)	-	1	1
Closing number of shares	-	1,000	1,000
Operating charges	0.74%	0.90%	0.91%
Direct transaction costs	0.27%	0.21%	0.24%
<b>Prices</b>			
Highest share price (USD cents)	128.90 <sup>3</sup>	174.00	179.80
Lowest share price (USD cents)	101.50 <sup>3</sup>	117.90	109.20

<sup>1</sup> Class I USD accumulation closed on 18 May 2023.

<sup>2</sup> Return after charges relates to the period 1 June 2022 to the closure of the share class on 18 May 2023. This performance will differ from the other share classes as it does not include returns generated over the same period.

<sup>3</sup> to 18 May 2023.

Direct transaction costs incurred on securities transactions are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

### Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

### Share class launches and closures

The following share class closed during the year:

Share class	Closure date
Class I USD accumulation	18 May 2023

## Ongoing charge figure

The OCF of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2023 %	2022 %
<b>Class A accumulation</b>	1.85	1.78
<b>Class C accumulation</b>	0.68	0.62
<b>Class E accumulation</b>	1.34	1.28
<b>Class I accumulation</b>	0.96	0.90
<b>Class I income</b>	0.96	0.90
<b>Class Z accumulation</b>	0.15	0.09
<b>Class I USD accumulation</b>	n/a <sup>1</sup>	0.90

The OCF is calculated in accordance with guidelines issued by ESMA.

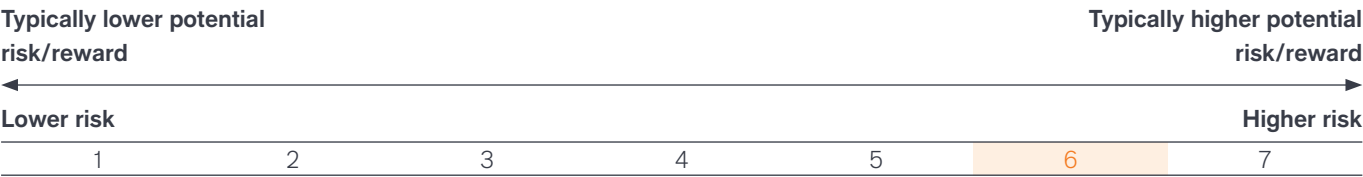
<sup>1</sup> Class I USD accumulation closed on 18 May 2023.

The OCF for all classes includes fees charged to the fund in relation to the Franked Investment Income Group Litigation Order (FII GLO) reclaims successfully completed in the current year, which increased the fund NAV by 0.55%. These fees account for 0.05% (2022: nil) of the total OCF for each class disclosed above.

# Risk and reward profile

The fund currently has 6 types of share class in issue: A accumulation, C accumulation, E accumulation, I accumulation, I income and Z accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The SRRI is calculated based on historical volatility over a rolling five\* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

The risk rating for all share classes increased from 5 to 6 during the year. The ratings may change over time as a fund takes on more or less risky investments or where market conditions become more or less volatile. At share class level the ratings may differ dependent on the class currency and may be influenced by currency movements and the impact of inflows and outflows.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class E accumulation launched on 24 June 2019 and as it does not have a five year history, a sythetic history has been created using the A accumulation share class.

## Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 97.12% (2022: 97.85%)</b>		
	<b>Australia 1.88% (2022: 1.07%)</b>		
	<b>Materials 1.88% (2022: 1.07%)</b>		
228,890	Allkem	1,769	1.88
	<b>Brazil 3.88% (2022: 5.54%)</b>		
	<b>Communication Services 0.00% (2022: 0.41%)</b>		
	<b>Consumer Discretionary 0.00% (2022: 1.04%)</b>		
	<b>Energy 1.83% (2022: 1.13%)</b>		
304,958	3R Petroleum Oleo e Gas	1,456	1.55
55,273	3R Petroleum Óleo e Gás 'A'	258	0.28
		1,714	1.83
	<b>Financials 1.54% (2022: 0.00%)</b>		
266,478	Nu 'A'	1,449	1.54
	<b>Materials 0.51% (2022: 2.96%)</b>		
581,217	Cia Brasileira de Alumínio	475	0.51
	<b>Canada 1.22% (2022: 3.09%)</b>		
	<b>Materials 1.22% (2022: 3.09%)</b>		
193,989	Ivanhoe Mines	1,145	1.22
	<b>China 26.51% (2022: 28.83%)</b>		
	<b>Communication Services 3.35% (2022: 4.84%)</b>		
98,100	Tencent	3,140	3.35
	<b>Consumer Discretionary 4.50% (2022: 6.56%)</b>		
59,000	BYD 'H'	1,430	1.52
1,468,000	Fu Shou Yuan International	863	0.92
467,200	H World	1,404	1.50
40,704	JD.com 'A'	527	0.56
		4,224	4.50
	<b>Consumer Staples 2.33% (2022: 0.00%)</b>		
72,954	Wuliangye Yibin 'A'	1,331	1.42
1,164,600	ZJLD	851	0.91
		2,182	2.33
	<b>Financials 2.21% (2022: 3.60%)</b>		
1,397,500	CITIC Securities 'H'	2,077	2.21
	<b>Health Care 6.41% (2022: 2.47%)</b>		
1,064,720	Canbridge Pharmaceuticals	178	0.19
723,500	New Horizon Health	2,069	2.20
39,527	Shenzhen Mindray Bio-Medical Electronics 'A'	1,345	1.43

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Health Care (continued)</b>		
154,713	Structure Therapeutics (Restricted) <sup>1</sup>	1,265	1.35
345,200	Zai Lab	918	0.98
951,500	Zhaoke Ophthalmology	243	0.26
		<u>6,018</u>	<u>6.41</u>
	<b>Industrials 4.64% (2022: 5.39%)</b>		
49,824	Contemporary Amperex Technology 'A'	1,248	1.33
324,175	Full Truck Alliance	1,517	1.61
329,322	Ming Yang Smart Energy 'A'	655	0.70
139,564	Shenzhen Inovance Technology 'A'	934	1.00
		<u>4,354</u>	<u>4.64</u>
	<b>Information Technology 2.26% (2022: 2.41%)</b>		
4,316,671	Linklogis	1,299	1.38
251,860	LONGi Green Energy Technology 'A'	822	0.88
		<u>2,121</u>	<u>2.26</u>
	<b>Materials 0.00% (2022: 0.82%)</b>		
	<b>Utilities 0.81% (2022: 2.74%)</b>		
1,282,000	China Water Affairs	<u>764</u>	<u>0.81</u>
	<b>Hong Kong 1.90% (2022: 1.17%)</b>		
	<b>Financials 1.90% (2022: 1.17%)</b>		
230,000	AIA	<u>1,780</u>	<u>1.90</u>
	<b>India 14.46% (2022: 11.61%)</b>		
	<b>Communication Services 2.12% (2022: 0.00%)</b>		
245,256	Bharti Airtel	<u>1,990</u>	<u>2.12</u>
	<b>Consumer Discretionary 3.25% (2022: 0.00%)</b>		
40,410	Eicher Motors	1,450	1.55
895,467	Kalyan Jewellers India	922	0.98
32,213	MakeMyTrip	677	0.72
		<u>3,049</u>	<u>3.25</u>
	<b>Consumer Staples 0.00% (2022: 1.74%)</b>		
	<b>Financials 6.23% (2022: 8.29%)</b>		
154,123	HDFC Bank	2,421	2.58
33,470	Housing Development Finance	863	0.92
276,906	ICICI Bank	2,566	2.73
		<u>5,850</u>	<u>6.23</u>
	<b>Health Care 1.76% (2022: 1.58%)</b>		
1,290,630	API (Placement) <sup>1</sup>	367	0.39
182,273	Syngene International	1,287	1.37
		<u>1,654</u>	<u>1.76</u>



## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Industrials 1.10% (2022: 0.00%)</b>		
52,794	KEI Industries	1,028	1.10
	<b>Indonesia 5.23% (2022: 4.26%)</b>		
	<b>Communication Services 2.00% (2022: 1.02%)</b>		
8,612,600	Telekomunikasi Indonesia	1,873	2.00
	<b>Financials 1.60% (2022: 3.24%)</b>		
3,090,400	Bank Negara Indonesia	1,505	1.60
	<b>Materials 1.63% (2022: 0.00%)</b>		
17,392,468	Merdeka Battery Materials	707	0.75
5,136,300	Merdeka Copper Gold	826	0.88
		1,533	1.63
	<b>Mexico 5.64% (2022: 2.48%)</b>		
	<b>Consumer Staples 4.66% (2022: 1.25%)</b>		
887,330	Becle	1,680	1.79
880,483	Wal-Mart de Mexico	2,692	2.87
		4,372	4.66
	<b>Financials 0.98% (2022: 1.23%)</b>		
147,782	Regional SAB de CV	923	0.98
	<b>Philippines 3.11% (2022: 1.35%)</b>		
	<b>Financials 2.18% (2022: 0.00%)</b>		
1,046,950	BDO Unibank	2,046	2.18
	<b>Industrials 0.93% (2022: 1.35%)</b>		
310,610	International Container Terminal Services	870	0.93
	<b>Poland 0.00% (2022: 1.11%)</b>		
	<b>Consumer Staples 0.00% (2022: 1.11%)</b>		
	<b>Saudi Arabia 4.80% (2022: 3.00%)</b>		
	<b>Communication Services 2.00% (2022: 1.76%)</b>		
201,614	Saudi Telecom	1,874	2.00
	<b>Financials 2.80% (2022: 0.68%)</b>		
374,298	Alinma Bank	2,625	2.80
	<b>Health Care 0.00% (2022: 0.56%)</b>		
	<b>South Africa 0.00% (2022: 2.74%)</b>		
	<b>Materials 0.00% (2022: 2.74%)</b>		
	<b>South Korea 12.40% (2022: 10.28%)</b>		
	<b>Communication Services 0.00% (2022: 1.04%)</b>		
	<b>Consumer Staples 1.46% (2022: 0.00%)</b>		
11,912	BGF Retail	1,374	1.46

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Financials 0.70% (2022: 0.00%)</b>		
97,641	NHN KCP	660	0.70
	<b>Information Technology 10.24% (2022: 9.24%)</b>		
194,479	Samsung Electronics	8,430	8.98
17,893	SK Hynix	1,181	1.26
		9,611	10.24
	<b>Taiwan 12.38% (2022: 16.06%)</b>		
	<b>Information Technology 12.38% (2022: 16.06%)</b>		
177,000	Accton Technology	1,641	1.75
167,000	E Ink	908	0.97
619,000	Taiwan Semiconductor Manufacturing	9,069	9.66
		11,618	12.38
	<b>United Arab Emirates 1.06% (2022: 1.37%)</b>		
	<b>Industrials 0.17% (2022: 0.00%)</b>		
365,615	ADNOC Logistics & Services	161	0.17
	<b>Materials 0.89% (2022: 1.37%)</b>		
1,171,782	Fertiglobe	837	0.89
	<b>United States 0.17% (2022: 0.00%)</b>		
	<b>Health Care 0.17% (2022: 0.00%)</b>		
6,482	Structure Therapeutics ADR	166	0.17
	<b>Vietnam 2.48% (2022: 3.89%)</b>		
	<b>Consumer Staples 1.11% (2022: 1.38%)</b>		
422,480	Masan	1,044	1.11
	<b>Financials 1.37% (2022: 1.20%)</b>		
1,248,530	Vietnam Technological and Commercial Joint Stock Bank	1,285	1.37
	<b>Real Estate 0.00% (2022: 1.31%)</b>		
	<b>Investment assets</b>	<b>91,160</b>	<b>97.12</b>
	Other net assets	2,703	2.88
	<b>Total net assets</b>	<b>93,863</b>	<b>100.00</b>

<sup>1</sup> Manually priced security

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

The classification is based on the country of risk and a relevant industry classification standard.

## Statement of total return for the year ended 31 May 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital losses	2		(9,371)		(20,632)
Revenue	3	2,262		1,779	
Expenses	4	(968)		(1,188)	
Interest payable and similar charges	5	(65)		-	
Net revenue before taxation		1,229		591	
Taxation	6	62		(417)	
Net revenue after taxation			1,291		174
Total return before distributions			(8,080)		(20,458)
Distributions	7		(1,651)		(608)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>(9,731)</b>		<b>(21,066)</b>

## Statement of change in net assets attributable to shareholders for the year ended 31 May 2023

	2023		2022	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>110,528</b>		<b>137,758</b>
Amounts receivable on issue of shares	6,207		6,407	
Amounts payable on cancellation of shares	(14,764)		(13,182)	
		(8,557)		(6,775)
Dilution adjustment		15		6
Change in net assets attributable to shareholders from investment activities		(9,731)		(21,066)
Retained distributions on accumulation shares		1,608		605
<b>Closing net assets attributable to shareholders</b>		<b>93,863</b>		<b>110,528</b>

## Balance sheet as at 31 May 2023

	Note	2023 £000	2022 £000
<b>Assets:</b>			
Investments		91,160	108,187
Current assets:			
Debtors	8	398	253
Cash and bank balances	9	3,125	2,612
<b>Total assets</b>		<b>94,683</b>	<b>111,052</b>
<b>Liabilities:</b>			
Deferred tax liability	6c	170	300
Creditors:			
Distributions payable		2	2
Other creditors	10	648	222
<b>Total liabilities</b>		<b>820</b>	<b>524</b>
<b>Net assets attributable to shareholders</b>		<b>93,863</b>	<b>110,528</b>

## Notes to the financial statements for the year ended 31 May 2023

### 1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

### 2 Net capital losses

Net capital losses on investments during the year comprise:

	2023 £000	2022 £000
Forward currency contracts	1	(17)
Non-derivative securities	(9,233)	(20,617)
Other currency (losses)/gains	(121)	10
Transaction costs	(18)	(8)
<b>Net capital losses</b>	<b>(9,371)</b>	<b>(20,632)</b>

### 3 Revenue

	2023 £000	2022 £000
Bank interest	166	11
Interest on debt securities	-	5
Overseas dividends	2,012	1,545
Stock lending revenue	10	6
UK dividends	74	212
<b>Total revenue</b>	<b>2,262</b>	<b>1,779</b>

### 4 Expenses

	2023 £000	2022 £000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
Annual management charge	743	966
GAC*	118	152
	<u>861</u>	<u>1,118</u>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary fees	1	9
Safe custody fees	68	56
	<u>69</u>	<u>65</u>
<b>Other expenses:</b>		
Dividend collection charges	-	2
Professional fees	38	3
	<u>38</u>	<u>5</u>
<b>Total expenses</b>	<b>968</b>	<b>1,188</b>

Irrecoverable VAT is included in the above expenses where relevant.

\* The current audit fee, which is levied through the GAC, is £13,503 (2022: £12,249).

## Notes to the financial statements (continued)

### 5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable	65	-
<b>Total interest payable and similar charges</b>	<b>65</b>	<b>-</b>

### 6 Taxation

#### a) Analysis of (credit)/charge in the year

The tax (credit)/charge comprises:

	2023 £000	2022 £000
<b>Current tax</b>		
Capital gains tax	339	209
Corporation tax	(620)	-
Overseas withholding tax	219	208
<b>Total tax (note 6b)</b>	<b>(62)</b>	<b>417</b>

#### b) Factors affecting tax (credit)/charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue before taxation	1,229	591
Corporation tax at 20% (2022: 20%)	246	118
Effects of:		
Adjustment in respect of corporation tax*	(620)	-
Capital gains tax**	339	209
Double tax relief	-	(7)
Overseas withholding tax	219	208
Overseas dividends	(402)	(266)
UK dividends***	(15)	(42)
Unused management expenses	171	197
<b>Tax (credit)/charge for the year (note 6a)</b>	<b>(62)</b>	<b>417</b>

\* The Adjustment in respect to corporation tax relates to successful FII GLO reclaims for the 2008 and 2009 accounting years (2022: nil)

\*\* Non-resident investors will pay capital gains tax on capital gains on Indian securities. At the Balance sheet date the fund has reduced its capital gains tax accrual by £129,966 (2022: increase of £34,696) for potential Indian capital gains tax exposure.

\*\*\* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

#### c) Deferred tax

There is a deferred tax liability at the Balance sheet date of £169,648 due to Indian Capital Gains Tax (2022: £299,614).

#### d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £6,619,076 (2022: £6,447,688) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

## Notes to the financial statements (continued)

### 7 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £000	2022 £000
Interim income	4	2
Interim accumulation	1,201	244
Final income	2	2
Final accumulation	407	361
	<u>1,614</u>	<u>609</u>
Amounts deducted on cancellation of shares	84	12
Amounts received on issue of shares	(47)	(13)
<b>Total distributions</b>	<u><b>1,651</b></u>	<u><b>608</b></u>
Net revenue after taxation	1,291	174
Annual management charge borne by the capital account	2	3
Capital gains tax	339	209
Revenue shortfall	19	222
<b>Total distributions</b>	<u><b>1,651</b></u>	<u><b>608</b></u>

Details of the distribution per share are set out in the Distribution tables on pages 66 to 67.

### 8 Debtors

	2023 £000	2022 £000
Accrued revenue	151	226
Capital gains tax reclaimable	-	3
Overseas withholding tax reclaimable	10	24
Sales awaiting settlement	237	-
<b>Total debtors</b>	<u><b>398</b></u>	<u><b>253</b></u>

### 9 Cash and bank balances

	2023 £000	2022 £000
Cash and bank balances	3,125	2,612
<b>Total cash and bank balances</b>	<u><b>3,125</b></u>	<u><b>2,612</b></u>

### 10 Other creditors

	2023 £000	2022 £000
Accrued annual management charge	55	67
Accrued other expenses	22	26
Accrued Depositary's fee	1	2
Amounts payable for cancellation of shares	85	127
Currency transactions awaiting settlement	1	-
Purchases awaiting settlement	484	-
<b>Total other creditors</b>	<u><b>648</b></u>	<u><b>222</b></u>

## Notes to the financial statements (continued)

### 11 Contingent assets, liabilities and commitments

Henderson Institutional Emerging Markets Fund (a sub-fund of Janus Henderson Global Funds OEIC) merged into Janus Henderson Emerging Markets Opportunities Fund (a sub-fund of Janus Henderson Investment Funds Series I) on 11 February 2016. The Henderson Institutional Emerging Markets Fund had filed a claim with HMRC (on the basis of the principles set out in the FII GLO) for corporation tax unduly paid in respect of periods prior to 1 July 2009. The claim has been filed on the basis that the relevant UK tax legislation was in breach of EU law for these periods. The Henderson Institutional Emerging Markets Fund has been successful in receiving refunds of corporation tax for the 2008 and 2009 accounting years as recognised in the taxation notes 6a) and 6b). The claims for the 2003-2007 accounting years continue to be in progress. Currently, there is insufficient information available to provide an estimate of the financial effect regarding the timing and amount of any future settlements.

There were no contingent liabilities or outstanding commitments at the current or prior year end.

### 12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 55 and 56 and notes 4, 7, 8 and 10 on pages 57 to 59 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

### 13 Shareholders' funds

The fund currently has 5 share classes available: Class A (Retail), Class C (Institutional), Class E (Retail), Class I (Institutional), Class Z (Institutional). The annual management charge on each share class is as follows:

	2023	2022
	%	%
Class A	1.50	1.50
Class C	0.50	0.50
Class E	1.00	1.00
Class I	0.75	0.75
Class Z <sup>1</sup>	0.00	0.00
Class I USD <sup>2</sup>	n/a	0.75

<sup>1</sup> Charges for managing Z class shares are levied outside the fund and are agreed between the ACD and investors.

<sup>2</sup> Class I USD accumulation closed on 18 May 2023.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 45 to 48. The distribution per share class is given in the Distribution tables on pages 66 to 67. All share classes have the same rights on winding up.

### Shares reconciliation as at 31 May 2023

	Class A accumulation	Class C accumulation	Class E accumulation	Class I accumulation
Opening number of shares	15,288,658	547	4,260,643	19,518,061
Issues during the year	2,547,993	-	43,073	84,008
Cancellations during the year	(2,946,513)	-	(353,950)	(2,881,100)
Shares converted during the year	(2,019,845)	-	20,637	2,573,325
<b>Closing shares in issue</b>	<b>12,870,293</b>	<b>547</b>	<b>3,970,403</b>	<b>19,294,294</b>

	Class I income	Class Z accumulation	Class I USD accumulation
Opening number of shares	265,370	9,261,576	1,000
Issues during the year	42,022	246,106	-
Cancellations during the year	(86,743)	(947,409)	(1,000)
Shares converted during the year	-	-	-
<b>Closing shares in issue</b>	<b>220,649</b>	<b>8,560,273</b>	<b>-</b>



## Notes to the financial statements (continued)

### 14 Financial derivatives

The fund may use derivatives to reduce risk or to manage the fund more efficiently.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 May 2023 (2022: nil).

#### 2023

The fund had no exposure to derivatives as at 31 May 2023 with no positive market value.

#### 2022

The fund had no exposure to derivatives as at 31 May 2022 with no positive market value.

### 15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

#### 2023

There was no stock on loan as at 31 May 2023.

Recipient	Relationship	Total gross amount of stock lending revenue	Direct and indirect costs and fees deducted by securities lending agent	Net stock lending revenue retained by the fund
		£000	£000	£000
JPMorgan Chase	Stock lending agent	11	1	10

#### 2022

There was no stock on loan as at 31 May 2022.

Recipient	Relationship	Total gross amount of stock lending revenue	Direct and indirect costs and fees deducted by securities lending agent	Net stock lending revenue retained by the fund
		£000	£000	£000
JPMorgan Chase	Stock lending agent	7	1	6

## Notes to the financial statements (continued)

### 16 Risk

#### Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies:

	Investment assets	Other net assets/ (liabilities)	Total net assets
	£000	£000	£000
<b>2023</b>			
<b>Currency</b>			
Australian dollar	1,769	-	1,769
Brazilian real	2,188	32	2,220
Canadian dollar	1,145	-	1,145
Chinese yuan	6,335	18	6,353
Euro	-	5	5
Hong Kong dollar	17,544	49	17,593
Indian rupee	12,894	224	13,118
Indonesian rupiah	4,912	-	4,912
Korean won	11,644	(237)	11,407
Mexican peso	5,295	-	5,295
Philippine peso	2,916	-	2,916
Saudi riyal	4,498	37	4,535
Taiwan dollar	11,618	-	11,618
UK sterling	-	1,917	1,917
United Arab Emirates dirham	998	-	998
US dollar	5,074	-	5,074
Vietnamese dong	2,330	658	2,988
<b>Total</b>	<b>91,160</b>	<b>2,703</b>	<b>93,863</b>
<b>2022</b>			
<b>Currency</b>			
Australian dollar	1,186	-	1,186
Brazilian real	4,522	-	4,522
Canadian dollar	3,418	-	3,418
Chinese yuan	6,937	-	6,937
Euro	-	15	15
Hong Kong dollar	23,231	90	23,321
Indian rupee	12,845	258	13,103
Indonesian rupiah	4,708	-	4,708
Korean won	11,360	-	11,360
Mexican nuevo peso	2,739	-	2,739
Philippine peso	1,494	-	1,494
Polish zloty	1,222	-	1,222
Saudi riyal	3,327	33	3,360
Taiwan dollar	17,768	-	17,768
UK sterling	3,028	1,903	4,931
United Arab Emirates dirham	1,516	-	1,516
US dollar	4,589	-	4,589
Vietnamese dong	4,297	42	4,339
<b>Total</b>	<b>108,187</b>	<b>2,341</b>	<b>110,528</b>

#### Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £91,946,457 (2022: £105,596,455). A 10% increase/(decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/(decreasing) the return for the accounting year and the year end net assets by £9,194,676 (2022: £10,559,645).

## Notes to the financial statements (continued)

### 16 Risk (continued)

#### Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

#### Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

#### Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis:

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2023</b>				
Distribution payable	-	2	-	-
Other creditors	-	648	-	-
Deferred tax liability	-	170	-	-
<b>Total</b>	<b>-</b>	<b>820</b>	<b>-</b>	<b>-</b>
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2022</b>				
Distribution payable	-	2	-	-
Other creditors	-	222	-	-
Deferred tax liability	-	300	-	-
<b>Total</b>	<b>-</b>	<b>524</b>	<b>-</b>	<b>-</b>

### 17 Fair value disclosure

#### Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

#### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

#### Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

#### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

## Notes to the financial statements (continued)

### 17 Fair value disclosure (continued)

#### Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	89,528	-	106,581	-
Level 2	1,265	-	401	-
Level 3	367	-	1,205	-
	<b>91,160</b>	<b>-</b>	<b>108,187</b>	<b>-</b>

Where a price is unavailable or the price provided is not thought to be a fair reflection of the current market value of the asset, the Investment Manager, at its discretion, may permit an alternative method of valuation to be used if they consider that it better reflects value and is in accordance with good accounting practice. The EPC of the Investment Manager supports the ACD in determining or approving unquoted prices. Where deemed necessary, the EPC will seek ratification of decisions from the Janus Henderson Investment Risk Team. The EPC meets on a monthly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function, to review and approve fair value pricing decisions and pricing models on a regular basis. The assets included within level 3 are holdings in API (Placement) which were purchased via private placement. API (Placement) has been valued, using the most recent transaction price set by market participants, adjusted for a share split. Consideration has been given to steady growth in the business, limited near-term needs for capital, along with progress on synergies in the higher margin diagnostics area. The asset included within level 2 is Structure Therapeutics (Restricted), with a value at the balance sheet date of £1,264,929. The asset was purchased via private placement on 30 July 2021. Following an Initial Public Offering on 3 February 2023, all outstanding private shares have been converted to ordinary shares.

### 18 Direct transaction costs

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
<b>Trades in the year</b>				
Equities	74,471	76,774	82,563	80,877
<b>Trades in the year before transaction costs</b>	<b>74,471</b>	<b>76,774</b>	<b>82,563</b>	<b>80,877</b>
<b>Transaction costs</b>				
<b>Commissions</b>				
Equities	76	73	70	61
<b>Total commissions</b>	<b>76</b>	<b>73</b>	<b>70</b>	<b>61</b>
<b>Taxes</b>				
Equities	35	31	85	81
<b>Total taxes</b>	<b>35</b>	<b>31</b>	<b>85</b>	<b>81</b>
<b>Other expenses</b>				
Equities	8	6	20	18
<b>Total other expenses</b>	<b>8</b>	<b>6</b>	<b>20</b>	<b>18</b>
<b>Total transaction costs</b>	<b>119</b>	<b>110</b>	<b>175</b>	<b>160</b>
<b>Total net trades in the year after transaction costs</b>	<b>74,590</b>	<b>76,884</b>	<b>82,388</b>	<b>80,717</b>

## Notes to the financial statements (continued)

### 18 Direct transaction costs (continued)

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
<b>Total transaction costs expressed as a percentage of asset type cost</b>				
<b>Commissions</b>				
Equities	0.10	0.10	0.08	0.08
<b>Taxes</b>				
Equities	0.05	0.04	0.10	0.10
<b>Other expenses</b>				
Equities	0.01	0.01	0.02	0.02
	<b>2023</b>	<b>2022</b>		
	%	%		
<b>Total transaction costs expressed as a percentage of net asset value</b>				
Commissions	0.14	0.10		
Taxes	0.12	0.09		
Other expenses	0.03	0.02		
<b>Total costs</b>	<b>0.29</b>	<b>0.21</b>		

There were no in specie transfers during the year (2022: nil). There were corporate actions during the year of nil (2022: £26,576).

There were no direct transaction costs associated with derivatives in the year (2022: nil).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 31 May 2023 was 0.30% (2022: 0.24%). The portfolio dealing spread is calculated at a 12 noon valuation point.

### 19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

## Distribution tables for the year ended 31 May 2023 (in pence per share)

### Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 June 2022

Group 2: shares purchased on or after 1 June 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
<b>Class A accumulation<sup>1</sup></b>				
Group 1	1.4431	-	1.4431	-
Group 2	-	1.4431	1.4431	-
<b>Class C accumulation<sup>1</sup></b>				
Group 1	8.2613	-	8.2613	1.6167
Group 2	8.2613	-	8.2613	1.6167
<b>Class E accumulation<sup>1</sup></b>				
Group 1	1.9742	-	1.9742	-
Group 2	0.7144	1.2598	1.9742	-
<b>Class I accumulation<sup>1</sup></b>				
Group 1	1.7972	-	1.7972	0.1335
Group 2	0.6146	1.1826	1.7972	0.1335
<b>Class I income<sup>1</sup></b>				
Group 1	1.6670	-	1.6670	0.5964
Group 2	0.4025	1.2645	1.6670	0.5964
<b>Class Z accumulation<sup>1</sup></b>				
Group 1	6.2990	-	6.2990	2.3229
Group 2	4.2831	2.0159	6.2990	2.3229
<b>Class I USD accumulation<sup>1, 2</sup></b>				
Group 1	1.4564	-	1.4564	0.3135
Group 2	1.4564	-	1.4564	0.3135

<sup>1</sup> The distribution paid on 31 January 2023 includes the proceeds of successful FII GLO reclaims.

<sup>2</sup> in USD cents per share

## Distribution tables (continued)

### Final dividend distribution (accounting date 31 May 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
<b>Class A accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class C accumulation</b>				
Group 1	3.1695	-	3.1695	2.7983
Group 2	3.1695	-	3.1695	2.7983
<b>Class E accumulation</b>				
Group 1	0.4053	-	0.4053	-
Group 2	0.3586	0.0467	0.4053	-
<b>Class I accumulation</b>				
Group 1	0.6084	-	0.6084	0.4543
Group 2	0.5033	0.1051	0.6084	0.4543
<b>Class I income</b>				
Group 1	0.8116	-	0.8116	0.7648
Group 2	0.4139	0.3977	0.8116	0.7648
<b>Class Z accumulation</b>				
Group 1	3.1971	-	3.1971	2.9442
Group 2	2.7354	0.4617	3.1971	2.9442
<b>Class I USD accumulation<sup>1, 2</sup></b>				
Group 1	n/a	n/a	n/a	0.5344
Group 2	n/a	n/a	n/a	0.5344

<sup>1</sup> in USD cents per share

<sup>2</sup> Class I USD accumulation closed on 18 May 2023.

# Janus Henderson European Focus Fund

## Authorised Corporate Director's report

### Investment Fund Managers

John Bennett, Tom O'Hara and Tom Lemaigre

### Investment objective and policy

The fund aims to provide a return, from a combination of capital growth and income over the long term (5 years or more).

The fund invests at least 80% of its assets in a concentrated portfolio of shares (also known as equities) of companies, of any size, in any industry, in Europe (excluding UK). Companies will be incorporated, headquartered, listed on an exchange in, or deriving significant revenue from, this region. The portfolio may be concentrated in terms of its number of holdings and/or the size of its largest holdings.

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 FTSE World Europe (Ex UK) Index, which is broadly representative of the companies in which it may invest, as this can provide a useful comparator for assessing the fund's performance. The Investment Manager has discretion to choose investments for the fund with weightings different to the index or not in the index.

### Strategy

The Investment Manager seeks to capture performance by anticipating the catalysts for change in European companies and industries. The investment process blends compelling company-specific stories with sector themes, with a goal of providing access to sustainable long-term growth trends. This results in a portfolio of typically 30 to 50 mainly well-known larger companies and under-researched mid-sized companies. Smaller companies are not normally a significant focus of the portfolio.

### Performance summary

#### Cumulative performance

	One year 31 May 22 - 31 May 23 %	Three years 31 May 20 - 31 May 23 %	Five years 31 May 18 - 31 May 23 %	Since inception 31 Jan 01 - 31 May 23 %
<b>Class I accumulation (Net)</b>	5.8	35.3	43.2	339.1
<b>FTSE World Europe (Ex UK) Index</b>	8.5	35.4	40.5	259.5
<b>IA Europe (Ex UK) Sector</b>	6.9	32.1	31.5	237.9

#### Discrete performance

	31 May 22 - 31 May 23 %	31 May 21 - 31 May 22 %	31 May 20 - 31 May 21 %	31 May 19 - 31 May 20 %	31 May 18 - 31 May 19 %
<b>Class I accumulation (Net)</b>	5.8	(0.8)	29.0	7.2	(1.3)
<b>FTSE World Europe (Ex UK) Index</b>	8.5	(1.5)	26.6	1.9	1.8
<b>IA Europe (Ex UK) Sector</b>	6.9	(3.3)	27.7	2.9	(3.3)

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

### Benchmark usage:

Index: FTSE World Europe (Ex UK) Index

Index usage: Comparator

Index description: The FTSE World Europe (Ex UK) Index is a measure of the combined performance of large and medium sized companies from developed and advanced emerging European stock markets excluding the UK. It provides a useful comparison against which the fund's performance can be assessed over time.



## Authorised Corporate Director's report (continued)

### Performance summary (continued)

#### Benchmark usage: (continued)

Peer group: IA Europe (Ex UK) Sector

Peer group usage: Comparator

Peer group description: 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) provides a useful performance comparison against other funds with similar aims.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

### Significant portfolio changes for the year ended 31 May 2023

Largest purchases	£000	Largest sales	£000
Shell	19,405	Roche Non-Voting Shares	13,317
ASML	11,406	Nestlé	12,586
STMicroelectronics	10,188	Shell	12,136
UPM-Kymmene	9,739	ASML	10,642
BNP Paribas	9,043	Holcim	10,276
ING	8,473	ING	9,605
Roche Non-Voting Shares	8,051	Sanofi	9,300
Safran	7,880	Mercedes-Benz	9,278
TotalEnergies	7,827	Novo Nordisk 'B'	8,263
Danone	7,556	Aker BP	7,968
<b>Total purchases</b>	<b>251,035</b>	<b>Total sales</b>	<b>272,448</b>

### Investment review

The fund returned 5.8% based on Class I accumulation (Net) over the year under review, compared with a return of 8.5% in the FTSE World Europe (Ex UK) Index and a return of 6.9% in the IA Europe (Ex UK) Sector peer group benchmark.

At the time of writing, the market was moving to price in a recession. Stocks with defensive qualities, such as food, beverages and healthcare, were back in vogue, while those of a more cyclical nature, such as chemicals, materials and certain industrials, were given short shrift. You can, as always, expect us to navigate the short-term tumult to the best of our abilities and remain focused on the long-term opportunities for the long-term capital that we deploy on your behalf.

It remains our view that we are unlikely to return to the madness of the free money era, that inflation is likely to linger for longer and that interest rates are more likely to plateau than to pivot. As a result, we believe that valuation will regain its rightful place as the cornerstone of one's investment framework. It is worth reflecting on how financially absurd recent history has been. The total value of negative-yielding bonds (yes, you pay the borrower to take your money) peaked at US\$18trn in 2020. At the time of writing, the amount was negligible. The withdrawal of 'silly money' has seismic consequences for the investment regime, although it will take time to fully bear out.

Moreover, given the multi-polar geopolitical shifts, we believe tangible goods – the energy, infrastructure and supply chains that underpin a society's security and resilience – are to be desired over the many intangible winners of the past decade, such as software, technology and other often overhyped, 'asset-light' business models. On this basis, Europe seemed rather attractive to us. Valuations have been reasonable and the region excels at making stuff. It is home to global champions whose competencies include renewable energy infrastructure, semiconductor manufacturing equipment and the provision of digital automated factories, not to mention the skills, materials and components on which they rely. It is no longer novel to suggest that the Western world is moving to rebuild its strategic resilience, although what is still underappreciated by the market, in our opinion, is the speed with which these new long duration capital investment cycles have emerged. A major takeaway from the full-year 2022 results season was the number of companies that highlighted a tangible benefit to their orderbooks from these trends, while many have taken action to improve their supply chain resilience.

We added the world's biggest and most profitable brewer, Anheuser-Busch InBev, attracted to the organic growth and debt reduction strategy of its new CEO. The company has a long history of being an over indebted industry consolidator, which fostered a reputation for brand neglect with investors. Moreover, the inflationary backdrop and corresponding end of the free money era did not have implications just for overhyped technology valuations. In the brewing industry, it has significantly undermined the competitive position of those thousands of low margin 'craft' entrants that were lavished with easy funding over the past 10-15 years and which smartly exploited the complacent brand strategies of the majors. With many small breweries having fallen by the wayside, and those that cling on forced to rapidly raise prices in order to maintain any sort of margin, the brewing industry is a tangible example of our 'big is beautiful' sub-thesis (as it relates to the tangible implications of the change in the price of money). We exited Carlsberg, which remained a leading company in an attractive industry, in our view. However, having been a long-term contributor to the fund and following the exit of the management team that led us to invest in the stock more than five years earlier, we felt it was the right time to recycle capital into the Anheuser-Busch InBev opportunity.

Siemens Healthineers was another notable addition, complementing the position in Schneider Electric. Both are global champions at the heart of a number of the next decade's mega-themes, including the onshoring of supply chains, electrification, digitisation and automation. The pace of investment by corporates big and small in optimising their operations has struck us in recent months. As the world retools and recalibrates, we expected a more streamlined and focused Siemens Healthineers – now with 'only' around 300,000 employees compared with the 500,000-strong blob of bureaucratic complexity that we avoided for years – to be a critical enabler.

We returned to Adidas, another great franchise, albeit one that was in need of the fresh wind that management change can bring. This arrived in the form of Bjorn Gulden, a former Puma CEO.

The biggest contributors to performance included BE Semiconductor Industries and ASML, both semiconductor stocks that benefited from artificial intelligence mania towards the end of the reporting year. Holcim (which has been restructuring and seen good results), Novo Nordisk 'B' (benefited from a transformative obesity drug) and Hugo Boss (aided by better-than-expected consumer sentiment and brand reversal under new management team) all added to the fund's return. The main detractors were blood plasma company Grifols (a relatively rare exposure to a stretched balance sheet that was punished by a market that saw rising rates), pulp and paper company UPM-Kymmene, which has suffered a cyclical downswing in paper demand, and salmon farmer Mowi, due to the introduction of a resource tax that threatened industry profitability.

## Comparative tables for the year ended 31 May 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	360.79	368.15	286.12
Return before operating charges*	21.21	(0.90)	87.70
Operating charges	(6.22)	(6.46)	(5.67)
Return after operating charges*	14.99	(7.36)	82.03
Distributions on accumulation shares	(2.86)	(4.52)	(1.76)
Retained distributions on accumulation shares	2.86	4.52	1.76
Closing net asset value per share	375.78	360.79	368.15
* after direct transaction costs of:	0.62	0.50	0.59

### Performance

Return after charges	4.15%	(2.00%)	28.67%
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### Other information

Closing net asset value (£000s)	9,572	14,188	14,564
Closing number of shares	2,547,223	3,932,455	3,955,985
Operating charges	1.74%	1.74%	1.74%
Direct transaction costs	0.18%	0.13%	0.18%

### Prices

Highest share price (pence)	402.70	397.90	369.80
Lowest share price (pence)	318.10	313.00	283.40

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	366.14	371.74	287.47
Return before operating charges*	21.72	(0.94)	88.35
Operating charges	(4.56)	(4.66)	(4.08)
Return after operating charges*	17.16	(5.60)	84.27
Distributions on accumulation shares	(5.15)	(6.53)	(3.55)
Retained distributions on accumulation shares	5.15	6.53	3.55
Closing net asset value per share	383.30	366.14	371.74
* after direct transaction costs of:	0.64	0.51	0.59

### Performance

Return after charges	4.69%	(1.51%)	29.31%
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### Other information

Closing net asset value (£000s)	19,130	18,494	19,224
Closing number of shares	4,990,869	5,050,957	5,171,222
Operating charges	1.24%	1.24%	1.24%
Direct transaction costs	0.18%	0.13%	0.18%

### Prices

Highest share price (pence)	410.20	402.60	373.30
Lowest share price (pence)	323.30	317.20	284.80

## Comparative tables (continued)

	2023 (pence per share)	Class I accumulation 2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	298.90	302.31	232.90
Return before operating charges*	17.78	(0.78)	71.70
Operating charges	(2.59)	(2.63)	(2.29)
Return after operating charges*	15.19	(3.41)	69.41
Distributions on accumulation shares	(5.36)	(6.48)	(3.87)
Retained distributions on accumulation shares	5.36	6.48	3.87
Closing net asset value per share	314.09	298.90	302.31
* after direct transaction costs of:	0.52	0.41	0.48
<b>Performance</b>			
Return after charges	5.08%	(1.13%)	29.80%
<b>Other information</b>			
Closing net asset value (£000s)	224,986	237,092	197,511
Closing number of shares	71,630,456	79,321,474	65,333,209
Operating charges	0.86%	0.86%	0.86%
Direct transaction costs	0.18%	0.13%	0.18%
<b>Prices</b>			
Highest share price (pence)	335.80	328.00	303.60
Lowest share price (pence)	264.30	258.70	230.80

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

### Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

### Share class launches and closures

There were no share classes launched or closed during the year.

## Ongoing charge figure

The annualised OCF of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

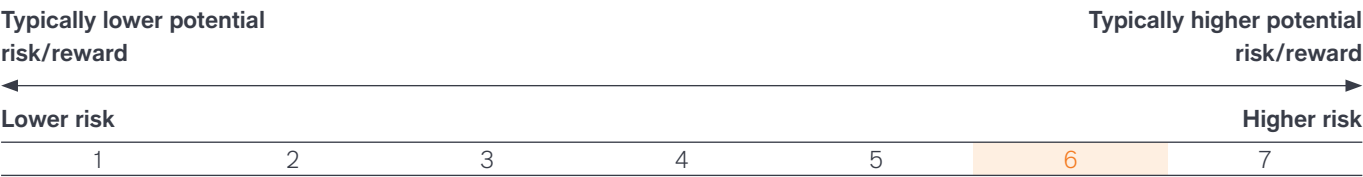
	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
<b>Class A accumulation</b>	1.74	1.74
<b>Class E accumulation</b>	1.24	1.24
<b>Class I accumulation</b>	0.86	0.86

The OCF is calculated in accordance with guidelines issued by ESMA.

# Risk and reward profile

The fund currently has 3 types of share class in issue: A accumulation, E accumulation and I accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The SRRI is calculated based on historical volatility over a rolling five\* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk rating during the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class E accumulation launched on 24 June 2019 and as it does not have a five year history, a synthetic history has been created using the A accumulation share class.

## Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 97.76% (2022: 97.17%)</b>		
	<b>Belgium 5.81% (2022: 1.91%)</b>		
	<b>Basic Materials 2.49% (2022: 1.91%)</b>		
75,320	Solvay	6,327	2.49
	<b>Consumer Staples 1.73% (2022: 0.00%)</b>		
102,303	Anheuser-Busch InBev	4,391	1.73
	<b>Health Care 1.59% (2022: 0.00%)</b>		
57,407	UCB	4,024	1.59
	<b>Denmark 5.21% (2022: 7.42%)</b>		
	<b>Consumer Discretionary 0.00% (2022: 1.34%)</b>		
	<b>Consumer Staples 0.00% (2022: 1.69%)</b>		
	<b>Health Care 5.21% (2022: 4.39%)</b>		
102,190	Novo Nordisk 'B'	13,220	5.21
	<b>Finland 9.59% (2022: 7.01%)</b>		
	<b>Basic Materials 5.51% (2022: 3.34%)</b>		
578,642	UPM-Kymmene	13,986	5.51
	<b>Financials 2.19% (2022: 2.16%)</b>		
701,475	Nordea Bank	5,548	2.19
	<b>Industrials 1.89% (2022: 1.51%)</b>		
542,880	Metso Outotec	4,784	1.89
	<b>France 30.38% (2022: 23.49%)</b>		
	<b>Basic Materials 2.25% (2022: 1.92%)</b>		
81,737	Arkema	5,706	2.25
	<b>Consumer Discretionary 5.95% (2022: 5.75%)</b>		
14,404	L'Oréal	4,941	1.95
14,518	LVMH Moët Hennessy Louis Vuitton	10,159	4.00
		15,100	5.95
	<b>Consumer Staples 2.36% (2022: 2.28%)</b>		
125,895	Danone	5,993	2.36
	<b>Energy 3.52% (2022: 2.38%)</b>		
195,471	TotalEnergies	8,924	3.52
	<b>Health Care 1.44% (2022: 4.10%)</b>		
25,172	EssilorLuxottica	3,647	1.44

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Industrials 13.46% (2022: 7.06%)</b>		
84,199	Airbus	8,872	3.50
189,421	Compagnie de St Gobain	8,440	3.32
73,566	Safran	8,570	3.38
59,545	Schneider Electric	8,262	3.26
		<u>34,144</u>	<u>13.46</u>
	<b>Technology 1.40% (2022: 0.00%)</b>		
101,651	STMicroelectronics	<u>3,545</u>	<u>1.40</u>
	<b>Germany 11.39% (2022: 14.31%)</b>		
	<b>Basic Materials 0.00% (2022: 2.11%)</b>		
	<b>Consumer Discretionary 5.71% (2022: 4.50%)</b>		
55,905	Adidas	7,312	2.88
131,744	Hugo Boss	7,184	2.83
		<u>14,496</u>	<u>5.71</u>
	<b>Financials 1.80% (2022: 2.57%)</b>		
32,779	Deutsche Boerse	<u>4,562</u>	<u>1.80</u>
	<b>Health Care 1.32% (2022: 3.66%)</b>		
73,637	Siemens Healthineers	<u>3,357</u>	<u>1.32</u>
	<b>Industrials 2.56% (2022: 0.00%)</b>		
49,453	Siemens	<u>6,483</u>	<u>2.56</u>
	<b>Utilities 0.00% (2022: 1.47%)</b>		
	<b>Netherlands 19.35% (2022: 16.13%)</b>		
	<b>Basic Materials 0.00% (2022: 1.36%)</b>		
	<b>Consumer Discretionary 1.25% (2022: 1.02%)</b>		
201,097	Universal Music	<u>3,182</u>	<u>1.25</u>
	<b>Consumer Staples 2.13% (2022: 2.47%)</b>		
211,974	Koninklijke Ahold Delhaize	<u>5,407</u>	<u>2.13</u>
	<b>Financials 5.81% (2022: 6.02%)</b>		
277,853	ASR Nederland	9,512	3.75
97,996	Euronext	5,234	2.06
		<u>14,746</u>	<u>5.81</u>
	<b>Industrials 0.00% (2022: 1.04%)</b>		
	<b>Technology 10.16% (2022: 4.22%)</b>		
18,163	ASM International	6,318	2.49
16,596	ASML	9,581	3.78
111,360	BE Semiconductor Industries	9,856	3.89
		<u>25,755</u>	<u>10.16</u>



## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Norway 2.23% (2022: 2.38%)</b>		
	<b>Consumer Staples 0.00% (2022: 2.38%)</b>		
	<b>Energy 2.23% (2022: 0.00%)</b>		
323,979	Aker BP	5,658	2.23
	<b>Portugal 0.00% (2022: 1.25%)</b>		
	<b>Utilities 0.00% (2022: 1.25%)</b>		
	<b>Spain 1.26% (2022: 6.51%)</b>		
	<b>Health Care 1.26% (2022: 2.42%)</b>		
341,860	Grifols	3,189	1.26
	<b>Technology 0.00% (2022: 2.26%)</b>		
	<b>Utilities 0.00% (2022: 1.83%)</b>		
	<b>Sweden 3.59% (2022: 4.35%)</b>		
	<b>Energy 0.00% (2022: 3.30%)</b>		
	<b>Industrials 3.59% (2022: 1.05%)</b>		
399,495	Atlas Copco 'A'	4,673	1.84
313,177	Sandvik	4,436	1.75
		9,109	3.59
	<b>Switzerland 2.86% (2022: 10.33%)</b>		
	<b>Consumer Staples 0.00% (2022: 4.41%)</b>		
	<b>Health Care 0.00% (2022: 2.47%)</b>		
	<b>Industrials 2.86% (2022: 3.45%)</b>		
146,837	Holcim	7,265	2.86
	<b>United Kingdom 3.34% (2022: 2.08%)<sup>1</sup></b>		
	<b>Basic Materials 0.00% (2022: 2.08%)</b>		
	<b>Energy 3.34% (2022: 0.00%)</b>		
382,080	Shell	8,484	3.34
	<b>United States 2.75% (2022: 0.00%)<sup>1</sup></b>		
	<b>Basic Materials 2.75% (2022: 0.00%)</b>		
24,451	Linde	6,982	2.75

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Derivatives 0.00% (2022: 0.00%)</b>		
	<b>Contracts for Difference 0.00% (2022: 0.00%)<sup>2</sup></b>		
	<b>Forward Foreign Exchange Contracts 0.00% (2022: 0.00%)<sup>2</sup></b>		
	Buy EUR 73,122 : Sell GBP 63,501 June 2023	(1)	-
	Buy GBP 50,274 : Sell EUR 58,029 June 2023	1	-
	Buy GBP 52,242 : Sell EUR 60,475 June 2023 <sup>3</sup>	-	-
		-	-
	<b>Investment assets including investment liabilities</b>	<b>248,014</b>	<b>97.76</b>
	Other net assets	5,674	2.24
	<b>Total net assets</b>	<b>253,688</b>	<b>100.00</b>

<sup>1</sup> These stocks are registered in Europe and are permitted investments, the countries of risk are as shown

<sup>2</sup> Not listed on an official stock exchange

<sup>3</sup> Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

## Statement of total return for the year ended 31 May 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		8,857		(7,654)
Revenue	3	7,387		8,137	
Expenses	4	(2,461)		(2,432)	
Interest payable and similar charges	5	(47)		(20)	
Net revenue before taxation		4,879		5,685	
Taxation	6	(303)		(401)	
Net revenue after taxation			4,576		5,284
Total return before distributions			13,433		(2,370)
Distributions	7		(4,580)		(5,280)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>8,853</b>		<b>(7,650)</b>

## Statement of change in net assets attributable to shareholders for the year ended 31 May 2023

	2023		2022	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>269,774</b>		<b>231,299</b>
Amounts receivable on issue of shares	47,803		92,971	
Amounts payable on cancellation of shares	(76,967)		(52,506)	
		(29,164)		40,465
Dilution adjustment		12		56
Change in net assets attributable to shareholders from investment activities		8,853		(7,650)
Retained distributions on accumulation shares		4,213		5,604
<b>Closing net assets attributable to shareholders</b>		<b>253,688</b>		<b>269,774</b>

## Balance sheet as at 31 May 2023

	Note	2023 £000	2022 £000
<b>Assets:</b>			
Investments		248,015	262,146
Current assets:			
Debtors	8	2,802	2,715
Cash and bank balances	9	3,351	8,894
<b>Total assets</b>		<b>254,168</b>	<b>273,755</b>
<b>Liabilities:</b>			
Investment liabilities		1	13
Creditors:			
Bank overdrafts		25	-
Other creditors	10	454	3,968
<b>Total liabilities</b>		<b>480</b>	<b>3,981</b>
<b>Net assets attributable to shareholders</b>		<b>253,688</b>	<b>269,774</b>

## Notes to the financial statements for the year ended 31 May 2023

### 1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

### 2 Net capital gains/(losses)

Net capital gains/(losses) on investments during the year comprise:

	2023 £000	2022 £000
Derivative securities	(572)	(297)
Forward currency contracts	(191)	(131)
Non-derivative securities	9,660	(7,292)
Other currency (losses)/gains	(31)	78
Transaction costs	(9)	(12)
<b>Net capital gains/(losses)</b>	<b>8,857</b>	<b>(7,654)</b>

### 3 Revenue

	2023 £000	2022 £000
Bank interest*	126	2
Interest on margin	2	-
Overseas dividends	6,700	8,093
Stock lending revenue	32	42
UK dividends	527	-
<b>Total revenue</b>	<b>7,387</b>	<b>8,137</b>

\* Includes £60,650 in relation to interest received on European Court of Justice claims.

### 4 Expenses

	2023 £000	2022 £000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
Annual management charge	2,135	2,113
GAC*	280	279
	<b>2,415</b>	<b>2,392</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary fees	23	24
Safe custody fees	14	15
	<b>37</b>	<b>39</b>
<b>Other expenses:</b>		
Professional fees	9	1
	<b>9</b>	<b>1</b>
<b>Total expenses</b>	<b>2,461</b>	<b>2,432</b>

Irrecoverable VAT is included in the above expenses where relevant.

\* The current audit fee, which is levied through the GAC, is £10,354 (2022: £9,393).

## Notes to the financial statements (continued)

### 5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable*	46	20
Interest on margin	1	-
<b>Total interest payable and similar charges</b>	<b>47</b>	<b>20</b>

\* Includes negative interest on credit balances held with the broker and £249 interest payable in relation to Contract for Differences.

### 6 Taxation

#### a) Analysis of charge in the year

The tax charge comprises:

	2023 £000	2022 £000
<b>Current tax</b>		
Overseas withholding tax	219	401
Adjustment in respect of corporation tax	84	-
<b>Total tax (note 6b)</b>	<b>303</b>	<b>401</b>

The Overseas withholding tax credit for the year and the Adjustment in respect of corporation tax relates to the successful resolution during the year of European Court of Justice claims for accounting years 2005-2009. As a result of these successful claims the fund has revised its corporation tax liabilities for these years.

#### b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue before taxation	4,879	5,685
Corporation tax at 20% (2022: 20%)	976	1,137
Effects of:		
Adjustment in respect of corporation tax	84	-
Double tax relief	-	(3)
Expenses not deductible for tax purposes	8	-
Overseas withholding tax	219	401
Overseas dividends	(1,340)	(1,597)
UK dividends*	(106)	-
Unused management expenses	462	463
<b>Tax charge for the year (note 6a)</b>	<b>303</b>	<b>401</b>

\* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

#### c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

#### d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £5,941,881 (2022: £5,480,018) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

## Notes to the financial statements (continued)

### 7 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £000	2022 £000
Interim accumulation	588	1,203
Final accumulation	3,625	4,401
	<u>4,213</u>	<u>5,604</u>
Amounts deducted on cancellation of shares	429	73
Amounts received on issue of shares	(62)	(397)
<b>Total distributions</b>	<u><b>4,580</b></u>	<u><b>5,280</b></u>
Net revenue after taxation	4,576	5,284
Equalisation on conversions	4	-
Withholding tax on stock dividends	-	(4)
<b>Total distributions</b>	<u><b>4,580</b></u>	<u><b>5,280</b></u>

Details of the distribution per share are set out in the Distribution tables on page 90.

### 8 Debtors

	2023 £000	2022 £000
Accrued revenue	247	447
Amounts receivable for issue of shares	118	113
Overseas withholding tax reclaimable	2,437	2,105
Sales awaiting settlement	-	50
<b>Total debtors</b>	<u><b>2,802</b></u>	<u><b>2,715</b></u>

### 9 Cash and bank balances

	2023 £000	2022 £000
Amounts held at derivative clearing houses and brokers	-	1,548
Cash and bank balances	3,351	7,346
<b>Total cash and bank balances</b>	<u><b>3,351</b></u>	<u><b>8,894</b></u>

### 10 Other creditors

	2023 £000	2022 £000
Accrued annual management charge	187	172
Accrued Depositary's fee	2	4
Accrued other expenses	29	29
Amounts payable for cancellation of shares	114	219
Corporation tax payable	84	-
Interest payable on Corporation tax payable	38	-
Purchases awaiting settlement	-	3,544
<b>Total other creditors</b>	<u><b>454</b></u>	<u><b>3,968</b></u>

## Notes to the financial statements (continued)

### 11 Contingent assets, liabilities and commitments

The fund has filed a claim with HMRC (on the basis of the principles set out in the FII GLO) for corporation tax unduly paid in respect of periods prior to 1 July 2009. The claim has been filed on the basis that the relevant UK tax legislation was in breach of EU law for these periods. A successful outcome may result in a refund of corporation tax. Currently, there is insufficient information available to provide an estimate of the financial effect regarding the timing and amount of the settlement.

There were no contingent liabilities at the current or prior year end.

### 12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 79 and 80 and notes 4, 7, 8 and 10 on pages 81 to 83 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

### 13 Shareholders' funds

The fund currently has 3 share classes available: Class A (Retail), Class E (Retail) and Class I (Institutional). The annual management charge on each share class is as follows:

	2023	2022
	%	%
Class A	1.50	1.50
Class E	1.00	1.00
Class I	0.75	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 71 to 72. The distribution per share class is given in the Distribution tables on page 90. All share classes have the same rights on winding up.

### Shares reconciliation as at 31 May 2023

	Class A accumulation	Class E accumulation	Class I accumulation
Opening number of shares	3,932,455	5,050,957	79,321,474
Issues during the year	244,375	71,184	15,335,051
Cancellations during the year	(642,773)	(151,218)	(24,186,152)
Shares converted during the year	(986,834)	19,946	1,160,083
<b>Closing shares in issue</b>	<b>2,547,223</b>	<b>4,990,869</b>	<b>71,630,456</b>

### 14 Financial derivatives

The fund may use financial derivatives to reduce risk or to manage the fund more efficiently.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

There was no collateral pledged or collateral held in respect of forward foreign exchange as at 31 May 2023 (2022: nil). The fund had cash assets of nil (2022: £1,548,133) and cash liabilities of nil (2022: nil) held in margin accounts at derivative clearing houses and brokers as at 31 May 2023.



## Notes to the financial statements (continued)

### 14 Financial derivatives (continued)

#### 2023

As at 31 May 2023 the counterparty exposure calculated using the positive marked-to-market value for the category of derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	1
	<u>1</u>

#### 2022

The fund had no exposure to derivatives as at 31 May 2022 with a positive market value.

### 15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

2023 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	922	1,011	Government Bond
Citigroup	598	1,363	Government Bond
HSBC	265	281	Equity/Government Bond
JPMorgan Chase	6,006	6,579	Equity/Government Bond
	<u>7,791</u>	<u>9,234</u>	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	35	3	32

## Notes to the financial statements (continued)

### 15 Stock lending (continued)

2022 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	-	51	Government Bond
Credit Suisse	4,828	5,338	Equity/Government Bond
HSBC	253	267	Government Bond
JPMorgan Chase	1,097	1,226	Equity
Morgan Stanley	-	3,338	Government Bond
	<b>6,178</b>	<b>10,220</b>	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	46	4	42

### 16 Risk

#### Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies:

2023 Currency	Investment assets including (investment liabilities) £000	Other net assets/ (liabilities) £000	Total net assets/ (liabilities) £000
Danish krone	13,220	214	13,434
Euro	191,709	4,816	196,525
Norwegian krone	5,658	88	5,746
Swedish krona	14,657	546	15,203
Swiss franc	7,266	271	7,537
UK sterling	8,522	(360)	8,162
US dollar	6,982	99	7,081
<b>Total</b>	<b>248,014</b>	<b>5,674</b>	<b>253,688</b>

## Notes to the financial statements (continued)

### 16 Risk (continued)

#### Currency risk (continued)

	Investment assets including (investment liabilities) £000	Other net assets £000	Total net assets/ (liabilities) £000
<b>2022</b>			
<b>Currency</b>			
Danish krone	20,034	238	20,272
Euro	190,130	5,574	195,704
Norwegian krone	6,424	177	6,601
Swedish krona	17,556	397	17,953
Swiss franc	27,875	-	27,875
UK sterling	114	1,238	1,352
US dollar	-	17	17
<b>Total</b>	<b>262,133</b>	<b>7,641</b>	<b>269,774</b>

#### Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £245,526,099 (2022: £268,422,426). A 10% increase/ (decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/ (decreasing) the return for the accounting year and the year end net assets by £24,552,610 (2022: £26,842,243).

#### Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

#### Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

#### Leverage

The fund has not employed significant leverage in the current or prior year.

#### Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis:

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2023</b>				
Bank overdrafts	25	-	-	-
Derivative financial liabilities	-	1	-	-
Other creditors	-	454	-	-
<b>Total</b>	<b>25</b>	<b>455</b>	<b>-</b>	<b>-</b>
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2022</b>				
Derivative financial liabilities	-	-	13	-
Other creditors	-	3,968	-	-
<b>Total</b>	<b>-</b>	<b>3,968</b>	<b>13</b>	<b>-</b>

## Notes to the financial statements (continued)

### 17 Fair value disclosure

#### Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

#### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

#### Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

#### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

#### Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	248,014	-	262,146	-
Level 2	1	1	-	13
Level 3	-	-	-	-
	<u>248,015</u>	<u>1</u>	<u>262,146</u>	<u>13</u>

### 18 Direct transaction costs

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
<b>Trades in the year</b>				
Equities	250,661	267,604	272,549	227,243
<b>Trades in the year before transaction costs</b>	<u>250,661</u>	<u>267,604</u>	<u>272,549</u>	<u>227,243</u>
<b>Transaction costs</b>				
<b>Commissions</b>				
Equities	87	87	101	80
<b>Total commissions</b>	<u>87</u>	<u>87</u>	<u>101</u>	<u>80</u>
<b>Taxes</b>				
Equities	97	5	-	-
<b>Total taxes</b>	<u>97</u>	<u>5</u>	<u>-</u>	<u>-</u>
<b>Other expenses</b>				
Equities	190	232	-	-
<b>Total other expenses</b>	<u>190</u>	<u>232</u>	<u>-</u>	<u>-</u>
<b>Total transaction costs</b>	<u>374</u>	<u>324</u>	<u>101</u>	<u>80</u>
<b>Total net trades in the year after transaction costs</b>	<u>251,035</u>	<u>267,928</u>	<u>272,448</u>	<u>227,163</u>

## Notes to the financial statements (continued)

### 18 Direct transaction costs (continued)

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
<b>Total transaction costs expressed as a percentage of asset type cost</b>				
<b>Commissions</b>				
Equities	0.03	0.03	0.04	0.04
<b>Taxes</b>				
Equities	0.04	-	-	-
<b>Other expenses</b>				
Equities	0.08	0.09	-	-
	<b>2023</b>	<b>2022</b>		
	%	%		
<b>Total transaction costs expressed as a percentage of net asset value</b>				
Commissions	0.07	0.06		
Taxes	0.04	-		
Other expenses	0.07	0.09		
<b>Total costs</b>	<b>0.18</b>	<b>0.15</b>		

There were no in specie transfers during the year (2022: nil). There were corporate actions during the year of £2,493,066 (2022: £124,747).

There were direct transaction costs associated with derivatives in the year of £734 (2022: £2,216) which is 0.00% of the average net asset value of the fund (2022: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 31 May 2023 was 0.04% (2022: 0.05%). The portfolio dealing spread is calculated at a 12 noon valuation point.

### 19 Events after the Balance sheet date

Subsequent to the fund's year end, as a result of the Ukraine situation the fund could be affected by fluctuations in global stock markets, inflation and adverse investor sentiment. As at 14 September 2023, the Net Asset Value of the fund is £198,688,214 which is a decrease of 21.68% from the balance sheet date. The movements are considered to be a non-adjusting post balance sheet event and therefore no adjustments to the financial statements were required as a result.

## Distribution tables for the year ended 31 May 2023 (in pence per share)

### Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 June 2022

Group 2: shares purchased on or after 1 June 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
<b>Class A accumulation</b>				
Group 1	-	-	-	0.1384
Group 2	-	-	-	0.1384
<b>Class E accumulation</b>				
Group 1	0.2514	-	0.2514	1.1041
Group 2	0.0248	0.2266	0.2514	1.1041
<b>Class I accumulation</b>				
Group 1	0.7455	-	0.7455	1.4963
Group 2	0.4445	0.3010	0.7455	1.4963

### Final dividend distribution (accounting date 31 May 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
<b>Class A accumulation</b>				
Group 1	2.8606	-	2.8606	4.3790
Group 2	2.6820	0.1786	2.8606	4.3790
<b>Class E accumulation</b>				
Group 1	4.9004	-	4.9004	5.4268
Group 2	3.9500	0.9504	4.9004	5.4268
<b>Class I accumulation</b>				
Group 1	4.6176	-	4.6176	4.9847
Group 2	3.8822	0.7354	4.6176	4.9847

# Janus Henderson European Selected Opportunities Fund

## Authorised Corporate Director's report

### Investment Fund Managers

John Bennett, Tom O'Hara and Tom Lemaigre

### Investment objective and policy

The fund aims to provide a return, from a combination of capital growth and income over the long term (5 years or more).

The fund invests at least 80% of its assets in shares (also known as equities) of companies, of any size, in any industry, in Europe (excluding UK). Companies will be incorporated, headquartered, listed on an exchange in, or deriving significant revenue from, this region.

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 FTSE World Europe (Ex UK) Index, which is broadly representative of the companies in which it may invest, as this can provide a useful comparator for assessing the fund's performance. The Investment Manager has discretion to choose investments for the fund with weightings different to the index or not in the index.

### Strategy

The Investment Manager looks to anticipate catalysts for change in companies and industries based on fundamental research and thought leadership, in order to construct a portfolio of large companies complemented by mid-size company opportunities with the potential to enhance the fund's overall returns. Smaller companies are not normally a significant focus of the portfolio.

### Performance summary

#### Cumulative performance

	One year 31 May 22 - 31 May 23 %	Three years 31 May 20 - 31 May 23 %	Five years 31 May 18 - 31 May 23 %	Since inception 31 Aug 84 - 31 May 23 %
<b>Class I accumulation (Net)</b>	8.2	33.2	42.2	10,983.0
<b>FTSE World Europe (Ex UK) Index</b>	8.5	35.4	40.5	-*
<b>IA Europe (Ex UK) Sector</b>	6.9	32.1	31.5	4,579.9

#### Discrete performance

	31 May 22 - 31 May 23 %	31 May 21 - 31 May 22 %	31 May 20 - 31 May 21 %	31 May 19 - 31 May 20 %	31 May 18 - 31 May 19 %
<b>Class I accumulation (Net)</b>	8.2	(1.7)	25.2	8.1	(1.2)
<b>FTSE World Europe (Ex UK) Index</b>	8.5	(1.5)	26.6	1.9	1.8
<b>IA Europe (Ex UK) Sector</b>	6.9	(3.3)	27.7	2.9	(3.3)

\* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

### Benchmark usage:

Index: FTSE World Europe (Ex UK) Index

Index usage: Comparator

Index description: The FTSE World Europe (Ex UK) Index is a measure of the combined performance of large and medium sized companies from developed and advanced emerging European stock markets excluding the UK. It provides a useful comparison against which the fund's performance can be assessed over time.

## Authorised Corporate Director's report (continued)

### Performance summary (continued)

#### Benchmark usage: (continued)

Peer group: IA Europe (Ex UK) Sector

Peer group usage: Comparator

Peer group description: 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) provides a useful performance comparison against other funds with similar aims.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

### Significant portfolio changes for the year ended 31 May 2023

Largest purchases	£000	Largest sales	£000
Shell	65,829	Nestlé	67,855
ASML	57,507	TotalEnergies	63,945
BNP Paribas	48,768	Mercedes-Benz	58,506
BP	48,324	ASML	54,528
Adidas	46,956	Danone	41,004
STMicroelectronics	46,195	Roche Non-Voting Shares	40,956
Siemens	45,151	STMicroelectronics	40,040
Safran	42,046	Holcim	39,252
UniCredit	41,726	ING	39,118
Danone	38,965	Carlsberg	37,689
<b>Total purchases</b>	<b>968,560</b>	<b>Total sales</b>	<b>1,158,957</b>



### Investment review

The fund returned 8.2% based on Class I accumulation (Net) over the year under review, compared with a return of 8.5% in the FTSE World Europe (Ex UK) Index and a fall of 6.9% in the IA Europe (Ex UK) Sector peer group benchmark.

At the time of writing, the market was moving to price in a recession. Stocks with defensive qualities, such as food, beverages and healthcare, were back in vogue, while those of a more cyclical nature, such as chemicals, materials and certain industrials, were given short shrift. You can, as always, expect us to navigate the short-term tumult to the best of our abilities and remain focused on the long-term opportunities for the long-term capital that we deploy on your behalf.

It remains our view that we are unlikely to return to the madness of the free money era, that inflation is likely to linger for longer and that interest rates are more likely to plateau than to pivot. As a result, we believe that valuation will regain its rightful place as the cornerstone of one's investment framework. It is worth reflecting on how financially absurd recent history has been. The total value of negative-yielding bonds (yes, you pay the borrower to take your money) peaked at US\$18trn in 2020. At the time of writing, the amount was negligible. The withdrawal of 'silly money' has seismic consequences for the investment regime, although it will take time to fully bear out.

Moreover, given the multi-polar geopolitical shifts, we believe tangible goods – the energy, infrastructure and supply chains that underpin a society's security and resilience – are to be desired over the many intangible winners of the past decade, such as software, technology and other often overhyped, 'asset-light' business models. On this basis, Europe seemed rather attractive to us. Valuations have been reasonable and the region – often dismissed as the 'museum continent' – excels at making stuff. It is home to global champions whose competencies include renewable energy infrastructure, semiconductor manufacturing equipment and the provision of digital automated factories, not to mention the vast and varied skills, materials and components on which they rely. It is no longer novel to suggest that the Western world is urgently moving to rebuild its strategic resilience, although what is still underappreciated by the market, in our opinion, is the speed with which these new long duration capital investment cycles have emerged. A major takeaway from the full-year 2022 results season was the number of companies that highlighted a tangible benefit to their orderbooks from these trends, while many have taken action to improve their supply chain resilience through the onshoring of manufacturing activities or investment in automation.

We added the world's biggest and most profitable brewer, Anheuser-Busch InBev (AB InBev), attracted to the organic growth and debt reduction strategy of its new CEO. The company has a long history of being an overindebted industry consolidator, which fostered a reputation for brand neglect with investors. Moreover, the inflationary backdrop and corresponding end of the free money era did not have implications just for overhyped technology valuations. In the brewing industry, it has significantly undermined the competitive position of those thousands of low margin 'craft' entrants that were lavished with easy funding over the past 10-15 years and which smartly exploited the complacent brand strategies of the majors. With many small breweries having fallen by the wayside, and those that cling on forced to rapidly raise prices in order to maintain any sort of margin, the brewing industry has been a tangible example of our 'big is beautiful' sub-thesis (as it relates to the tangible implications of the change in the price of money). We exited Carlsberg, which remained a leading company in an attractive industry, in our view. However, having been a long-term contributor to the fund and following the exit of the management team that motivated us to invest in the stock more than five years earlier, we felt it was the right time to recycle capital into the AB InBev opportunity.

Siemens was another notable addition, complementing the fund's position in Schneider Electric. Both are global champions at the heart of a number of the next decade's 'mega-themes', including the onshoring of supply chains, electrification, digitisation and automation. The pace of investment by corporates big and small in optimising their operations has struck us in recent months. As the world retools and recalibrates, we expected a more streamlined and focused Siemens – now with 'only' around 300,000 employees compared with the 500,000-strong blob of bureaucratic complexity that we avoided for years – to be a critical enabler.

We returned to Adidas, another great franchise, albeit one which was in need of the fresh wind that management change can bring. This arrived in the form of Bjorn Gulden, a former Puma CEO.

The biggest contributors to performance included BE Semiconductor Industries and ASM International, both semiconductor stocks that benefited from artificial intelligence mania towards the end of the reporting year. Holcim (which has been restructuring and seen good results), Novo Nordisk (benefited from a transformative obesity drug) and Hugo Boss (aided by better-than-expected consumer sentiment and brand reversal under a new management team) all added to the fund's return. The main detractors were pulp and paper company UPM-Kymmene, which has suffered a cyclical downswing in paper demand, and salmon farmer Mowi, due to the introduction of a resource tax that threatened industry profitability.

## Comparative tables for the year ended 31 May 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	2,099.41	2,156.31	1,727.86
Return before operating charges*	171.94	(19.01)	461.97
Operating charges	(37.00)	(37.89)	(33.52)
Return after operating charges*	134.94	(56.90)	428.45
Distributions on accumulation shares	(20.17)	(26.58)	(6.08)
Retained distributions on accumulation shares	20.17	26.58	6.08
Closing net asset value per share	2,234.35	2,099.41	2,156.31
* after direct transaction costs of:	2.23	2.30	3.12
<b>Performance</b>			
Return after charges	6.43%	(2.64%)	24.80%
<b>Other information</b>			
Closing net asset value (£000s)	585,527	656,794	745,991
Closing number of shares	26,205,756	31,284,822	34,595,746
Operating charges	1.74%	1.73%	1.73%
Direct transaction costs	0.11%	0.11%	0.16%
<b>Prices</b>			
Highest share price (pence)	2,377.00	2,350.00	2,176.00
Lowest share price (pence)	1,892.00	1,844.00	1,715.00
	Class C accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	2,467.12	2,504.78	1,984.02
Return before operating charges*	203.92	(23.08)	533.50
Operating charges	(14.64)	(14.58)	(12.74)
Return after operating charges*	189.28	(37.66)	520.76
Distributions on accumulation shares	(54.15)	(61.21)	(34.23)
Retained distributions on accumulation shares	54.15	61.21	34.23
Closing net asset value per share	2,656.40	2,467.12	2,504.78
* after direct transaction costs of:	2.65	2.69	3.60
<b>Performance</b>			
Return after charges	7.67%	(1.50%)	26.25%
<b>Other information</b>			
Closing net asset value (£000s)	403	375	423
Closing number of shares	15,180	15,180	16,903
Operating charges	0.58%	0.57%	0.57%
Direct transaction costs	0.11%	0.11%	0.16%
<b>Prices</b>			
Highest share price (pence)	2,819.00	2,744.00	2,528.00
Lowest share price (pence)	2,232.00	2,161.00	1,970.00

## Comparative tables (continued)

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	2,130.49	2,177.30	1,735.98
Return before operating charges*	175.29	(19.56)	465.41
Operating charges	(26.91)	(27.25)	(24.09)
Return after operating charges*	148.38	(46.81)	441.32
Distributions on accumulation shares	(32.19)	(38.30)	(17.07)
Retained distributions on accumulation shares	32.19	38.30	17.07
Closing net asset value per share	2,278.87	2,130.49	2,177.30
* after direct transaction costs of:	2.28	2.33	3.16

### Performance

Return after charges	6.96%	(2.15%)	25.42%
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### Other information

Closing net asset value (£000s)	206,095	199,686	208,639
Closing number of shares	9,043,754	9,372,790	9,582,468
Operating charges	1.24%	1.23%	1.23%
Direct transaction costs	0.11%	0.11%	0.16%

### Prices

Highest share price (pence)	2,422.00	2,378.00	2,197.00
Lowest share price (pence)	1,923.00	1,869.00	1,723.00

	Class G accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	123.76	125.77	99.72
Return before operating charges*	10.22	(1.15)	26.81
Operating charges	(0.86)	(0.86)	(0.76)
Return after operating charges*	9.36	(2.01)	26.05
Distributions on accumulation shares	(2.59)	(2.94)	(1.61)
Retained distributions on accumulation shares	2.59	2.94	1.61
Closing net asset value per share	133.12	123.76	125.77
* after direct transaction costs of:	0.13	0.13	0.18

### Performance

Return after charges	7.56%	(1.60%)	26.12%
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### Other information

Closing net asset value (£000s)	53,628	51,517	59,067
Closing number of shares	40,286,527	41,627,948	46,964,478
Operating charges	0.68%	0.67%	0.67%
Direct transaction costs	0.11%	0.11%	0.16%

### Prices

Highest share price (pence)	141.30	137.70	126.90
Lowest share price (pence)	111.90	108.40	99.02

## Comparative tables (continued)

	Class G income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	117.96	122.72	98.58
Return before operating charges*	9.72	(1.06)	26.52
Operating charges	(0.82)	(0.84)	(0.76)
Return after operating charges*	8.90	(1.90)	25.76
Distributions on income shares	(2.46)	(2.86)	(1.62)
Closing net asset value per share	124.40	117.96	122.72
* after direct transaction costs of:	0.13	0.13	0.18

### Performance

Return after charges	7.54%	(1.55%)	26.13%
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### Other information

Closing net asset value (£000s)	380,716	375,714	394,344
Closing number of shares	306,037,918	318,510,330	321,325,925
Operating charges	0.68%	0.67%	0.67%
Direct transaction costs	0.11%	0.11%	0.16%

### Prices

Highest share price (pence)	134.30	134.40	125.50
Lowest share price (pence)	106.70	105.30	97.89

	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	2,373.93	2,416.89	1,919.69
Return before operating charges*	195.86	(22.00)	515.61
Operating charges	(20.86)	(20.96)	(18.41)
Return after operating charges*	175.00	(42.96)	497.20
Distributions on accumulation shares	(45.21)	(52.02)	(26.96)
Retained distributions on accumulation shares	45.21	52.02	26.96
Closing net asset value per share	2,548.93	2,373.93	2,416.89
* after direct transaction costs of:	2.55	2.59	3.49

### Performance

Return after charges	7.37%	(1.78%)	25.90%
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### Other information

Closing net asset value (£000s)	613,599	599,943	669,164
Closing number of shares	24,072,763	25,272,195	27,687,034
Operating charges	0.86%	0.85%	0.85%
Direct transaction costs	0.11%	0.11%	0.16%

### Prices

Highest share price (pence)	2,707.00	2,644.00	2,439.00
Lowest share price (pence)	2,145.00	2,081.00	1,906.00

## Comparative tables (continued)

	Class I income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	258.94	269.42	216.28
Return before operating charges*	21.28	(2.35)	58.02
Operating charges	(2.23)	(2.33)	(2.04)
Return after operating charges*	19.05	(4.68)	55.98
Distributions on income shares	(4.91)	(5.80)	(2.84)
Closing net asset value per share	273.08	258.94	269.42
* after direct transaction costs of:	0.27	0.29	0.39
<b>Performance</b>			
Return after charges	7.36%	(1.74%)	25.88%
<b>Other information</b>			
Closing net asset value (£000s)	37,334	94,364	81,895
Closing number of shares	13,671,543	36,441,853	30,396,907
Operating charges	0.86%	0.85%	0.85%
Direct transaction costs	0.11%	0.11%	0.16%
<b>Prices</b>			
Highest share price (pence)	294.60	294.80	274.80
Lowest share price (pence)	234.00	231.00	214.80

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

### Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

### Share class launches and closures

There were no share classes launched or closed during the year.

## Ongoing charge figure

The annualised OCF of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	<b>2023</b> %	<b>2022</b> %
<b>Class A accumulation</b>	1.74	1.73
<b>Class C accumulation</b>	0.58	0.57
<b>Class E accumulation</b>	1.24	1.23
<b>Class G accumulation</b>	0.68	0.67
<b>Class G income</b>	0.68	0.67
<b>Class I accumulation</b>	0.86	0.85
<b>Class I income</b>	0.86	0.85

The OCF is calculated in accordance with guidelines issued by ESMA.

## Risk and reward profile

The fund currently has 7 types of share class in issue: A accumulation, C accumulation, E accumulation, G accumulation, G income, I accumulation and I income.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The SRRI is calculated based on historical volatility over a rolling five\* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk rating during the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class E accumulation launched on 24 June 2019 and as it does not have a five year history, a synthetic history has been created using the A accumulation share class. Class G accumulation and Class G income launched on 11 October 2019, as these share classes do not have a five year history, a synthetic history has been created using the funds relevant sector average.

## Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 96.51% (2022: 96.45%)</b>		
	<b>Belgium 3.80% (2022: 1.69%)</b>		
	<b>Basic Materials 2.07% (2022: 1.69%)</b>		
463,001	Solvay	38,893	2.07
	<b>Consumer Staples 1.73% (2022: 0.00%)</b>		
756,049	Anheuser-Busch InBev	32,450	1.73
	<b>Denmark 7.11% (2022: 8.87%)</b>		
	<b>Consumer Discretionary 0.00% (2022: 1.35%)</b>		
	<b>Consumer Staples 0.00% (2022: 1.75%)</b>		
	<b>Health Care 5.81% (2022: 4.73%)</b>		
843,376	Novo Nordisk 'B'	109,106	5.81
	<b>Industrials 1.30% (2022: 1.04%)</b>		
156,976	DSV	24,314	1.30
	<b>Finland 5.80% (2022: 5.64%)</b>		
	<b>Basic Materials 3.96% (2022: 3.44%)</b>		
3,073,204	UPM-Kymmene	74,279	3.96
	<b>Financials 1.84% (2022: 2.20%)</b>		
4,376,793	Nordea Bank	34,614	1.84
	<b>France 29.24% (2022: 30.02%)</b>		
	<b>Basic Materials 1.52% (2022: 1.91%)</b>		
408,985	Arkema	28,551	1.52
	<b>Consumer Discretionary 6.12% (2022: 5.92%)</b>		
108,273	L'Oréal	37,140	1.98
111,101	LVMH Moët Hennessy Louis Vuitton	77,740	4.14
		114,880	6.12
	<b>Consumer Staples 1.91% (2022: 2.21%)</b>		
753,649	Danone	35,874	1.91
	<b>Energy 3.32% (2022: 6.65%)</b>		
1,365,298	TotalEnergies	62,334	3.32
	<b>Financials 1.18% (2022: 0.00%)</b>		
478,147	BNP Paribas	22,213	1.18
	<b>Health Care 3.27% (2022: 4.13%)</b>		
205,855	EssilorLuxottica	29,825	1.59
386,750	Sanofi	31,556	1.68
		61,381	3.27



## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Industrials 10.79% (2022: 8.51%)</b>		
518,935	Airbus	54,679	2.91
1,130,823	Compagnie de St Gobain	50,384	2.68
433,436	Safran	50,494	2.69
339,186	Schneider Electric	47,065	2.51
		<u>202,622</u>	<u>10.79</u>
	<b>Technology 1.13% (2022: 0.69%)</b>		
607,352	STMicroelectronics	<u>21,184</u>	<u>1.13</u>
	<b>Germany 11.65% (2022: 12.61%)</b>		
	<b>Consumer Discretionary 4.62% (2022: 3.94%)</b>		
398,468	Adidas	52,117	2.78
634,773	Hugo Boss	<u>34,616</u>	<u>1.84</u>
		<u>86,733</u>	<u>4.62</u>
	<b>Financials 1.56% (2022: 2.52%)</b>		
210,345	Deutsche Boerse	<u>29,274</u>	<u>1.56</u>
	<b>Health Care 1.29% (2022: 3.76%)</b>		
531,879	Siemens Healthineers	<u>24,247</u>	<u>1.29</u>
	<b>Industrials 2.42% (2022: 0.96%)</b>		
346,821	Siemens	<u>45,463</u>	<u>2.42</u>
	<b>Technology 1.02% (2022: 0.00%)</b>		
641,772	Infineon Technologies	<u>19,061</u>	<u>1.02</u>
	<b>Utilities 0.74% (2022: 1.43%)</b>		
411,344	RWE	<u>13,841</u>	<u>0.74</u>
	<b>Ireland 1.65% (2022: 1.17%)</b>		
	<b>Industrials 1.65% (2022: 1.17%)</b>		
817,861	CRH	<u>31,023</u>	<u>1.65</u>
	<b>Italy 0.98% (2022: 0.00%)</b>		
	<b>Financials 0.98% (2022: 0.00%)</b>		
1,190,465	UniCredit	<u>18,339</u>	<u>0.98</u>
	<b>Netherlands 15.46% (2022: 13.72%)</b>		
	<b>Basic Materials 0.00% (2022: 1.72%)</b>		
	<b>Consumer Discretionary 1.14% (2022: 1.03%)</b>		
1,347,270	Universal Music	<u>21,317</u>	<u>1.14</u>
	<b>Consumer Staples 2.23% (2022: 2.31%)</b>		
1,640,485	Koninklijke Ahold Delhaize	<u>41,845</u>	<u>2.23</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Financials 3.85% (2022: 4.30%)</b>		
1,098,251	ASR Nederland	37,597	2.00
649,782	Euronext	34,708	1.85
		<u>72,305</u>	<u>3.85</u>
	<b>Technology 8.24% (2022: 4.36%)</b>		
98,801	ASM International	34,367	1.83
122,322	ASML	70,620	3.76
560,964	BE Semiconductor Industries	49,650	2.65
		<u>154,637</u>	<u>8.24</u>
	<b>Norway 1.21% (2022: 2.39%)</b>		
	<b>Consumer Staples 0.00% (2022: 2.39%)</b>		
	<b>Energy 1.21% (2022: 0.00%)</b>		
1,298,589	Aker BP	<u>22,680</u>	<u>1.21</u>
	<b>Portugal 1.00% (2022: 1.24%)</b>		
	<b>Utilities 1.00% (2022: 1.24%)</b>		
4,796,625	EDP - Energias de Portugal	<u>18,694</u>	<u>1.00</u>
	<b>Spain 1.27% (2022: 4.34%)</b>		
	<b>Technology 1.27% (2022: 2.39%)</b>		
415,264	Amadeus IT	<u>23,896</u>	<u>1.27</u>
	Utilities 0.00% (2022: 1.95%)		
	<b>Sweden 3.16% (2022: 2.23%)</b>		
	<b>Industrials 3.16% (2022: 2.23%)</b>		
2,522,010	Atlas Copco 'A'	29,503	1.57
2,109,728	Sandvik	29,881	1.59
		<u>59,384</u>	<u>3.16</u>
	<b>Switzerland 6.85% (2022: 10.40%)</b>		
	<b>Consumer Staples 2.51% (2022: 4.35%)</b>		
495,577	Nestlé	<u>47,196</u>	<u>2.51</u>
	<b>Health Care 1.49% (2022: 2.51%)</b>		
110,190	Roche Non-Voting Shares	<u>28,029</u>	<u>1.49</u>
	<b>Industrials 2.85% (2022: 3.54%)</b>		
1,080,314	Holcim	<u>53,453</u>	<u>2.85</u>
	<b>United Kingdom 4.77% (2022: 0.00%)<sup>1</sup></b>		
	<b>Basic Materials 0.00% (2022: 0.00%)</b>		
	<b>Energy 4.77% (2022: 0.00%)</b>		
9,500,368	BP	43,065	2.29
2,096,874	Shell	46,561	2.48
		<u>89,626</u>	<u>4.77</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>United States 2.56% (2022: 2.13%)<sup>1</sup></b>		
	<b>Basic Materials 2.56% (2022: 2.13%)</b>		
168,066	Linde	47,990	2.56
	<b>Derivatives 0.06% (2022: (0.01%))</b>		
	<b>Contracts for Difference 0.06% (2022: (0.01%))<sup>2</sup></b>		
	<b>Equity Short Contracts for Difference 0.00% (2022: (0.01%))<sup>2</sup></b>		
	<b>Equity Long Contracts for Difference 0.06% (2022: (0.00%))<sup>2</sup></b>		
2,211,249	Ryanair	1,141	0.06
	<b>Forward Foreign Exchange Contracts 0.00% (2022: 0.00%)<sup>2</sup></b>		
	Buy GBP 923,759 : Sell EUR 1,063,942 June 2023	8	-
	Buy GBP 524,109 : Sell EUR 604,958 June 2023	4	-
	Buy GBP 147,507 : Sell EUR 170,754 June 2023	1	-
		13	-
	<b>Investment assets</b>	<b>1,812,882</b>	<b>96.57</b>
	Other net assets	64,420	3.43
	<b>Total net assets</b>	<b>1,877,302</b>	<b>100.00</b>

<sup>1</sup> These stocks are registered in Europe and are permitted investments, the countries of risk are as shown

<sup>2</sup> Not listed on an official stock exchange

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

## Statement of total return for the year ended 31 May 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		95,780		(74,952)
Revenue	3	55,235		65,037	
Expenses	4	(21,639)		(24,491)	
Interest payable and similar charges	5	(2,356)		(408)	
Net revenue before taxation		31,240		40,138	
Taxation	6	(2,641)		(2,167)	
Net revenue after taxation			28,599		37,971
Total return before distributions			124,379		(36,981)
Distributions	7		(28,662)		(37,984)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>95,717</b>		<b>(74,965)</b>

## Statement of change in net assets attributable to shareholders for the year ended 31 May 2023

	2023		2022	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>1,978,393</b>		<b>2,159,523</b>
Amounts receivable on issue of shares	41,465		110,835	
Amounts payable on cancellation of shares	(258,348)		(243,436)	
		(216,883)		(132,601)
Change in net assets attributable to shareholders from investment activities		95,717		(74,965)
Retained distributions on accumulation shares		20,075		26,436
<b>Closing net assets attributable to shareholders</b>		<b>1,877,302</b>		<b>1,978,393</b>

## Balance sheet as at 31 May 2023

	Note	2023 £000	2022 £000
<b>Assets:</b>			
Investments		1,812,882	1,908,359
Current assets:			
Debtors	8	21,953	25,129
Cash and bank balances	9	61,048	63,592
<b>Total assets</b>		<b>1,895,883</b>	<b>1,997,080</b>
<b>Liabilities:</b>			
Investment liabilities		-	113
Creditors:			
Amounts held at derivative clearing houses and brokers		1,250	1,072
Bank overdrafts		223	-
Distributions payable		6,971	8,673
Other creditors	10	10,137	8,829
<b>Total liabilities</b>		<b>18,581</b>	<b>18,687</b>
<b>Net assets attributable to shareholders</b>		<b>1,877,302</b>	<b>1,978,393</b>

## Notes to the financial statements for the year ended 31 May 2023

### 1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

### 2 Net capital gains/(losses)

Net capital gains/(losses) on investments during the year comprise:

	2023 £000	2022 £000
Derivative securities	2,090	(5,258)
Forward currency contracts	(210)	95
Non-derivative securities	93,764	(68,345)
Other currency gains/(losses)	146	(1,434)
Transaction costs	(10)	(10)
<b>Net capital gains/(losses)</b>	<b>95,780</b>	<b>(74,952)</b>

### 3 Revenue

	2023 £000	2022 £000
Bank interest*	3,398	-
Derivative revenue	16	-
Interest on certificates of deposit	-	38
Interest on margin	22	-
Overseas dividends	46,954	64,758
Stock lending revenue	246	241
UK dividends	4,599	-
<b>Total revenue</b>	<b>55,235</b>	<b>65,037</b>

\* Includes European Court of Justice claims interest receipt of £2,632,634.

### 4 Expenses

	2023 £000	2022 £000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
Annual management charge	18,609	21,283
GAC*	2,630	2,997
	<b>21,239</b>	<b>24,280</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary fees	69	82
Safe custody fees	96	118
	<b>165</b>	<b>200</b>
<b>Other expenses:</b>		
Professional fees**	235	11
	<b>235</b>	<b>11</b>
<b>Total expenses</b>	<b>21,639</b>	<b>24,491</b>

Irrecoverable VAT is included in the above expenses where relevant.

\* The current audit fee, which is levied through the GAC, is £10,354 (2022: £9,393).

\*\* Professional fees include fees of £205,722 (2022: £7,027) for services in relation to European Court of Justice claims.

## Notes to the financial statements (continued)

### 5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable*	2,304	408
Interest on margin	52	-
<b>Total interest payable and similar charges</b>	<b>2,356</b>	<b>408</b>

\* Includes negative interest on credit balances held with the broker and £1,841,228 (2022: £2,613) interest payable provision in relation to European Court of Justice claims.

### 6 Taxation

#### a) Analysis of charge in the year

The tax charge comprises:

	2023 £000	2022 £000
<b>Current tax</b>		
Overseas withholding tax	(1,389)	2,522
Adjustment in respect of corporation tax	4,030	(355)
<b>Total tax (note 6b)</b>	<b>2,641</b>	<b>2,167</b>

The Overseas withholding tax credit for the year and the Adjustment in respect of corporation tax relates to the successful resolution during the year of European Court of Justice claims for accounting years 2005-2009. As a result of these successful claims the fund has revised its corporation tax liabilities for these years.

#### b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue before taxation	31,240	40,138
Corporation tax at 20% (2022: 20%)	6,248	8,028
Effects of:		
Adjustment in respect of corporation tax	4,030	(355)
Double tax relief	(24)	(24)
Expenses not deductible for tax purposes	368	-
Overseas withholding tax	(1,389)	2,636
Overseas dividends	(9,230)	(12,783)
Stock dividends*	-	(114)
UK dividends	(920)	-
Unused management expenses	3,558	4,779
<b>Tax charge for the year (note 6a)</b>	<b>2,641</b>	<b>2,167</b>

\* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

#### c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

## Notes to the financial statements (continued)

### 6 Taxation (continued)

#### d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £63,572,153 (2022: £60,014,477) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

### 7 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £000	2022 £000
Interim income	1,237	2,480
Interim accumulation	1,521	3,667
Final income	6,971	8,673
Final accumulation	18,554	22,769
	<u>28,283</u>	<u>37,589</u>
Amounts deducted on cancellation of shares	459	758
Amounts received on issue of shares	(80)	(363)
<b>Total distributions</b>	<u><b>28,662</b></u>	<u><b>37,984</b></u>
Net revenue after taxation	28,599	38,085
Equalisation on conversions	63	13
Stock dividends	-	(114)
<b>Total distributions</b>	<u><b>28,662</b></u>	<u><b>37,984</b></u>

Details of the distribution per share are set out in the Distribution tables on pages 115 to 116.

### 8 Debtors

	2023 £000	2022 £000
Accrued revenue	3,003	2,672
Amounts receivable for issue of shares	212	3,439
Overseas withholding tax reclaimable	18,738	17,022
Sales awaiting settlement	-	1,996
<b>Total debtors</b>	<u><b>21,953</b></u>	<u><b>25,129</b></u>

### 9 Cash and bank balances

	2023 £000	2022 £000
Cash and bank balances	61,048	63,592
<b>Total cash and bank balances</b>	<u><b>61,048</b></u>	<u><b>63,592</b></u>



## Notes to the financial statements (continued)

### 10 Other creditors

	2023 £000	2022 £000
Accrued annual management charge	1,619	1,647
Accrued Depositary's fee	9	16
Accrued other expenses	247	286
Amounts payable for cancellation of shares	2,164	1,704
Amounts payable to counterparty regarding CFD contracts	5	7
Corporation tax payable	4,178	222
Currency transactions awaiting settlement	-	9
Interest payable on Corporation tax payable	1,915	-
Purchases awaiting settlement	-	4,938
<b>Total other creditors</b>	<b>10,137</b>	<b>8,829</b>

### 11 Contingent assets, liabilities and commitments

The fund has filed a claim with HMRC (on the basis of the principles set out in the FII GLO) for corporation tax unduly paid in respect of periods prior to 1 July 2009. The claim has been filed on the basis that the relevant UK tax legislation was in breach of EU law for these periods. A successful outcome may result in a refund of corporation tax. Currently, there is insufficient information available to provide an estimate of the financial effect regarding the timing and amount of the settlement.

There were no contingent liabilities at the current or prior year end.

### 12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 104 and 105 and notes 4, 7, 8 and 10 on pages 106 to 109 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

### 13 Shareholders' funds

The fund currently has 5 share classes available: Class A (Retail), Class C (Institutional), Class E (Retail), Class G (Institutional) and Class I (Institutional). The annual management charge on each share class is as follows:

	2023 %	2022 %
Class A	1.50	1.50
Class C	0.50	0.50
Class E	1.00	1.00
Class G	0.60	0.60
Class I	0.75	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 94 to 97. The distribution per share class is given in the Distribution tables on pages 115 to 116. All share classes have the same rights on winding up.

### Shares reconciliation as at 31 May 2023

	Class A accumulation	Class C accumulation	Class E accumulation	Class G accumulation
Opening number of shares	31,284,822	15,180	9,372,790	41,627,948
Issues during the year	339,949	-	6,525	2,566,787
Cancellations during the year	(2,421,194)	-	(539,409)	(3,502,950)
Shares converted during the year	(2,997,821)	-	203,848	(405,258)
<b>Closing shares in issue</b>	<b>26,205,756</b>	<b>15,180</b>	<b>9,043,754</b>	<b>40,286,527</b>

## Notes to the financial statements (continued)

### 13 Shareholders' funds (continued)

#### Shares reconciliation as at 31 May 2023 (continued)

	Class G income	Class I accumulation	Class I income
Opening number of shares	318,510,330	25,272,195	36,441,853
Issues during the year	13,363,275	456,030	1,373,395
Cancellations during the year	(23,400,779)	(4,167,563)	(24,914,727)
Shares converted during the year	(2,434,908)	2,512,101	771,022
<b>Closing shares in issue</b>	<b>306,037,918</b>	<b>24,072,763</b>	<b>13,671,543</b>

### 14 Financial derivatives

The fund may use financial derivatives to reduce risk or to manage the fund more efficiently.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

There was no collateral pledged or collateral held in respect of forward foreign exchange and contracts for difference as at 31 May 2023 (2022: nil). The fund had cash assets of nil (2022: nil) and cash liabilities of £1,249,961 (2022: £1,072,275) held in margin accounts at derivative clearing houses and brokers as at 31 May 2023.

#### 2023

As at 31 May 2023 the counterparty exposure calculated using the positive marked-to-market value for the category of derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Total by counterparty £000
BNP Paribas	-	13	13
UBS	1,141	-	1,141
	<b>1,141</b>	<b>13</b>	<b>1,154</b>

#### 2022

The fund had no exposure to derivatives as at 31 May 2022 with a positive market value.

### 15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

## Notes to the financial statements (continued)

### 15 Stock lending (continued)

2023 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	10,710	11,750	Government Bond
Morgan Stanley	16,319	17,427	Government Bond
UBS	9,298	10,765	Equity/ Government Bond
	<b>36,327</b>	<b>39,942</b>	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	267	21	246

2022 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	-	4,162	Government Bond
Bank of Nova Scotia	11,991	13,346	Equity
Credit Suisse	23,848	26,366	Equity/ Government Bond
HSBC	3,248	3,424	Government Bond
JPMorgan Chase	5,269	5,692	Equity/ Government Bond
Morgan Stanley	5,937	6,605	Government Bond
UBS	2,595	3,027	Equity
	<b>52,888</b>	<b>62,622</b>	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	262	21	241

## Notes to the financial statements (continued)

### 16 Risk

#### Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies:

	Investment assets £000	Other net assets/ (liabilities) £000	Total net assets/ (liabilities) £000
<b>2023</b>			
<b>Currency</b>			
Danish krone	133,420	1,258	134,678
Euro	1,294,895	74,017	1,368,912
Norwegian krone	22,680	501	23,181
Swedish krona	93,998	3,665	97,663
Swiss franc	128,678	1,140	129,818
UK sterling	91,221	(17,119)	74,102
US dollar	47,990	958	48,948
<b>Total</b>	<b>1,812,882</b>	<b>64,420</b>	<b>1,877,302</b>

	Investment assets including (investment liabilities) £000	Other net assets/ (liabilities) £000	Total net assets/ (liabilities) £000
<b>2022</b>			
<b>Currency</b>			
Danish krone	175,442	1,086	176,528
Euro	1,394,080	73,716	1,467,796
Norwegian krone	47,301	1,341	48,642
Swedish krona	87,667	2,892	90,559
Swiss franc	205,872	-	205,872
UK sterling	(2,116)	(9,041)	(11,157)
US dollar	-	153	153
<b>Total</b>	<b>1,908,246</b>	<b>70,147</b>	<b>1,978,393</b>

#### Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £1,803,199,522 (2022: £1,989,550,780). A 10% increase/(decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/(decreasing) the return for the accounting year and the year end net assets by £180,319,952 (2022: £198,955,078).

#### Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

#### Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

#### Leverage

The fund has not employed significant leverage in the current or prior year.

## Notes to the financial statements (continued)

### 16 Risk (continued)

#### Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis:

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2023</b>				
Amounts held at derivatives clearing houses and brokers	1,250	-	-	-
Distribution payable	-	6,971	-	-
Bank overdrafts	223	-	-	-
Other creditors	-	10,137	-	-
<b>Total</b>	<b>1,473</b>	<b>17,108</b>	<b>-</b>	<b>-</b>
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2022</b>				
Amounts held at derivatives clearing houses and brokers	1,072	-	-	-
Derivative financial liabilities	-	6	107	-
Distribution payable	-	8,673	-	-
Other creditors	-	8,829	-	-
<b>Total</b>	<b>1,072</b>	<b>17,508</b>	<b>107</b>	<b>-</b>

### 17 Fair value disclosure

#### Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

#### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

#### Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

#### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

#### Fair value hierarchy

	<b>2023</b>		<b>2022</b>	
	<b>Assets £000</b>	<b>Liabilities £000</b>	<b>Assets £000</b>	<b>Liabilities £000</b>
Level 1	1,811,728	-	1,908,359	-
Level 2	1,154	-	-	113
Level 3	-	-	-	-
	<b>1,812,882</b>	<b>-</b>	<b>1,908,359</b>	<b>113</b>

## Notes to the financial statements (continued)

### 18 Direct transaction costs

	Purchases		Sales	
	2023	2022	2023	2022
	£000	£000	£000	£000
<b>Trades in the year</b>				
Equities	967,002	1,245,072	1,159,367	1,403,233
<b>Trades in the year before transaction costs</b>	<b>967,002</b>	<b>1,245,072</b>	<b>1,159,367</b>	<b>1,403,233</b>
<b>Transaction costs</b>				
<b>Commissions</b>				
Equities	346	442	410	494
<b>Total commissions</b>	<b>346</b>	<b>442</b>	<b>410</b>	<b>494</b>
<b>Taxes</b>				
Equities	635	244	-	-
<b>Total taxes</b>	<b>635</b>	<b>244</b>	<b>-</b>	<b>-</b>
<b>Other expenses</b>				
Equities	577	1,059	-	-
<b>Total other expenses</b>	<b>577</b>	<b>1,059</b>	<b>-</b>	<b>-</b>
<b>Total transaction costs</b>	<b>1,558</b>	<b>1,745</b>	<b>410</b>	<b>494</b>
<b>Total net trades in the year after transaction costs</b>	<b>968,560</b>	<b>1,246,817</b>	<b>1,158,957</b>	<b>1,402,739</b>

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
<b>Total transaction costs expressed as a percentage of asset type cost</b>				
<b>Commissions</b>				
Equities	0.04	0.04	0.04	0.04
<b>Taxes</b>				
Equities	0.07	0.02	-	-
<b>Other expenses</b>				
Equities	0.06	0.09	-	-
	<b>2023</b>	<b>2022</b>		
	%	%		
<b>Total transaction costs expressed as a percentage of net asset value</b>				
Commissions	0.04	0.04		
Taxes	0.03	0.01		
Other expenses	0.03	0.05		
<b>Total costs</b>	<b>0.10</b>	<b>0.10</b>		

There were no in specie transfers during the year (2022: nil). There were corporate actions during the year of nil (2022: £1,110,699).

There were direct transaction costs associated with derivatives in the year of £6,196 (2022: £9,980) which is 0.00% of the average net asset value of the fund (2022: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 31 May 2023 was 0.04% (2022: 0.04%). The portfolio dealing spread is calculated at a 12 noon valuation point.

### 19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

## Distribution tables for the year ended 31 May 2023 (in pence per share)

### Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 June 2022

Group 2: shares purchased on or after 1 June 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
<b>Class A accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class C accumulation</b>				
Group 1	9.0416	-	9.0416	14.8484
Group 2	9.0416	-	9.0416	14.8484
<b>Class E accumulation</b>				
Group 1	1.0354	-	1.0354	5.4015
Group 2	-	1.0354	1.0354	5.4015
<b>Class G accumulation</b>				
Group 1	0.3937	-	0.3937	0.6798
Group 2	0.1773	0.2164	0.3937	0.6798
<b>Class G income</b>				
Group 1	0.3753	-	0.3753	0.6633
Group 2	0.1376	0.2377	0.3753	0.6633
<b>Class I accumulation</b>				
Group 1	5.4879	-	5.4879	10.7896
Group 2	2.0600	3.4279	5.4879	10.7896
<b>Class I income</b>				
Group 1	0.5923	-	0.5923	1.2041
Group 2	0.2304	0.3619	0.5923	1.2041

## Distribution tables (continued)

### Final dividend distribution (accounting date 31 May 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
<b>Class A accumulation</b>				
Group 1	20.1663	-	20.1663	26.5849
Group 2	18.4500	1.7163	20.1663	26.5849
<b>Class C accumulation</b>				
Group 1	45.1116	-	45.1116	46.3614
Group 2	45.1116	-	45.1116	46.3614
<b>Class E accumulation</b>				
Group 1	31.1509	-	31.1509	32.8952
Group 2	23.6968	7.4541	31.1509	32.8952
<b>Class G accumulation</b>				
Group 1	2.1939	-	2.1939	2.2625
Group 2	1.6208	0.5731	2.1939	2.2625
<b>Class G income</b>				
Group 1	2.0847	-	2.0847	2.1978
Group 2	1.6475	0.4372	2.0847	2.1978
<b>Class I accumulation</b>				
Group 1	39.7204	-	39.7204	41.2294
Group 2	31.5855	8.1349	39.7204	41.2294
<b>Class I income</b>				
Group 1	4.3207	-	4.3207	4.5920
Group 2	3.3701	0.9506	4.3207	4.5920



# Janus Henderson UK & Irish Smaller Companies Fund

## Authorised Corporate Director's report

### Other information

As the fund has ceased investment activity, standard disclosures relating to the Investment review, Significant purchases and sales, OCF, Risk and reward profile and Distribution table have not been presented within the financial statements.

### Investment objective and policy up to 18 March 2021

The fund aimed to provide a return, from a combination of capital growth and income over the long term (5 years or more).

The fund invested at least 80% of its assets in shares (also known as equities) of smaller companies, in any industry, in the UK and Ireland. Companies were incorporated, headquartered or derived significant revenue from, the UK or Ireland.

The fund was actively managed with reference to the Numis Sub-£1bn ex Investment Companies Index, which is broadly representative of the companies in which it could invest, as this provided a useful comparator for assessing the fund's performance. The Investment Manager had discretion to choose investments for the fund with weightings different to the index or not in the index.

### Strategy

The Investment Manager believed that investing in companies was about the future and taking a long term view. The investment process was grounded both in fundamental analysis, which aimed to gain a clear understanding of individual companies and their markets, and in a strong valuation discipline. The universe of potential investments was reduced in stages using broad-based screening and ranking of companies, detailed profiling, meetings with management and the detailed analysis of financial data. The fund had a well-diversified portfolio and normally avoided very small 'micro-cap' companies due to the more difficult nature of buying and selling shares in these companies.

### Performance summary

#### Cumulative performance

	Period from 31 May 20 - 18 Mar 21*	Period from 31 May 18 - 18 Mar 21*	Since inception 30 Dec 94 - 18 Mar 21*
	%	%	%
<b>Class I accumulation (Net)</b>	36.4	12.0	1,513.9
<b>Numis Smaller Companies (Ex investment companies and companies with a market capitalisation greater than £1bn) Index</b>	52.7	23.8	624.3
<b>IA UK Smaller Companies Sector</b>	40.0	23.8	1,221.9

#### Discrete performance

	31 May 20 - 18 Mar 21*	31 May 19 - 31 May 20	31 May 18 - 31 May 19
	%	%	%
<b>Class I accumulation (Net)</b>	36.4	(7.5)	(11.3)
<b>Numis Smaller Companies (Ex investment companies and companies with a market capitalisation greater than £1bn) Index</b>	52.7	(12.5)	(7.7)
<b>IA UK Smaller Companies Sector</b>	40.0	(7.8)	(4.1)

\* The fund closed on 18 March 2021.

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

### Performance summary (continued)

#### Benchmark usage:

Index: Numis Smaller Companies (Ex investment companies and companies with a market capitalisation greater than £1bn)

Index usage: Comparator

Index description: The Numis Smaller Companies (Ex investment companies and companies with a market capitalisation greater than £1bn) Index is a measure of the combined performance of smaller companies (the bottom 10%) listed on the London Stock Exchange excluding investment companies and companies with a market capitalisation greater than £1bn. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group: IA UK Smaller Companies Sector

Peer group usage: Comparator

Peer group description: 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.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

## Comparative tables for the year ended 31 May 2023

	Class A accumulation 2021 (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	548.02
Return before operating charges*	203.19
Operating charges	(8.68)
Return after operating charges*	194.51
Distributions on accumulation shares	-
Retained distributions on accumulation shares	-
Final cancellation	(742.53) <sup>1</sup>
Closing net asset value per share	-
* after direct transaction costs of:	-
<b>Performance</b>	
Return after charges	35.49%
<b>Other information</b>	
Closing net asset value (£000s)	-
Closing number of shares	-
Operating charges	1.76%
Direct transaction costs	0.00%
<b>Prices</b>	
Highest share price (pence)	747.90 <sup>2</sup>
Lowest share price (pence)	537.80 <sup>2</sup>

<sup>1</sup> Class A accumulation closed on 18 March 2021.

<sup>2</sup> to 18 March 2021.

## Comparative tables (continued)

	Class C accumulation 2021 (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	586.63
Return before operating charges*	218.50
Operating charges	(3.08)
Return after operating charges*	215.42
Distributions on accumulation shares	(2.67)
Retained distributions on accumulation shares	2.67
Final cancellation	(802.05) <sup>3</sup>
Closing net asset value per share	-
* after direct transaction costs of:	-
<b>Performance</b>	
Return after charges	36.72%
<b>Other information</b>	
Closing net asset value (£000s)	-
Closing number of shares	-
Operating charges	0.58%
Direct transaction costs	0.00%
<b>Prices</b>	
Highest share price (pence)	807.80 <sup>4</sup>
Lowest share price (pence)	576.90 <sup>4</sup>

<sup>3</sup> Class C accumulation closed on 18 March 2021.

<sup>4</sup> to 18 March 2021.

## Comparative tables (continued)

	Class E accumulation 2021 (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	550.59
Return before operating charges*	204.78
Operating charges	(6.32)
Return after operating charges*	198.46
Distributions on accumulation shares	-
Retained distributions on accumulation shares	-
Final cancellation	(749.05) <sup>5</sup>
Closing net asset value per share	-
* after direct transaction costs of:	
<b>Performance</b>	
Return after charges	36.04%
<b>Other information</b>	
Closing net asset value (£000s)	-
Closing number of shares	-
Operating charges	1.26%
Direct transaction costs	0.00%
<b>Prices</b>	
Highest share price (pence)	754.40 <sup>6</sup>
Lowest share price (pence)	540.90 <sup>6</sup>

<sup>5</sup> Class E accumulation closed on 18 March 2021.

<sup>6</sup> to 18 March 2021.

## Comparative tables (continued)

	Class I accumulation 2021 (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	540.54
Return before operating charges*	201.38
Operating charges	(4.33)
Return after operating charges*	197.05
Distributions on accumulation shares	(0.87)
Retained distributions on accumulation shares	0.87
Final cancellation	(737.59) <sup>7</sup>
Closing net asset value per share	-
* after direct transaction costs of:	-
<b>Performance</b>	
Return after charges	36.45%
<b>Other information</b>	
Closing net asset value (£000s)	-
Closing number of shares	-
Operating charges	0.88%
Direct transaction costs	0.00%
<b>Prices</b>	
Highest share price (pence)	742.90 <sup>8</sup>
Lowest share price (pence)	531.30 <sup>8</sup>

<sup>7</sup> Class I accumulation closed on 18 March 2021.

<sup>8</sup> to 18 March 2021.

Direct transaction costs incurred on securities transactions are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

### Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

### Share class launches and closures

There were no share classes launched or closed during the year. The fund closed on 18 March 2021.

## Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 0.00% (2022: 0.00%)</b>		
	<b>Qatar 0.00% (2022: 0.00%)</b>		
	<b>Industrials 0.00% (2022: 0.00%)</b>		
640,445	Panceltica <sup>1</sup>	-	-
	<b>United Kingdom 0.00% (2022: 0.00%)</b>		
	<b>Oil &amp; Gas 0.00% (2022: 0.00%)</b>		
44,221,007	Max Petroleum <sup>1</sup>	-	-
	<b>Investment assets</b>	-	-
	Other net assets	-	-
	<b>Total net assets</b>	-	-

<sup>1</sup> Suspended or delisted securities

The classification is based on the country of risk and a relevant industry classification standard.

## Statement of total return for the year ended 31 May 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital result/gains	2		-		2
Revenue	3	2		(1)	
Expenses	4	17		(1)	
Net revenue/(expense) before taxation		19		(2)	
Taxation	5	(86)		(29)	
Net expense after taxation			(67)		(31)
Total return before distributions			(67)		(29)
Distributions	6		-		-
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>(67)</b>		<b>(29)</b>

## Statement of change in net assets attributable to shareholders for the year ended 31 May 2023

		2023		2022	
		£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>			-		-
Amounts receivable on merger		67		29	
			67		29
Change in net assets attributable to shareholders from investment activities			(67)		(29)
<b>Closing net assets attributable to shareholders*</b>			<b>-</b>		<b>-</b>

\* The Janus Henderson UK & Irish Smaller Companies Fund merged into the Janus Henderson UK Smaller Companies Fund, a sub-fund of the Janus Henderson UK & Europe Funds, on 18 March 2021.



## Balance sheet

as at 31 May 2023

	Note	2023 £000	2022 £000
<b>Assets:</b>			
Current assets:			
Debtors	7	-	85
Cash and bank balances	8	20	19
<b>Total assets</b>		<b>20</b>	<b>104</b>
<b>Liabilities:</b>			
Creditors:			
Other creditors	9	20	104
<b>Total liabilities</b>		<b>20</b>	<b>104</b>
<b>Net assets attributable to shareholders</b>		<b>-</b>	<b>-</b>

## Notes to the financial statements for the year ended 31 May 2023

### 1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

### 2 Net capital result/gains

Net capital result/gains on investments during the year comprise:

	2023 £000	2022 £000
Non-derivative securities	-	2
<b>Net capital result/gains</b>	<b>-</b>	<b>2</b>

### 3 Revenue

	2023 £000	2022 £000
Bank interest	1	-
Overseas dividends	1	(1)
<b>Total revenue</b>	<b>2</b>	<b>(1)</b>

### 4 Expenses

	2023 £000	2022 £000
<b>Other expenses:</b>		
Professional fees*	(17)**	1
	(17)	1
<b>Total expenses</b>	<b>(17)</b>	<b>1</b>

Irrecoverable VAT is included in the above expenses where relevant.  
The current audit fee of £8,284 (2022: £9,393) is being paid by the ACD.

\* Included with professional fees are non-audit fees paid to the auditors of £nil in relation to withholding tax reclaims (2022: £758)

\*\* An expense credit has been recognised during the year, as a result of the reversal of a fee accrual recognised in a prior accounting year for services provided to the fund in relation to unsuccessful withholding tax reclaims.

### 5 Taxation

#### a) Analysis of charge in the year

The tax charge comprises:

	2023 £000	2022 £000
<b>Current tax</b>		
Overseas withholding tax	86	29
<b>Total tax (note 5b)</b>	<b>86</b>	<b>29</b>

## Notes to the financial statements (continued)

### 5 Taxation (continued)

#### b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue/(expense) before taxation	19	(2)
Corporation tax at 20% (2022: 20%)	4	-
Effects of:		
Excess management expenses	(4)	-
Overseas withholding tax	86	29
<b>Tax charge for the year (note 5a)</b>	<b>86</b>	<b>29</b>

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

#### c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

#### d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £14,296,278 (2022: £14,299,887) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

### 6 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £000	2022 £000
Net expense after taxation	(67)	(31)
Revenue shortfall	67	31
<b>Total distributions</b>	<b>-</b>	<b>-</b>

### 7 Debtors

	2023 £000	2022 £000
Overseas withholding tax reclaimable	-	85
<b>Total debtors</b>	<b>-</b>	<b>85</b>

### 8 Cash and bank balances

	2023 £000	2022 £000
Cash and bank balances	20	19
<b>Total cash and bank balances</b>	<b>20</b>	<b>19</b>

## Notes to the financial statements (continued)

### 9 Other creditors

	2023 £000	2022 £000
Accrued other expenses	-	18
Amounts payable to merger fund	20	86
<b>Total other creditors</b>	<b>20</b>	<b>104</b>

### 10 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

### 11 Related party transactions

JHUKFML as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 124 and 125 and notes 4, 6, 7 and 9 on pages 126 to 128 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- Annual management charge
- GAC
- Audit fees

There were no material shareholders at the year end (2022: nil).

### 12 Risk

#### Currency risk

The fund's exposure to currency risk is considered insignificant. This is consistent with the exposure during the prior year.

#### Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

#### Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

#### Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis:

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2023</b>				
Other creditors	-	20	-	-
<b>Total</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>-</b>
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2022</b>				
Other creditors	-	104	-	-
<b>Total</b>	<b>-</b>	<b>104</b>	<b>-</b>	<b>-</b>

## Notes to the financial statements (continued)

### 13 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

# Janus Henderson US Growth Fund

## Authorised Corporate Director's report

### Investment Fund Managers

Doug Rao, Nick Schommer and Brian Recht

### Investment objective and policy

The fund aims to provide capital growth over the long term.

Performance target: To outperform the S&P 500 Index by at least 2.5% per annum, before the deduction of charges, over any 5 year period.

The fund invests at least 80% of its assets in a concentrated portfolio of shares (also known as equities) of companies, of any size, in any industry, in the United States. Companies will have their registered office in or do most of their business (directly or through subsidiaries) in the United States. The portfolio may be concentrated in terms of its number of holdings and/or the size of its largest holdings.

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 S&P 500 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.

### Strategy

The Investment Manager follows a fundamental, research-driven strategy, seeking to identify innovative companies with distinct advantages over their competitors, which allow them to protect market share and/or profitability. The fund invests in the manager's best US large growth company ideas, where they believe their view is differentiated from the market, to construct a portfolio of typically 30 to 40 holdings.

### Performance summary

#### Cumulative performance

	One year	Three years	Five years	Since inception
	31 May 22 -	31 May 20 -	31 May 18 -	26 Jan 76 -
	31 May 23	31 May 23	31 May 23	31 May 23
	%	%	%	%
<b>Class I accumulation (Net)</b>	9.2	27.9	75.4	9,653.6
<b>S&amp;P 500 Index</b>	4.7	43.6	81.0	-*
<b>IA North America Sector</b>	2.7	34.8	62.2	12,063.8
<b>Class I accumulation (Gross)</b>	10.1	31.2	82.9	14,407.8
<b>S&amp;P 500 Index + 2.5%</b>	7.3	54.7	104.8	-*

Performance/performance target related data will display only when relevant to the fund/share class inception date and the annualised target time period.

#### Discrete performance

	31 May 22 -	31 May 21 -	31 May 20 -	31 May 19 -	31 May 18 -
	31 May 23	31 May 22	31 May 21	31 May 20	31 May 19
	%	%	%	%	%
<b>Class I accumulation (Net)</b>	9.2	(4.1)	22.1	19.8	14.5
<b>S&amp;P 500 Index</b>	4.7	12.5	22.0	15.0	9.6
<b>IA North America Sector</b>	2.7	6.2**	23.8	11.8	7.5
<b>Class I accumulation (Gross)</b>	10.1	(3.3)	23.2	20.8	15.4
<b>S&amp;P 500 Index + 2.5%</b>	7.3	15.3	25.1	17.9	12.3

Please note that the performance target is to be achieved over a specific annualised time period. Refer to the investment objective and policy above.

## Authorised Corporate Director's report (continued)

### Performance summary (continued)

\* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

\*\* Historical performance has been restated.

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Class I accumulation (Gross), NAV to NAV, gross of OCF and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

### Benchmark usage:

Index: S&P 500 Index

Index usage: Target

Index description: The S&P 500 Index is a measure of the combined performance of 500 large companies listed on US stock markets. It forms the basis for the fund's performance target.

Peer group: IA North America Sector

Peer group usage: Comparator

Peer group description: 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) provides a useful performance comparison against other funds with similar aims.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

## Significant portfolio changes for the year ended 31 May 2023

Largest purchases	£000	Largest sales	£000
Advanced Micro Devices	11,971	Meta	12,581
Horizon Therapeutics	9,660	Alphabet 'A'	12,536
Meta	8,342	Horizon Therapeutics	10,909
Charles Schwab	8,254	Amazon.com	8,381
Illumina	7,800	Danaher	6,827
Alphabet 'A'	7,795	Deere	6,733
Apple	7,073	Dexcom	6,437
Nvidia	6,899	Apple	5,266
JPMorgan Chase	5,189	Nvidia	5,152
Progressive	4,878	ASML	5,081
<b>Total purchases</b>	<b>132,742</b>	<b>Total sales</b>	<b>154,669</b>

### Investment review

The fund returned 9.2% (Net), 10.1% (Gross) based on Class I accumulation over the year under review, compared with a return of 4.7% in the S&P 500 Index, a return of 7.3% in the Target Index + 2.5% and a return of 2.7% in the IA North America Sector peer group benchmark.

The S&P 500 Index posted a gain during the reporting year, although the market remained volatile. The Fed continued to raise its policy rate, although it began to slow the pace of its hikes, which brought the federal funds rate target range to a 16-year high of 5.00-5.25%. Inflation moderated to some extent – down from a peak of more than 9% in June 2022 – although it remained well above the Fed's 2% target. The labour market and wages remained resilient, as did consumer spending, which is responsible for the majority of US GDP. Geopolitical tensions continued to pose threats to the global economy as the conflict between Russia and Ukraine dragged on.

The fund outperformed its benchmark primarily due to individual stock selection. We run a concentrated portfolio, which meant that individual stocks played a significant role in driving performance. Stock selection in the information technology, industrial and consumer discretionary sectors contributed to relative performance. Stock selection in the real estate sector and an underweight allocation to the communication services sector detracted from relative results.

Semiconductor manufacturer Advanced Micro Devices was among the top relative contributors. A significant slowdown in demand for personal computers in 2022 led to an inventory overhang for Advanced Micro Devices. As the company worked through this inventory, it had room for renewed growth in its central processing unit line. Advanced Micro Devices also saw strong sales and market share gains in its data centre chip business, driven in part by optimism about rapid progress in generative artificial intelligence technology.

Facebook parent company Meta was also among the top contributors to relative performance. During the year, Meta reported revenues and average daily users that beat consensus estimates and increased its share repurchase authorisation by US\$40bn. The company also focused on significant cost-cutting measures following a year in which it faced headwinds from privacy changes to Apple's mobile operating system and a slowing online advertising market.

Real estate investment trust American Tower REIT, which owns and operates wireless and broadcast communications towers, was among the top detractors. The company reported results that were generally ahead of expectations, although it lowered guidance on funds from operations. The company's business model has been relatively defensive and resilient in the volatile environment, and its contracts with customers have been inflation-protected. However, as interest rates rose, American Tower REIT's financing costs climbed.

Financial services company Charles Schwab was also among the top detractors. Charles Schwab was partly hurt by lower bank deposit account fees as customers shifted cash balances into higher-yielding assets. Later in the year, the company was also impacted by a general sell-off in financial businesses related to the failures of several regional banks, as investors considered the broader implications for the banking industry.

The biggest changes to the portfolio included the sales of positions in Match, Align Technology and Snap. We added several new stocks, including Advanced Micro Devices, Illumina and Linde.

We have seen the impact of higher interest rates on the economy, most starkly in the collapse of several regional banks, which raised concerns throughout the financial system. Banking regulators globally responded quickly by using central bank tools to stabilise bank liquidity levels.

On top of higher rates, we expect the fallout from the bank failures to result in tighter lending standards and stricter banking regulation, which will likely lead to less reinvestment in the economy. Specifically, lower investment in commercial real estate and small business loans – two areas heavily dependent on smaller, regional banks for capital – will likely create higher unemployment and some cyclical deflation. This could be a significant source of economic slowing in the current cycle.

Consumers largely remain resilient, although there have been hints of softening. Personal savings have drawn down significantly and we have seen a pullback in consumer spending on financeable goods. However, structural pressures have kept labour force participation low, leading to a persistently tight labour market and above-trend wage growth. Many households were also able to finance or refinance mortgages prior to the Fed's rate-hiking cycle, which has made consumers generally less rate sensitive than in previous cycles.

Thus, the balancing act of taming inflation while preventing a recession remains a difficult task, and recent developments make it seem less likely that a 'soft landing' for the economy can be achieved. We are closely monitoring the effects as rate increases flow through the economy, and while the investment environment may be more difficult, we are constructive on the US market and, specifically, growth equities. We think it is particularly important in an inflationary and/or slowing economic environment to remain focused on companies with strong business models in healthy, growing end markets and with the ability to thrive regardless of the economic backdrop.



## Comparative tables for the year ended 31 May 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	1,644.98	1,750.00	1,449.11
Return before operating charges*	165.84	(72.35)	328.95
Operating charges	(28.81)	(32.67)	(28.06)
Return after operating charges*	137.03	(105.02)	300.89
Distributions on accumulation shares	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	1,782.01	1,644.98	1,750.00
* after direct transaction costs of:	0.15	0.09	-
<b>Performance</b>			
Return after charges	8.33%	(6.00%)	20.76%
<b>Other information</b>			
Closing net asset value (£000s)	153,003	136,047	146,920
Closing number of shares	8,585,948	8,270,435	8,395,401
Operating charges	1.73%	1.73%	1.73%
Direct transaction costs	0.01%	0.00%	0.00%
<b>Prices</b>			
Highest share price (pence)	1,807.00	2,106.00	1,804.00
Lowest share price (pence)	1,483.00	1,573.00	1,399.00
	Class C accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	1,555.62	1,635.83	1,339.01
Return before operating charges*	158.32	(70.10)	305.43
Operating charges	(9.01)	(10.11)	(8.61)
Return after operating charges*	149.31	(80.21)	296.82
Distributions on accumulation shares	(6.83)	(2.64)	(2.59)
Retained distributions on accumulation shares	6.83	2.64	2.59
Closing net asset value per share	1,704.93	1,555.62	1,635.83
* after direct transaction costs of:	0.15	0.09	-
<b>Performance</b>			
Return after charges	9.60%	(4.90%)	22.17%
<b>Other information</b>			
Closing net asset value (£000s)	9	31	32
Closing number of shares	527	1,953	1,953
Operating charges	0.57%	0.57%	0.57%
Direct transaction costs	0.01%	0.00%	0.00%
<b>Prices</b>			
Highest share price (pence)	1,729.00	1,979.00	1,685.00
Lowest share price (pence)	1,403.00	1,487.00	1,294.00

## Comparative tables (continued)

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	1,668.99	1,766.69	1,455.67
Return before operating charges*	169.00	(74.20)	331.15
Operating charges	(20.83)	(23.50)	(20.13)
Return after operating charges*	148.17	(97.70)	311.02
Distributions on accumulation shares	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	1,817.16	1,668.99	1,766.69
* after direct transaction costs of:	0.16	0.09	-
<b>Performance</b>			
Return after charges	8.88%	(5.53%)	21.37%
<b>Other information</b>			
Closing net asset value (£000s)	36,925	35,107	38,298
Closing number of shares	2,032,033	2,103,494	2,167,769
Operating charges	1.23%	1.23%	1.23%
Direct transaction costs	0.01%	0.00%	0.00%
<b>Prices</b>			
Highest share price (pence)	1,843.00	2,131.00	1,821.00
Lowest share price (pence)	1,505.00	1,596.00	1,406.00
	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	498.07	525.23	431.12
Return before operating charges*	50.58	(22.32)	98.22
Operating charges	(4.30)	(4.84)	(4.11)
Return after operating charges*	46.28	(27.16)	94.11
Distributions on accumulation shares	(0.75)	-	-
Retained distributions on accumulation shares	0.75	-	-
Closing net asset value per share	544.35	498.07	525.23
* after direct transaction costs of:	0.05	0.03	-
<b>Performance</b>			
Return after charges	9.29%	(5.17%)	21.83%
<b>Other information</b>			
Closing net asset value (£000s)	139,932	151,908	166,568
Closing number of shares	25,706,021	30,499,128	31,713,661
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.01%	0.00%	0.00%
<b>Prices</b>			
Highest share price (pence)	552.00	634.60	541.20
Lowest share price (pence)	449.20	476.20	416.40

## Comparative tables (continued)

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

### **Operating charges**

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

### **Share class launches and closures**

There were no share classes launched or closed during the year.

## Ongoing charge figure

The OCF of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

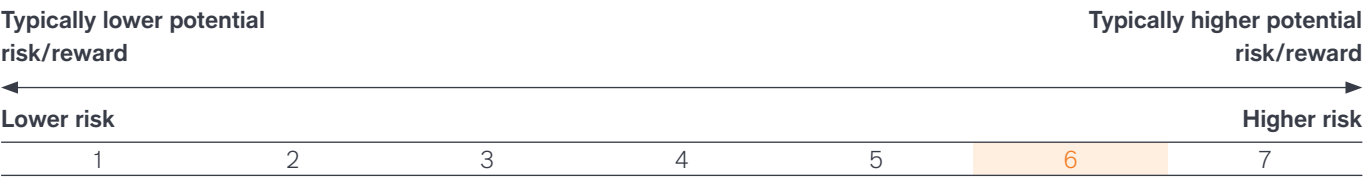
	<b>2023</b>	<b>2022</b>
	%	%
<b>Class A accumulation</b>	1.73	1.73
<b>Class C accumulation</b>	0.57	0.57
<b>Class E accumulation</b>	1.23	1.23
<b>Class I accumulation</b>	0.85	0.85

The OCF is calculated in accordance with guidelines issued by ESMA.

## Risk and reward profile

The fund currently has 4 types of share class in issue: A accumulation, C accumulation, E accumulation and I accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The SRRI is calculated based on historical volatility over a rolling five\* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk rating during the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class E accumulation launched on 24 June 2019 and as it does not have a five year history, a synthetic history has been created using the A accumulation share class.

## Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 97.12% (2022: 96.77%)</b>		
	<b>Belgium 0.56% (2022: 0.00%)</b>		
	<b>Health Care 0.56% (2022: 0.00%)</b>		
	<b>Biotechnology 0.56% (2022: 0.00%)</b>		
5,889	argenx ADR	1,847	0.56
	<b>France 1.96% (2022: 1.75%)</b>		
	<b>Consumer Discretionary 1.96% (2022: 1.75%)</b>		
	<b>Textiles, Apparel &amp; Luxury Goods 1.96% (2022: 1.75%)</b>		
9,258	LVMH Moët Hennessy Louis Vuitton	6,478	1.96
	<b>Netherlands 2.78% (2022: 3.29%)</b>		
	<b>Information Technology 2.78% (2022: 3.29%)</b>		
	<b>Semiconductors &amp; Semiconductor Equipment 2.78% (2022: 3.29%)</b>		
15,713	ASML	9,165	2.78
	<b>Taiwan 0.00% (2022: 1.29%)</b>		
	<b>Information Technology 0.00% (2022: 1.29%)</b>		
	<b>Semiconductors &amp; Semiconductor Equipment 0.00% (2022: 1.29%)</b>		
	<b>United States 91.82% (2022: 90.44%)</b>		
	<b>Communication Services 4.77% (2022: 10.09%)</b>		
	<b>Entertainment 0.00% (2022: 1.00%)</b>		
	<b>Interactive Media &amp; Services 4.77% (2022: 9.09%)</b>		
62,804	Alphabet 'A'	6,231	1.89
44,534	Meta	9,512	2.88
		15,743	4.77
	<b>Consumer Discretionary 11.43% (2022: 13.63%)</b>		
	<b>Automobiles 0.32% (2022: 0.50%)</b>		
88,681	Rivian	1,055	0.32
	<b>Hotels, Restaurants &amp; Leisure 0.84% (2022: 0.85%)</b>		
83,674	Caesars Entertainment	2,768	0.84
	<b>Internet &amp; Direct Marketing Retail 6.93% (2022: 8.32%)</b>		
151,128	Amazon.com	14,709	4.46
4,031	Booking	8,160	2.47
		22,869	6.93
	<b>Specialty Retail 2.52% (2022: 2.41%)</b>		
134,061	TJX	8,306	2.52
	<b>Textiles, Apparel &amp; Luxury Goods 0.82% (2022: 1.55%)</b>		
32,010	Nike 'B'	2,721	0.82
	<b>Consumer Staples 1.41% (2022: 1.80%)</b>		
	<b>Household Products 1.41% (2022: 1.80%)</b>		
40,322	Procter & Gamble	4,643	1.41

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Financials 11.95% (2022: 3.37%)</b>		
	<b>Banks 1.58% (2022: 0.00%)</b>		
47,645	JPMorgan Chase	5,218	1.58
	<b>Capital Markets 3.75% (2022: 3.37%)</b>		
110,303	Blackstone	7,622	2.31
112,002	Charles Schwab	4,761	1.44
		12,383	3.75
	<b>Diversified Financial Services 5.22% (2022: 0.00%)</b>		
96,497	Visa	17,217	5.22
	<b>Insurance 1.40% (2022: 0.00%)</b>		
44,782	Progressive	4,619	1.40
	<b>Health Care 9.70% (2022: 13.66%)</b>		
	<b>Biotechnology 2.66% (2022: 2.63%)</b>		
78,696	AbbVie	8,762	2.66
	<b>Health Care Equipment &amp; Supplies 1.79% (2022: 8.17%)</b>		
31,783	Danaher	5,888	1.79
	<b>Health Care Providers &amp; Services 3.06% (2022: 2.86%)</b>		
25,641	UnitedHealth	10,081	3.06
	<b>Life Sciences Tools &amp; Services 2.19% (2022: 0.00%)</b>		
45,519	Illumina	7,219	2.19
	<b>Industrials 11.12% (2022: 10.89%)</b>		
	<b>Aerospace &amp; Defence 3.33% (2022: 3.12%)</b>		
318,731	Howmet Aerospace	10,991	3.33
	<b>Machinery 2.28% (2022: 3.44%)</b>		
26,896	Deere	7,509	2.28
	<b>Professional Services 2.44% (2022: 2.28%)</b>		
125,827	CoStar	8,062	2.44
	<b>Trading Companies &amp; Distributors 3.07% (2022: 2.05%)</b>		
470,699	Core & Main	10,136	3.07
	<b>Information Technology 33.21% (2022: 26.81%)</b>		
	<b>IT Services 0.00% (2022: 5.99%)</b>		
	<b>Semiconductors &amp; Semiconductor Equipment 11.87% (2022: 3.73%)</b>		
122,827	Advanced Micro Devices	11,714	3.55
21,748	Analog Devices	3,119	0.95
93,500	Marvell Technology	4,416	1.34
37,431	Nvidia	11,427	3.46
60,557	Texas Instruments	8,494	2.57
		39,170	11.87

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Software 15.61% (2022: 12.63%)</b>		
10,599	Adobe	3,574	1.08
31,605	Atlassian 'A'	4,609	1.40
117,639	Microsoft	31,199	9.46
70,829	Workday 'A'	12,122	3.67
		<u>51,504</u>	<u>15.61</u>
	<b>Technology Hardware, Storage &amp; Peripherals 5.73% (2022: 4.46%)</b>		
132,085	Apple	<u>18,908</u>	<u>5.73</u>
	<b>Materials 3.67% (2022: 3.32%)</b>		
	<b>Chemicals 2.80% (2022: 1.86%)</b>		
20,279	Linde	5,791	1.76
18,748	Sherwin-Williams	<u>3,445</u>	<u>1.04</u>
		<u>9,236</u>	<u>2.80</u>
	<b>Metals &amp; Mining 0.87% (2022: 1.46%)</b>		
103,110	Freeport-McMoRan	<u>2,857</u>	<u>0.87</u>
	<b>Real Estate 2.28% (2022: 3.61%)</b>		
	<b>Equity Real Estate Investment Trusts (REITs) 2.28% (2022: 3.61%)</b>		
50,523	American Tower REIT	<u>7,517</u>	<u>2.28</u>
	<b>Utilities 2.28% (2022: 3.26%)</b>		
	<b>Multi-Utilities 2.28% (2022: 3.26%)</b>		
64,946	Sempra Energy	<u>7,523</u>	<u>2.28</u>
	<b>Derivatives 0.00% (2022: (0.01%))</b>		
	<b>Forward Foreign Exchange Contracts 0.00% (2022: (0.01%))<sup>1</sup></b>		
	Buy GBP 1,666,017 : Sell USD 2,069,947 June 2023	(4)	-
	Buy USD 1,884,524 : Sell GBP 1,523,282 June 2023	(3)	-
	Buy USD 4,411,384 : Sell GBP 3,568,079 June 2023	(9)	-
		<u>(16)</u>	<u>-</u>
	<b>Investment assets including investment liabilities</b>	<b>320,379</b>	<b>97.12</b>
	Other net assets	9,490	2.88
	<b>Total net assets</b>	<b>329,869</b>	<b>100.00</b>

<sup>1</sup> Not listed on an official stock exchange

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

The classification is based on the country of risk and a relevant industry classification standard.



## Statement of total return for the year ended 31 May 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		30,955		(14,307)
Revenue	3	3,603		3,124	
Expenses	4	<u>(4,123)</u>		<u>(4,681)</u>	
Net expense before taxation		(520)		(1,557)	
Taxation	5	<u>(431)</u>		<u>(448)</u>	
Net expense after taxation			<u>(951)</u>		<u>(2,005)</u>
Total return before distributions			30,004		(16,312)
Distributions	6		(198)		-
<b>Change in net assets attributable to shareholders from investment activities</b>			<u><b>29,806</b></u>		<u><b>(16,312)</b></u>

## Statement of change in net assets attributable to shareholders for the year ended 31 May 2023

	2023		2022	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>323,093</b>		<b>351,818</b>
Amounts receivable on issue of shares	172,938		162,019	
Amounts payable on cancellation of shares	<u>(196,162)</u>		<u>(174,443)</u>	
		(23,224)		(12,424)
Dilution adjustment		-		11
Change in net assets attributable to shareholders from investment activities		29,806		(16,312)
Retained distributions on accumulation shares		194		-
<b>Closing net assets attributable to shareholders</b>		<u><b>329,869</b></u>		<u><b>323,093</b></u>

## Balance sheet as at 31 May 2023

	Note	2023 £000	2022 £000
<b>Assets:</b>			
Investments		320,395	312,657
Current assets:			
Debtors	7	6,521	8,880
Cash and bank balances	8	8,693	5,636
<b>Total assets</b>		<b>335,609</b>	<b>327,173</b>
<b>Liabilities:</b>			
Investment liabilities		16	19
Creditors:			
Bank overdrafts		44	-
Other creditors	9	5,680	4,061
<b>Total liabilities</b>		<b>5,740</b>	<b>4,080</b>
<b>Net assets attributable to shareholders</b>		<b>329,869</b>	<b>323,093</b>

## Notes to the financial statements for the year ended 31 May 2023

### 1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

### 2 Net capital gains/(losses)

Net capital gains/(losses) on investments during the year comprise:

	2023 £000	2022 £000
Forward currency contracts	317	152
Non-derivative securities	29,666	(15,450)
Other currency gains	973	992
Transaction costs	(1)	(1)
<b>Net capital gains/(losses)</b>	<b>30,955</b>	<b>(14,307)</b>

### 3 Revenue

	2023 £000	2022 £000
Bank interest	324	2
Overseas dividends	3,009	2,915
Overseas REIT revenue	259	198
Stock lending revenue	11	9
<b>Total revenue</b>	<b>3,603</b>	<b>3,124</b>

### 4 Expenses

	2023 £000	2022 £000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
Annual management charge	3,574	4,059
GAC*	522	589
	<b>4,096</b>	<b>4,648</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary fees	22	26
Safe custody fees	5	7
	<b>27</b>	<b>33</b>
<b>Total expenses</b>	<b>4,123</b>	<b>4,681</b>

Irrecoverable VAT is included in the above expenses where relevant.

\* The current audit fee, which is levied through the GAC, is £10,354 (2022: £9,393).

## Notes to the financial statements (continued)

### 5 Taxation

#### a) Analysis of charge in the year

The tax charge comprises:

	2023 £000	2022 £000
<b>Current tax</b>		
Overseas withholding tax	431	448
<b>Total tax (note 5b)</b>	<b>431</b>	<b>448</b>

#### b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net expense before taxation	(520)	(1,557)
Corporation tax at 20% (2022: 20%)	(104)	(311)
Effects of:		
Double tax relief	(8)	(6)
Overseas dividends	(601)	(583)
Overseas withholding tax	431	448
Unused management expenses	713	900
<b>Tax charge for the year (note 5a)</b>	<b>431</b>	<b>448</b>

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

#### c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

#### d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £13,172,967 (2022: £12,459,494) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

## Notes to the financial statements (continued)

### 6 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £000	2022 £000
Interim accumulation	45	-
Final accumulation	149	-*
	<u>194</u>	<u>-</u>
Amounts deducted on cancellation of shares	23	-
Amounts received on issue of shares	(19)	-
	<u>198</u>	<u>-</u>
<b>Total distributions</b>	<b>198</b>	<b>-</b>
Net expense after taxation	(951)	(2,005)
Revenue shortfall	1,149	2,005
<b>Total distributions</b>	<b>198</b>	<b>-</b>

\* Distributions totalling £35 were paid out during 2022 in relation to accumulation shares. Details of the distribution per share are set out in the Distribution tables on page 151.

### 7 Debtors

	2023 £000	2022 £000
Accrued revenue	123	118
Amounts receivable for issue of shares	5,112	6,240
Overseas withholding tax reclaimable	52	46
Sales awaiting settlement	1,234	2,476
	<u>6,521</u>	<u>8,880</u>
<b>Total debtors</b>	<b>6,521</b>	<b>8,880</b>

### 8 Cash and bank balances

	2023 £000	2022 £000
Cash and bank balances	8,693	5,636
	<u>8,693</u>	<u>5,636</u>
<b>Total cash and bank balances</b>	<b>8,693</b>	<b>5,636</b>

### 9 Other creditors

	2023 £000	2022 £000
Accrued annual management charge	306	296
Accrued Depositary's fee	3	5
Accrued other expenses	46	44
Amounts payable for cancellation of shares	5,325	2,031
Purchases awaiting settlement	-	1,685
	<u>5,680</u>	<u>4,061</u>
<b>Total other creditors</b>	<b>5,680</b>	<b>4,061</b>

## Notes to the financial statements (continued)

### 10 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

### 11 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 141 and 142 and notes 4, 6, 7 and 9 on pages 143 to 144 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

### 12 Shareholders' funds

The fund currently has 4 share classes available: Class A (Retail), Class C (Institutional), Class E (Retail) and Class I (Institutional). The annual management charge on each share class is as follows:

	2023 %	2022 %
Class A	1.50	1.50
Class C	0.50	0.50
Class E	1.00	1.00
Class I	0.75	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 133 to 135. The distribution per share class is given in the Distribution tables on page 151. All share classes have the same rights on winding up.

### Shares reconciliation as at 31 May 2023

	Class A accumulation	Class C accumulation	Class E accumulation	Class I accumulation
Opening number of shares	8,270,435	1,953	2,103,494	30,499,128
Issues during the year	6,484,569	-	11,630	13,063,837
Cancellations during the year	(5,788,022)	(1,426)	(87,243)	(19,094,057)
Shares converted during the year	(381,034)	-	4,152	1,237,113
<b>Closing shares in issue</b>	<b>8,585,948</b>	<b>527</b>	<b>2,032,033</b>	<b>25,706,021</b>

### 13 Financial derivatives

The fund may use financial derivatives to reduce risk or to manage the fund more efficiently.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

There was no collateral pledged or collateral held in respect of forward foreign exchange contracts as at 31 May 2023 (2022: nil). The fund had cash assets of nil (2022: nil) and cash liabilities of nil (2022: nil) held in margin accounts at derivative clearing houses and brokers as at 31 May 2023.

#### 2023

The fund had no exposure to derivatives as at 31 May 2023 with a positive market value.

#### 2022

The fund had no exposure to derivatives as at 31 May 2022 with a positive market value.

## Notes to the financial statements (continued)

### 14 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

#### 2023

There was no stock on loan as at 31 May 2023.

Recipient	Relationship	Total gross amount of stock lending revenue  £000	Direct and indirect costs and fees deducted by securities lending agent  £000	Net stock lending revenue retained by the fund  £000
JPMorgan Chase	Stock lending agent	12	1	11

#### 2022

Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
UBS	742	827	Equity/Government Bond
	<b>742</b>	<b>827</b>	

Recipient	Relationship	Total gross amount of stock lending revenue  £000	Direct and indirect costs and fees deducted by securities lending agent  £000	Net stock lending revenue retained by the fund  £000
JPMorgan Chase	Stock lending agent	10	1	9

### 15 Risk

#### Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies:

	Investment assets including (investment liabilities) £000	Other net assets/ (liabilities) £000	Total net assets/ (liabilities) £000
<b>2023</b>			
<b>Currency</b>			
Euro	6,478	86	6,564
UK sterling	(3,425)	(613)	(4,038)
US dollar	317,326	10,017	327,343
<b>Total</b>	<b>320,379</b>	<b>9,490</b>	<b>329,869</b>

## Notes to the financial statements (continued)

### 15 Risk (continued)

#### Currency risk (continued)

	Investment assets including (investment liabilities) £000	Other net assets £000	Total net assets/ (liabilities) £000
<b>2022</b>			
<b>Currency</b>			
Euro	5,636	30	5,666
UK sterling	(6,238)	4,029	(2,209)
US dollar	313,240	6,396	319,636
<b>Total</b>	<b>312,638</b>	<b>10,455</b>	<b>323,093</b>

#### Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £333,907,192 (2022: £325,302,394). A 10% increase/(decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/(decreasing) the return for the accounting year and the year end net assets by £33,390,719 (2022: £32,530,239).

#### Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

#### Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

#### Leverage

The fund has not employed significant leverage in the current or prior year.

#### Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis:

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2023</b>				
Bank overdrafts	44	-	-	-
Derivative financial liabilities	-	16	-	-
Other creditors	-	5,680	-	-
<b>Total</b>	<b>44</b>	<b>5,696</b>	<b>-</b>	<b>-</b>
<b>2022</b>				
Derivative financial liabilities	-	19	-	-
Other creditors	-	4,061	-	-
<b>Total</b>	<b>-</b>	<b>4,080</b>	<b>-</b>	<b>-</b>



## Notes to the financial statements (continued)

### 16 Fair value disclosure

#### Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

#### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

#### Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

#### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

#### Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	320,395	-	312,657	-
Level 2	-	16	-	19
Level 3	-	-	-	-
	<u>320,395</u>	<u>16</u>	<u>312,657</u>	<u>19</u>

### 17 Direct transaction costs

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
<b>Trades in the year</b>				
Equities	132,730	149,182	154,686	165,748
<b>Trades in the year before transaction costs</b>	<u>132,730</u>	<u>149,182</u>	<u>154,686</u>	<u>165,748</u>
<b>Transaction costs</b>				
<b>Commissions</b>				
Equities	12	14	14	14
<b>Total commissions</b>	<u>12</u>	<u>14</u>	<u>14</u>	<u>14</u>
<b>Taxes</b>				
Equities	-	-	-	-
<b>Total taxes</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other expenses</b>				
Equities	-	-	3	1
<b>Total other expenses</b>	<u>-</u>	<u>-</u>	<u>3</u>	<u>1</u>
<b>Total transaction costs</b>	<u>12</u>	<u>14</u>	<u>17</u>	<u>15</u>
<b>Total net trades in the year after transaction costs</b>	<u>132,742</u>	<u>149,196</u>	<u>154,669</u>	<u>165,733</u>

## Notes to the financial statements (continued)

### 17 Direct transaction costs (continued)

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
<b>Total transaction costs expressed as a percentage of asset type cost</b>				
<b>Commissions</b>				
Equities	0.01	0.01	0.01	0.01
<b>Taxes</b>				
Equities	-	-	-	-
<b>Other expenses</b>				
Equities	-	-	-	-
	<b>2023</b>	<b>2022</b>		
	%	%		
<b>Total transaction costs expressed as a percentage of net asset value</b>				
Commissions	0.01	0.01		
Taxes	-	-		
Other expenses	-	-		
<b>Total costs</b>	<b>0.01</b>	<b>0.01</b>		

There were no in specie transfers during the year (2022: nil). There were no corporate actions during the year (2022: nil).

There were no direct transaction costs associated with derivatives in the year (2022: nil).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 31 May 2023 was 0.02% (2022: 0.03%). The portfolio dealing spread is calculated at a 12 noon valuation point.

### 18 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

## Distribution tables for the year ended 31 May 2023 (in pence per share)

### Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 June 2022

Group 2: shares purchased on or after 1 June 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
<b>Class A accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class C accumulation</b>				
Group 1	2.7379	-	2.7379	0.8440
Group 2	2.7379	-	2.7379	0.8440
<b>Class E accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class I accumulation</b>				
Group 1	0.1690	-	0.1690	-
Group 2	0.1069	0.0621	0.1690	-

### Final dividend distribution (accounting date 31 May 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
<b>Class A accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class C accumulation</b>				
Group 1	4.0941	-	4.0941	1.7945
Group 2	4.0941	-	4.0941	1.7945
<b>Class E accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class I accumulation</b>				
Group 1	0.5811	-	0.5811	-
Group 2	0.3344	0.2467	0.5811	-

# Janus Henderson Absolute Return Fund

## Authorised Corporate Director's report

### Investment Fund Managers

Ben Wallace and Luke Newman

### Investment objective and policy

The fund aims to provide a positive (absolute) return, regardless of market conditions, over any 12 month period. A positive return is not guaranteed over this or any other time period, and particularly over the shorter term the fund may experience periods of negative returns. Consequently your capital is at risk.

Performance target: To outperform the UK Base Interest Rate, after the deduction of charges, over any 3 year period.

The fund invests in shares and makes extensive use of derivatives (complex financial instruments) to take both 'long' and 'short' positions in companies the Investment Manager believes will either rise in value (long positions) or fall in value (short positions) meaning that the fund may benefit from either scenario.

The fund will hold a significant proportion of its assets in cash and money market instruments as a result of holding derivatives and for when the Investment Manager wishes to take a defensive stance. Conversely, the fund may also employ 'leverage' (so that the fund can invest a greater amount than its actual value) when the Investment Manager has greater confidence in the opportunities available.

Typically, at least 60% of the exposure to the long and short positions (in aggregate) will be to companies of any size, in any industry, in the UK. Companies may be incorporated or headquartered in the UK, deriving significant revenue from the UK, or constituents of the FTSE All Share Index. Up to 40% of the long and short exposure may be to non-UK companies.

The fund may also hold other assets including CIS (including those managed by Janus Henderson). The Investment Manager may also use derivatives (complex financial instruments) to reduce risk or to manage the fund more efficiently.

### Strategy

The Investment Manager targets positive returns in all market conditions, with low correlation to movements in stock markets and with lower volatility. The Fund Managers blend core long term and tactical short term ideas to construct the portfolio. Ideas come from a variety of sources including proprietary research, external research and other Janus Henderson investment teams, with the intention of taking long positions in companies with unexpected earnings growth or value creation potential, and short positions in companies where earnings are priced in or where long term value is impaired.

### Performance summary

#### Cumulative performance

	One year	Three years	Five years	Since inception
	31 May 22 -	31 May 20 -	31 May 18 -	29 Apr 09 -
	31 May 23	31 May 23	31 May 23	31 May 23
	%	%	%	%
<b>Class I accumulation (Net)</b>	3.3	8.1	10.2	84.2
<b>UK Base Interest Rate</b>	3.0	3.4	4.8	9.3

#### Discrete performance

	31 May 22 -	31 May 21 -	31 May 20 -	31 May 19 -	31 May 18 -
	31 May 23	31 May 22	31 May 21	31 May 20	31 May 19
	%	%	%	%	%
<b>Class I accumulation (Net)</b>	3.3	(0.6)	5.3	4.0	(2.0)
<b>UK Base Interest Rate</b>	3.0	0.3	0.1	0.6	0.7

Please note that the performance target is to be achieved over a specific annualised time period. Refer to the investment objective and policy above.

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

## Authorised Corporate Director's report (continued)

### Performance summary (continued)

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

### Benchmark usage:

Index: UK Base Interest Rate

Index usage: Target

Index description: The UK Base Interest Rate is the interest rate set by the BoE. It is the performance target of the fund.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

## Significant portfolio changes for the year ended 31 May 2023

Largest purchases	£000	Largest sales/maturities	£000
Nationwide Building Society 2.19% 02/11/2022	36,000	Unilever	46,717
MUFG Bank 3.47% 16/01/2023	36,000	Citibank 0.83% 07/06/2022	36,500
Canadian Imperial Bank of Commerce 2.20% 03/11/2022	35,000	MUFG Bank 3.47% 16/01/2023	36,000
Nationwide Building Society 2.19% 18/10/2022	35,000	Nationwide Building Society 2.19% 02/11/2022	36,000
Nationwide Building Society 2.19% 25/10/2022	34,500	Canadian Imperial Bank of Commerce 2.20% 03/11/2022	35,000
Canadian Imperial Bank of Commerce 0.195% 18/08/2022	32,423	Nationwide Building Society 2.19% 18/10/2022	35,000
First Abu Dhabi Bank 2.09% 04/11/2022	29,500	Nationwide Building Society 2.19% 25/10/2022	34,500
Citibank 4.70% 04/08/2023	29,000	Canadian Imperial Bank of Commerce 0.195% 18/08/2022	32,500
National Australia Bank 1.80% 06/01/2023	26,368	First Abu Dhabi Bank 1.30% 26/07/2022	29,500
Canadian Imperial Bank of Commerce 4.20% 28/04/2023	25,000	First Abu Dhabi Bank 2.09% 04/11/2022	29,500
<b>Total purchases</b>	<b>2,375,110</b>	<b>Total sales/maturities</b>	<b>2,505,265</b>

### Investment review

The fund returned 3.3% based on Class I accumulation (Net) over the year under review, compared with a return of 3.0% in the UK Base Interest Rate.

Markets experienced a tumultuous year, marked by a high degree of volatility and dispersion between asset classes. Equities were challenged in the first half of the reporting year – the S&P 500 Index registered its worst performance for the first half of a calendar year since 1970. This was compounded by the weak performance of fixed income, given co-ordinated interest rate rises across the globe. Factors that contributed to this downturn included increased inflationary pressures in the US, fears of a recession and concerns about debt levels. Additionally, equity markets experienced significant volatility, driven by central bank policies and economic developments, including a slowdown in Chinese industrial production and weakening US consumer spending.

However, later in the reporting year, trends started to reverse. Equity markets experienced a rebound from July, despite the persistent macroeconomic uncertainty. This was largely due to robust corporate earnings and indications that core inflation was nearing its peak, which led to marginally less hawkish messaging from central banks. Political developments in China, Brazil and the UK, including changes in UK's leadership and policies, also significantly impacted market performance. The new year saw increased optimism for risk assets, which reversed much of the pessimism of 2022 as investors anticipated a peak in the interest rate cycle, gas prices normalised and China started to recover as it reopened from COVID-19 lockdowns.

During the year, the long book enjoyed strong relative performance from several bright spots within the portfolio. A long position in France-listed advertiser Publicis performed well as the company delivered revenue growth that was ahead of expectations and an upbeat organic growth forecast. CRH, a building materials supplier, was also a strong performer, thanks to its US dollar-earning tailwind and exposure to increased infrastructure spending on both sides of the Atlantic. Analytics provider RELX contributed positively, as the firm consistently grew ahead of investor expectations.

Long positions in real estate companies Vonovia and Land Securities detracted alongside a number of UK-focused house builders, as the market digested the implications of higher interest rates into equity valuations, as well as the impact of increased energy costs on discretionary spending patterns and household budgets. Other economically sensitive long positions that performed poorly included paper and packaging company WestRock.

Overall, the short book delivered a negative return. However, it was pleasing to see a positive performance from a short position in a UK-listed real estate investment trust, which was negatively impacted in share price terms by rising interest rates and concerns about residential demand. We also saw a positive performance from a related short position in a UK house builder, as its share price was negatively impacted by a combination of downgrades, valuation de-rating and higher interest rates, which affected both its results and future demand. With valuations and earnings guidance excessive against a backdrop of higher discount rates, we maintained these short positions.

In terms of activity, improved intra-sector stock dispersion trends meant that we opened a number of tactical trades across multiple sectors, which included pairs within media, financials and automotive. We also re-established a long position in aircraft engine manufacturer Rolls-Royce. The company's new management team continued to turn around the business and removed immediate fears of the need for an equity raising to repair its balance sheet. A continued recovery in Asian travel also provided support. Following a number of meetings with management, and the implementation of enhanced customer support and affordability policies, the (much-delayed) publication of a UK government white paper on gambling presented an opportunity for us to take a tactical long position in UK bookmaker Entain. The shares had responded favourably to the confirmation of measures that we thought were unlikely to cause additional business disruption, given the improvements that the company had already made.

Despite ongoing macroeconomic uncertainty, the return to a positive discount rate and rational volatility in single stock names has created a much improved environment for long/short investment opportunities. Again, the underlying fundamentals have been driving share price performance. The fund's net exposure recently decreased due to stock selection opportunities in the short book, although gross exposure is likely to rise as we seek to take advantage of the dispersion trends.

## Comparative tables for the year ended 31 May 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	165.23	167.15	159.80
Return before operating charges*	7.23	0.98	11.85
Operating charges	(2.85)	(2.88)	(2.81)
Operating charges - performance fees	-	(0.02)	(1.69)
Return after operating charges*	4.38	(1.92)	7.35
Distributions on accumulation shares	(1.12)	-	-
Retained distributions on accumulation shares	1.12	-	-
Closing net asset value per share	169.61	165.23	167.15
* after direct transaction costs of:	0.14	0.17	0.16

### Performance

Return after charges	2.65%	(1.15%)	4.60%
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### Other information

Closing net asset value (£000s)	34,341	40,518	44,045
Closing number of shares	20,246,882	24,523,030	26,350,313
Operating charges	1.73%	1.73%	1.73%
Operating charges - performance fees	0.00%	0.01%	1.04%
Direct transaction costs	0.09%	0.10%	0.10%

### Prices

Highest share price (pence)	170.50	169.50	168.00
Lowest share price (pence)	159.50	160.10	158.90

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	167.36	168.45	160.55
Return before operating charges*	7.27	0.98	11.97
Operating charges	(2.06)	(2.07)	(2.01)
Operating charges - performance fees	-	-	(2.06)
Return after operating charges*	5.21	(1.09)	7.90
Distributions on accumulation shares	(1.92)	-	-
Retained distributions on accumulation shares	1.92	-	-
Closing net asset value per share	172.57	167.36	168.45
* after direct transaction costs of:	0.14	0.17	0.16

### Performance

Return after charges	3.11%	(0.65%)	4.92%
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### Other information

Closing net asset value (£000s)	421	846	843
Closing number of shares	244,045	505,531	500,459
Operating charges	1.23%	1.23%	1.23%
Operating charges - performance fees	0.00%	0.00%	1.26%
Direct transaction costs	0.09%	0.10%	0.10%

### Prices

Highest share price (pence)	173.50	171.00	169.30
Lowest share price (pence)	161.90	162.00	159.80

## Comparative tables (continued)

	Class G accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	108.23	108.50	103.08
Return before operating charges*	4.70	0.63	7.67
Operating charges	(0.89)	(0.89)	(0.86)
Operating charges - performance fees	-	(0.01)	(1.39)
Return after operating charges*	3.81	(0.27)	5.42
Distributions on accumulation shares	(1.70)	(0.38)	-
Retained distributions on accumulation shares	1.70	0.38	-
Closing net asset value per share	112.04	108.23	108.50
* after direct transaction costs of:	0.09	0.11	0.11

### Performance

Return after charges	3.52%	(0.25%)	5.26%
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### Other information

Closing net asset value (£000s)	341,358	362,701	358,347
Closing number of shares	304,676,728	335,122,753	330,281,261
Operating charges	0.82%	0.82%	0.82%
Operating charges - performance fees	0.00%	0.01%	1.32%
Direct transaction costs	0.09%	0.10%	0.10%

### Prices

Highest share price (pence)	112.60	110.20	109.00
Lowest share price (pence)	104.80	104.70	102.80

	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	178.08	178.97	170.39
Return before operating charges*	7.74	1.03	12.66
Operating charges	(1.91)	(1.92)	(1.86)
Operating charges - performance fees	-	-	(2.22)
Return after operating charges*	5.83	(0.89)	8.58
Distributions on accumulation shares	(2.36)	(0.01)	-
Retained distributions on accumulation shares	2.36	0.01	-
Closing net asset value per share	183.91	178.08	178.97
* after direct transaction costs of:	0.15	0.18	0.17

### Performance

Return after charges	3.27%	(0.50%)	5.04%
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### Other information

Closing net asset value (£000s)	700,218	892,568	952,248
Closing number of shares	380,729,990	501,228,547	532,062,468
Operating charges	1.07%	1.07%	1.07%
Operating charges - performance fees	0.00%	0.00%	1.28%
Direct transaction costs	0.09%	0.10%	0.10%

### Prices

Highest share price (pence)	184.90	181.70	179.80
Lowest share price (pence)	172.30	172.30	169.70



## Comparative tables (continued)

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

### **Operating charges**

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

### **Share class launches and closures**

There were no share classes launched or closed during the year.

## Ongoing charge figure

The annualised OCF of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	<b>2023 excluding performance fees %</b>	<b>2023 including performance fees %</b>	<b>2022 excluding performance fees %</b>	<b>2022 including performance fees %</b>
<b>Class A accumulation</b>	1.73	1.73	1.73	1.74
<b>Class E accumulation</b>	1.23	1.23	1.23	1.23
<b>Class G accumulation</b>	0.82	0.82	0.82	0.83
<b>Class I accumulation</b>	1.07	1.07	1.07	1.07

The OCF is calculated in accordance with guidelines issued by ESMA.

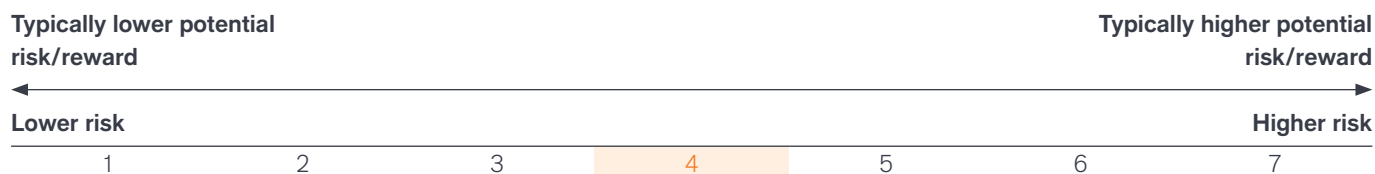
	<b>Performance fees 2023 %</b>	<b>Performance fees 2023 £</b>	<b>Performance fees 2022 %</b>	<b>Performance fees 2022 £</b>
<b>Class A accumulation</b>	-	-	0.01	3,055.73
<b>Class E accumulation</b>	-	-	-	23.13
<b>Class G accumulation</b>	-	2,469.78	0.01	29,760.30
<b>Class I accumulation</b>	-	-	-	50,052.01

The performance fees are disclosed in accordance with guidelines issued by ESMA.

## Risk and reward profile

The fund currently has 4 types of share class in issue: A accumulation, E accumulation, G accumulation and I accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 4 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The SRRI is calculated based on historical volatility over a rolling five\* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no changes to the risk rating during the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class E accumulation launched on 24 June 2019 and as it does not have a five year history, a synthetic history has been created using the A accumulation share class.

## Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 26.64% (2022: 32.07%)</b>		
	<b>Canada 0.35% (2022: 0.47%)</b>		
	<b>Materials 0.35% (2022: 0.47%)</b>		
373,974	Alamos Gold	3,723	0.35
	<b>Denmark 0.54% (2022: 0.37%)</b>		
	<b>Health Care 0.09% (2022: 0.00%)</b>		
7,199	Novo Nordisk 'B'	931	0.09
	<b>Industrials 0.45% (2022: 0.37%)</b>		
31,558	DSV	4,888	0.45
	<b>France 0.28% (2022: 0.35%)</b>		
	<b>Materials 0.28% (2022: 0.35%)</b>		
148,801	ArcelorMittal	2,973	0.28
	<b>Germany 0.18% (2022: 4.26%)</b>		
	<b>Financials 0.05% (2022: 1.70%)</b>		
1,908	Munchener Ruckvers	548	0.05
	<b>Real Estate 0.04% (2022: 1.92%)</b>		
111,340	Instone Real Estate	480	0.04
	<b>Utilities 0.09% (2022: 0.64%)</b>		
29,291	RWE	986	0.09
	<b>Netherlands 1.15% (2022: 0.28%)</b>		
	<b>Consumer Staples 0.41% (2022: 0.00%)</b>		
54,524	Heineken 'A'	4,429	0.41
	<b>Financials 0.49% (2022: 0.00%)</b>		
152,746	ASR Nederland	5,229	0.49
	<b>Industrials 0.11% (2022: 0.28%)</b>		
12,759	Wolters Kluwer	1,169	0.11
	<b>Materials 0.14% (2022: 0.00%)</b>		
24,397	Akzo Nobel	1,478	0.14
	<b>Norway 0.00% (2022: 0.09%)</b>		
	<b>Materials 0.00% (2022: 0.09%)</b>		
	<b>Sweden 0.04% (2022: 0.18%)</b>		
	<b>Industrials 0.04% (2022: 0.18%)</b>		
36,198	SKF 'B'	463	0.04
	<b>United Kingdom 15.13% (2022: 17.25%)</b>		
	<b>Consumer Staples 0.35% (2022: 3.45%)</b>		
48,811	Unilever (Netherlands listing)	1,965	0.18
46,459	Unilever (UK listing)	1,872	0.17
		3,837	0.35

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Financials 3.61% (2022: 3.82%)</b>		
1,616,804	Conduit	7,874	0.73
3,316,228	Schroders	15,105	1.40
29,722,044	Sherborne Investors 'A'	15,753	1.47
63,716	Trian Investors 1'	118	0.01
		<u>38,850</u>	<u>3.61</u>
	<b>Health Care 0.12% (2022: 0.00%)</b>		
39,917	Dechra Pharmaceuticals	<u>1,333</u>	<u>0.12</u>
	<b>Industrials 11.05% (2022: 9.74%)</b>		
902,229	AssetCo	451	0.04
4,486,087	RELX	112,673	10.47
179,720	Rentokil Initial ADR	<u>5,761</u>	<u>0.54</u>
		<u>118,885</u>	<u>11.05</u>
	<b>Information Technology 0.00% (2022: 0.24%)</b>		
	<b>United States 8.97% (2022: 8.82%)</b>		
	<b>Communication Services 0.53% (2022: 0.00%)</b>		
80,233	Omnicom	<u>5,708</u>	<u>0.53</u>
	<b>Consumer Discretionary 0.61% (2022: 1.26%)</b>		
58,074	Las Vegas Sands	2,584	0.24
46,103	Lennar 'A'	<u>3,986</u>	<u>0.37</u>
		<u>6,570</u>	<u>0.61</u>
	<b>Consumer Staples 0.15% (2022: 0.21%)</b>		
3,936	Clorox	502	0.05
19,658	Kellogg	<u>1,059</u>	<u>0.10</u>
		<u>1,561</u>	<u>0.15</u>
	<b>Energy 1.49% (2022: 0.00%)</b>		
125,957	Exxon Mobil	10,393	0.97
161,402	Schlumberger	<u>5,578</u>	<u>0.52</u>
		<u>15,971</u>	<u>1.49</u>
	<b>Financials 2.35% (2022: 0.25%)</b>		
249,346	Bank of America	5,593	0.52
19,067	Berkshire Hathaway 'B'	4,941	0.46
25,302	CME 'A'	3,650	0.34
5,049	Markel	5,361	0.50
7,245	MasterCard	2,134	0.20
181,549	Navient	2,219	0.21
7,188	Visa	<u>1,283</u>	<u>0.12</u>
		<u>25,181</u>	<u>2.35</u>
	<b>Health Care 0.20% (2022: 1.69%)</b>		
52,931	Boston Scientific	<u>2,199</u>	<u>0.20</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Industrials 1.83% (2022: 0.78%)</b>		
169,201	Ferguson	19,746	1.83
	<b>Information Technology 1.81% (2022: 3.07%)</b>		
17,232	Analog Devices	2,471	0.23
24,233	Microsoft	6,427	0.60
5,285	Nvidia	1,614	0.15
70,140	Oracle	5,998	0.56
241,160	Palantir Technologies	2,858	0.27
		19,368	1.81
	<b>Materials 0.00% (2022: 1.56%)</b>		
	<b>Collective Investment Schemes 4.55% (2022: 4.71%)</b>		
48,973,693	Deutsche Global Liquidity Managed Platinum Sterling Fund	48,974	4.55
	<b>Certificates of Deposit 53.80% (2022: 49.70%)</b>		
	<b>Australia 7.20% (2022: 5.86%)</b>		
GBP 16,500,000	Australia & New Zealand Bank 0.00% 03/01/2024	16,017	1.49
GBP 17,500,000	Commonwealth Bank of Australia 4.20% 06/07/2023	17,493	1.63
GBP 7,000,000	Commonwealth Bank of Australia 4.24% 20/07/2023	6,996	0.65
GBP 11,000,000	Commonwealth Bank of Australia 5.04% 02/01/2024	10,997	1.02
GBP 6,000,000	National Australia Bank 3.55% 21/08/2023	5,983	0.56
GBP 9,000,000	National Australia Bank 4.66% 28/11/2023	8,982	0.83
GBP 11,000,000	National Australia Bank 5.04% 04/01/2024	10,997	1.02
		77,465	7.20
	<b>Canada 5.30% (2022: 9.20%)</b>		
GBP 16,500,000	Bank of Montreal 4.75% 22/08/2023	16,500	1.53
GBP 10,000,000	Canadian Imperial Bank of Commerce 4.65% 27/09/2023	9,992	0.93
GBP 6,000,000	Toronto-Dominion Bank 3.11% 19/07/2023	5,987	0.56
GBP 10,000,000	Toronto-Dominion Bank 4.80% 27/10/2023	9,993	0.93
GBP 14,500,000	Toronto-Dominion Bank 5.58% 26/02/2024	14,546	1.35
		57,018	5.30
	<b>Denmark 3.71% (2022: 2.65%)</b>		
GBP 14,000,000	DNB Bank 4.92% 25/10/2023	13,998	1.30
GBP 14,000,000	DNB Bank 5.00% 06/11/2023	14,001	1.30
GBP 12,000,000	DNB Bank 5.32% 04/12/2023	12,000	1.11
		39,999	3.71
	<b>Finland 3.94% (2022: 3.86%)</b>		
GBP 10,000,000	Nordea Bank 4.355% 13/07/2023	9,996	0.92
GBP 14,000,000	Nordea Bank 4.40% 04/08/2023	13,992	1.30
GBP 10,000,000	Nordea Bank 4.52% 05/07/2023	9,999	0.93
GBP 8,500,000	Nordea Bank 5.01% 31/10/2023	8,500	0.79
		42,487	3.94

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>France 5.33% (2022: 5.71%)</b>			
GBP 11,000,000	Crédit Agricole 5.11% 02/01/2024	11,005	1.02
GBP 6,000,000	Crédit Industriel et Commercial 4.12% 06/09/2023	5,987	0.56
GBP 14,000,000	Crédit Industriel et Commercial 4.40% 01/08/2023	13,992	1.30
GBP 7,500,000	Crédit Industriel et Commercial 4.43% 20/09/2023	7,489	0.69
GBP 7,000,000	Société Générale 4.50% 31/07/2023	6,997	0.65
GBP 12,000,000	Société Générale 4.54% 31/08/2023	11,991	1.11
		<u>57,461</u>	<u>5.33</u>
<b>Germany 0.00% (2022: 1.16%)</b>			
<b>Japan 3.72% (2022: 1.54%)</b>			
GBP 16,000,000	Mitsubishi UFJ Financial 4.25% 01/06/2023	16,000	1.49
GBP 5,000,000	Mitsubishi UFJ Financial 4.60% 03/07/2023	4,980	0.46
GBP 19,000,000	Mitsubishi UFJ Financial 4.80% 18/08/2023	19,002	1.77
		<u>39,982</u>	<u>3.72</u>
<b>Netherlands 5.75% (2022: 2.58%)</b>			
GBP 14,000,000	ING Bank 4.77% 03/11/2023	13,991	1.30
GBP 16,500,000	ING Bank 5.04% 16/11/2023	16,503	1.53
GBP 13,500,000	Rabobank 4.30% 15/06/2023	13,498	1.25
GBP 10,000,000	Rabobank 4.32% 13/07/2023	9,996	0.93
GBP 8,000,000	Rabobank 4.39% 15/08/2023	7,993	0.74
		<u>61,981</u>	<u>5.75</u>
<b>Singapore 3.71% (2022: 0.00%)</b>			
GBP 14,000,000	United Overseas Bank 4.33% 06/06/2023	14,000	1.30
GBP 15,000,000	United Overseas Bank 4.37% 18/07/2023	14,994	1.39
GBP 11,000,000	United Overseas Bank 4.44% 06/07/2023	10,998	1.02
		<u>39,992</u>	<u>3.71</u>
<b>Sweden 2.85% (2022: 4.04%)</b>			
GBP 5,500,000	Handelsbanken 4.30% 17/07/2023	5,497	0.51
GBP 16,000,000	Handelsbanken 4.38% 03/08/2023	15,990	1.49
GBP 9,000,000	SEB 4.80% 30/10/2023	8,993	0.85
		<u>30,480</u>	<u>2.85</u>
<b>Switzerland 1.30% (2022: 3.35%)</b>			
GBP 14,000,000	UBS 4.30% 12/06/2023	13,999	1.30
<b>United Arab Emirates 2.78% (2022: 3.40%)</b>			
GBP 15,500,000	First Abu Dhabi Bank 4.335% 26/06/2023	15,497	1.44
GBP 14,500,000	First Abu Dhabi Bank 4.76% 21/08/2023	14,500	1.34
		<u>29,997</u>	<u>2.78</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>United Kingdom 5.52% (2022: 2.43%)</b>			
GBP 14,000,000	Barclays 4.41% 13/07/2023	13,996	1.30
GBP 9,000,000	Barclays 4.48% 27/07/2023	8,997	0.83
GBP 14,000,000	Lloyds Bank 4.33% 17/07/2023	13,994	1.30
GBP 14,000,000	Lloyds Bank 4.41% 26/07/2023	13,993	1.30
GBP 8,500,000	Santander 4.50% 03/07/2023	8,500	0.79
		<u>59,480</u>	<u>5.52</u>
<b>United States 2.69% (2022: 3.92%)</b>			
GBP 29,000,000	Citibank 4.70% 04/08/2023	<u>29,001</u>	<u>2.69</u>
<b>Treasury Bill 7.90% (2022: 0.00%)</b>			
<b>United Kingdom 7.90% (2022: 0.00%)</b>			
GBP 14,000,000	UK Treasury 0.00% 05/06/2023	13,991	1.30
GBP 14,000,000	UK Treasury 0.00% 07/08/2023	13,879	1.29
GBP 4,636,800	UK Treasury 0.00% 10/07/2023	4,614	0.43
GBP 14,000,000	UK Treasury 0.00% 19/06/2023	13,968	1.30
GBP 14,000,000	UK Treasury 0.00% 24/07/2023	13,905	1.29
GBP 14,000,000	UK Treasury 0.00% 26/06/2023	13,956	1.30
GBP 10,792,008	UK Treasury 0.00% 31/07/2023	<u>10,709</u>	<u>0.99</u>
		<u>85,022</u>	<u>7.90</u>
<b>Derivatives (0.55%) (2022: 0.11%)</b>			
<b>Contracts for Difference (0.82%) (2022: 0.69%)<sup>2</sup></b>			
<b>Equity Long Contracts for Difference (1.22%) (2022: 1.00%)<sup>2</sup></b>			
4,303	Adidas	(8)	-
27,686	Air Liquide	(26)	-
97,470	Akzo Nobel	(156)	(0.01)
5,909	Allianz	(47)	-
7,640	Amundi	(20)	-
20,757	Anheuser-Busch InBev	(56)	(0.02)
3,458,944	Ascential	(587)	(0.05)
23,536	AstraZeneca	(63)	(0.01)
1,282,626	Aviva	(259)	(0.02)
157,381	AXA	(73)	(0.01)
1,969,635	Balfour Beatty	(461)	(0.04)
1,756,884	Barclays	(46)	-
141,295	Beazley	1	-
26,096	Bellway	(38)	-
75,146	Berkeley	(303)	(0.03)
149,855	BNP Paribas	(280)	(0.03)
2,706,570	BP	(711)	(0.07)
736,551	BT	(42)	-
1,722,400	Cairn Homes	(45)	-
2,806,776	Capital & Counties Properties	143	0.01
150,171	CIE de Saint-Gobain	(212)	(0.02)
277,001	Compass	244	0.02
1,453,035	CRH (UK Listing)	(2,078)	(0.19)
20,644	Danone	(32)	-
932,634	DS Smith	(123)	(0.01)
52,721	Endeavour Mining	60	0.01



## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Equity Long Contracts for Difference (continued)</b>			
54,650	Entain	(84)	(0.01)
660,889	Glencore	(129)	(0.01)
805,696	Grainger	(44)	-
382,611	GSK	(421)	(0.04)
9,343	HeidelbergCement	(13)	-
71,460	Heineken 'A'	63	0.01
344,309	Hiscox	28	-
727,386	HSBC	(39)	-
187,800	IG	(22)	-
1,294,675	Informa	(72)	(0.01)
534,916	Intesa Sanpaolo	(43)	-
2,441,296	JD Sports Fashion	(400)	(0.04)
2,088,152	Just	(111)	(0.01)
1,441,351	Lancashire	173	0.02
2,536,931	Land Securities	(620)	(0.06)
2,871,735	Legal & General	(45)	-
18,089,909	Lloyds Bank	(325)	(0.03)
10,353	L'Oréal	(70)	(0.01)
2,548,339	M&G Prudential	(47)	-
35,213	Mercedes-Benz	(43)	-
134,455	Mondi	(67)	(0.01)
6,465	Munchener Ruckvers	(1)	-
63,707	Next	(249)	(0.02)
129,248	Oxford Instruments	(116)	(0.01)
511,963	Pearson	(67)	(0.01)
29,426	Pernod Ricard	(175)	(0.02)
539,806	Prudential	(628)	(0.06)
169,005	Publicis	(30)	-
142,769	Reckitt Benckiser	(314)	(0.03)
683,073	Redrow	(209)	(0.02)
64,861	Rio Tinto	(73)	(0.01)
29,064	Roche Non-Voting Shares	8	-
3,079,635	Rolls-Royce	(82)	(0.01)
29,978	RWE	3	-
349,230	Ryanair	(83)	(0.01)
626,189	Sage	327	0.03
6,400,659	Serco	(370)	(0.03)
63,102	Severn Trent	(103)	(0.01)
28,887	SGS	(3)	-
163,143	Shell	(272)	(0.04)
25,934	Siemens	(80)	(0.01)
61,472	SKF	(32)	-
398,167	Smith & Nephew	(297)	(0.03)
46,680	Sodexo	(24)	-
208,548	Spectris	(292)	(0.03)
94,689	St James's Place	(28)	-
2,733,283	Taylor Wimpey	(260)	(0.02)
3,009,219	Tesco	(352)	(0.03)
141,358	Unicredit	(92)	(0.01)
538,708	Unilever (UK Listing)	(1,675)	(0.16)

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Equity Long Contracts for Difference</b> (continued)			
172,615	WH Smith	(109)	(0.01)
135,283	Whitbread	54	-
		<u>(13,173)</u>	<u>(1.22)</u>
<b>Equity Short Contracts for Difference 0.31% (2022: (0.20%))<sup>2</sup></b>			
(17,996)	ABB	7	-
(4,938)	Allstate	4	-
(7,478)	Alphabet 'C'	3	-
(57,333)	Anglo American	57	0.01
(206,182)	Antofagasta	92	0.01
(16,783)	Apple	(35)	-
(48,267)	ArcelorMittal	(469)	(0.04)
(157,693)	BAE Systems	85	0.01
(909,490)	Barratt Developments	302	0.03
(10,515)	BASF	20	-
(25,676)	Basic-Fit	33	-
(10,016)	Blackstone	(17)	-
(11,422)	Block	(18)	-
(32,679)	BMW	85	0.01
(2,835,929)	British Land	1,071	0.10
(21,875)	Brown-Forman 'B'	36	-
(76,418)	Bunzl	18	-
(69,147)	Chevron	287	0.03
(25,464)	Clorox	129	0.01
(185,628)	Crédit Agricole	181	0.02
(1,198,513)	CRH (Irish Listing)	731	0.07
(30,092)	Croda International	218	0.02
(2,723)	Darden Restaurants <sup>3</sup>	-	-
(90,099)	Diageo	246	0.02
(10,914)	Duolingo	(45)	-
(106,157)	easyJet	23	-
(57,831)	Embracer	(10)	-
(11,693)	EU Most Shorted	13	-
(11,758)	Eurofins Scientific	(5)	-
(76,022)	Experian	(91)	(0.01)
(18,846)	Exxon Mobil	39	-
(149,287)	Ferguson (UK Listing)	(78)	(0.01)
(22,716)	Ferguson (US Listing)	33	-
(116,514)	Galp Energia	55	0.01
(348)	Givaudan	8	-
(12,734)	Halma	8	-
(8,397)	Home Depot	60	0.01
(61,349)	Hormel Foods	52	-
(52,851)	HP	51	-
(40,197)	Industria de Diseno Textil	(1)	-
(869,203)	International Consolidated Airlines	6	-
(252,177)	Interpublic	(10)	-
(3,868)	Intuit	39	-
(46,166)	JPMorgan Chase	101	0.01
(92,425)	Kellogg	179	0.02

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Equity Short Contracts for Difference (continued)</b>			
(18,821)	Kingspan	20	-
(169,440)	Klépierre	25	-
(3,945)	Kuehne + Nagel	12	-
(21,722)	London Stock Exchange	(26)	-
(3,536)	Lowe's	18	-
(2,189)	LVMH Moët Hennessy Louis Vuitton	19	-
(6,406)	Martin Marietta Materials	50	0.01
(10,519)	MTU Aero Engines	61	0.01
(1,044,033)	NatWest	47	-
(639,153)	Navient	150	0.01
(7,584)	Nike 'B'	71	0.01
(15,124)	PepsiCo	118	0.01
(145,656)	Persimmon	150	0.01
(72,042)	Phoenix	17	-
(7,351)	Prosus	13	-
(4,005,965)	RELX	(521)	(0.05)
(955,702)	Rentokil Initial	46	0.01
(24,142)	Rollins	41	-
(61,678)	Sampo	9	-
(3,794,728)	Schroders	505	0.05
(4,432)	Sika	4	-
(3,692)	Siteone Landscape Supply	34	-
(52,141)	Smurfit Kappa	44	0.01
(94,733)	Snap	(63)	(0.01)
(26,500)	Softcat	(7)	-
(10,659)	Spirax-Sarco Engineering	20	-
(313,217)	Standard Chartered	(48)	-
(5,238)	Swiss Life share	27	-
(33,431)	Swiss Re	22	-
(6,739)	Target	163	0.02
(16,589)	Texas Instruments	(98)	(0.01)
(157,456)	TotalEnergies	260	0.02
(91,975)	Travis Perkins	51	0.01
(162,771)	Umicore	167	0.02
(23,667)	Unibail-Rodamco-Westfield	12	-
(547,421)	Unilever (Netherlands Listing)	(2,299)	(0.21)
(124,098)	United Utilities	79	0.01
(2,753,669)	Vodafone	403	0.04
(10,295)	Vulcan Materials	9	-
(96,427)	Wetherspoon (J.D.)	44	-
(2,626)	Whirlpool	4	-
(25,485)	Zimmer Biomet	143	0.01
(14,191)	Zurich Insurance	16	-
		<u>3,305</u>	<u>0.31</u>
<b>Index Long Contracts for Difference 0.02% (2022: 0.00%)<sup>2</sup></b>			
1,439	Nasdaq-100 Equal Weighted Index	<u>165</u>	<u>0.02</u>
<b>Index Short Contracts for Difference 0.07% (2022: (0.11%))<sup>2</sup></b>			
(1,513)	FTSE 250 Index	<u>803</u>	<u>0.07</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Futures 0.03% (2022: (0.10%))</b>		
(39)	CME E-Mini NASDAQ 100 June 2023	(501)	(0.05)
(232)	CME E-Mini Russell 2000 June 2023	247	0.02
(45)	CME E-Mini S&P 500 June 2023	(26)	-
(53)	EUX DAX Index June 2023	(115)	(0.01)
(322)	EUX Euro Stoxx 50 Total Return Index June 2023	(315)	(0.03)
(391)	EUX Euro Stoxx 600 June 2023	116	0.01
(535)	ICE FTSE 100 Index June 2023	1,030	0.10
(110)	MIL FTSE/MIB Index June 2023	(81)	(0.01)
		<u>355</u>	<u>0.03</u>
	<b>Forward Foreign Exchange Contracts 0.24% (2022: (0.48%))<sup>2</sup></b>		
	Buy CAD 1,093,404 : Sell GBP 652,417 June 2023	(3)	-
	Buy CHF 132,322 : Sell GBP 118,358 June 2023	(1)	-
	Buy CHF 173,493 : Sell GBP 156,926 July 2023	(3)	-
	Buy CHF 305,870 : Sell GBP 272,570 June 2023	(2)	-
	Buy DKK 17,596,000 : Sell GBP 2,077,211 June 2023	(44)	-
	Buy DKK 5,969,285 : Sell GBP 708,550 July 2023	(18)	-
	Buy EUR 1,046,900 : Sell GBP 912,146 July 2023	(10)	-
	Buy EUR 1,061,330 : Sell GBP 936,732 June 2023	(23)	-
	Buy EUR 1,100,205 : Sell GBP 972,896 July 2023	(25)	-
	Buy EUR 1,294,290 : Sell GBP 1,138,559 June 2023	(25)	-
	Buy EUR 117,342 : Sell GBP 102,936 July 2023	(2)	-
	Buy EUR 123,600 : Sell GBP 109,243 June 2023	(3)	-
	Buy EUR 137,800 : Sell GBP 119,827 July 2023	(1)	-
	Buy EUR 142,895 : Sell GBP 124,856 July 2023	(2)	-
	Buy EUR 196,823 : Sell GBP 174,601 June 2023	(5)	-
	Buy EUR 2,098,033 : Sell GBP 1,833,169 July 2023	(26)	-
	Buy EUR 237,879 : Sell GBP 207,036 July 2023	(2)	-
	Buy EUR 284,219 : Sell GBP 247,710 July 2023	(3)	-
	Buy EUR 284,700 : Sell GBP 247,596 July 2023	(2)	-
	Buy EUR 3,032,330 : Sell GBP 2,639,161 July 2023	(27)	-
	Buy EUR 33,636 : Sell GBP 29,360 July 2023 <sup>3</sup>	-	-
	Buy EUR 365,052 : Sell GBP 322,650 June 2023	(8)	-
	Buy EUR 369,005 : Sell GBP 321,766 July 2023	(4)	-
	Buy EUR 371,522 : Sell GBP 324,884 July 2023	(5)	-
	Buy EUR 396,000 : Sell GBP 350,284 June 2023	(9)	-
	Buy EUR 442,600 : Sell GBP 392,463 June 2023	(12)	-
	Buy EUR 476,071 : Sell GBP 419,072 June 2023	(9)	-
	Buy EUR 581,375 : Sell GBP 514,259 June 2023	(14)	-
	Buy EUR 694,513 : Sell GBP 613,844 June 2023	(16)	-
	Buy EUR 76,300 : Sell GBP 66,359 July 2023	(1)	-
	Buy EUR 82,387 : Sell GBP 72,272 July 2023	(1)	-
	Buy GBP 1,017,267 : Sell USD 1,257,678 July 2023	3	-
	Buy GBP 1,157,847 : Sell USD 1,450,447 June 2023	(12)	-
	Buy GBP 1,270,418 : Sell EUR 1,432,170 June 2023	38	-
	Buy GBP 1,314,763 : Sell USD 1,648,493 July 2023	(14)	-
	Buy GBP 1,373,110 : Sell DKK 11,626,715 June 2023	29	-
	Buy GBP 1,449,380 : Sell USD 1,819,245 July 2023	(17)	-
	Buy GBP 1,577,322 : Sell USD 1,966,079 June 2023	(9)	-
	Buy GBP 1,619,205 : Sell USD 2,016,481 June 2023	(7)	-

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Forward Foreign Exchange Contracts</b> (continued)			
	Buy GBP 1,739,838 : Sell USD 2,176,614 July 2023	(15)	-
	Buy GBP 1,969,519 : Sell USD 2,458,407 June 2023	(13)	-
	Buy GBP 103,549,689 : Sell EUR 117,811,121 June 2023	2,169	0.20
	Buy GBP 11,563,875 : Sell EUR 13,192,412 June 2023	211	0.02
	Buy GBP 117,801 : Sell CHF 132,377 June 2023	1	-
	Buy GBP 129,590 : Sell USD 163,700 July 2023	(2)	-
	Buy GBP 179,378 : Sell USD 221,400 July 2023	1	-
	Buy GBP 181,809 : Sell EUR 206,000 June 2023	5	-
	Buy GBP 182,410 : Sell EUR 206,600 June 2023	5	-
	Buy GBP 2,192,951 : Sell USD 2,728,741 June 2023	(8)	-
	Buy GBP 2,383,862 : Sell USD 2,961,031 July 2023	(3)	-
	Buy GBP 2,565,442 : Sell USD 3,215,307 June 2023	(28)	-
	Buy GBP 2,603,235 : Sell USD 3,231,768 June 2023	(4)	-
	Buy GBP 2,618,931 : Sell USD 3,265,470 June 2023	(15)	-
	Buy GBP 2,648,762 : Sell USD 3,317,479 July 2023	(26)	-
	Buy GBP 2,749,795 : Sell SEK 35,341,528 July 2023	126	0.01
	Buy GBP 2,794,400 : Sell SEK 35,838,917 June 2023	136	0.01
	Buy GBP 201,816 : Sell USD 254,936 July 2023	(4)	-
	Buy GBP 213,438 : Sell USD 265,400 July 2023	(1)	-
	Buy GBP 217,115 : Sell USD 272,225 July 2023	(2)	-
	Buy GBP 222,377 : Sell EUR 255,291 July 2023	3	-
	Buy GBP 224,087 : Sell EUR 252,800 June 2023	7	-
	Buy GBP 230,334 : Sell USD 284,361 July 2023	1	-
	Buy GBP 232,978 : Sell USD 289,900 June 2023	(1)	-
	Buy GBP 236,460 : Sell EUR 274,493 July 2023 <sup>3</sup>	-	-
	Buy GBP 253,996 : Sell USD 320,877 July 2023	(5)	-
	Buy GBP 263,210 : Sell CAD 441,818 June 2023	1	-
	Buy GBP 263,962 : Sell EUR 303,299 July 2023	3	-
	Buy GBP 264,875 : Sell EUR 298,892 June 2023	8	-
	Buy GBP 266,528 : Sell USD 333,817 July 2023	(3)	-
	Buy GBP 279,951 : Sell USD 349,500 June 2023	(2)	-
	Buy GBP 285,077 : Sell EUR 323,300 June 2023	7	-
	Buy GBP 294,154 : Sell USD 368,000 July 2023	(2)	-
	Buy GBP 3,028,454 : Sell USD 3,786,428 June 2023	(26)	-
	Buy GBP 3,424,483 : Sell USD 4,326,218 July 2023	(63)	(0.02)
	Buy GBP 3,913,198 : Sell USD 4,879,386 June 2023	(23)	-
	Buy GBP 302,641 : Sell USD 377,360 June 2023	(2)	-
	Buy GBP 313,634 : Sell CHF 348,982 July 2023	4	-
	Buy GBP 324,925 : Sell EUR 366,470 June 2023	10	-
	Buy GBP 325,696 : Sell EUR 368,200 June 2023	9	-
	Buy GBP 326,198 : Sell USD 406,400 June 2023	(2)	-
	Buy GBP 337,560 : Sell EUR 384,364 June 2023	7	-
	Buy GBP 342,338 : Sell EUR 393,008 July 2023	4	-
	Buy GBP 35,409,864 : Sell EUR 40,054,343 July 2023	905	0.08
	Buy GBP 355,302 : Sell EUR 406,554 July 2023	5	-
	Buy GBP 357,650 : Sell USD 445,300 July 2023	(1)	-
	Buy GBP 374,118 : Sell EUR 424,000 June 2023	9	-
	Buy GBP 387,497 : Sell CAD 651,586 June 2023	1	-
	Buy GBP 392,414 : Sell USD 489,770 June 2023	(3)	-
	Buy GBP 4,122,160 : Sell USD 5,117,426 June 2023	(6)	-

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Forward Foreign Exchange Contracts</b> (continued)			
	Buy GBP 4,317 : Sell SEK 55,774 July 2023 <sup>3</sup>	-	-
	Buy GBP 423,844 : Sell USD 526,463 July 2023	(1)	-
	Buy GBP 432,386 : Sell USD 543,949 June 2023	(6)	-
	Buy GBP 452,455 : Sell EUR 522,600 July 2023	2	-
	Buy GBP 46,471 : Sell EUR 53,524 July 2023 <sup>3</sup>	-	-
	Buy GBP 470,999 : Sell EUR 542,100 July 2023	4	-
	Buy GBP 514,844 : Sell USD 639,500 July 2023	(1)	-
	Buy GBP 53,135,796 : Sell USD 66,575,116 July 2023	(532)	(0.05)
	Buy GBP 535,353 : Sell USD 660,766 July 2023	3	-
	Buy GBP 55,355 : Sell EUR 62,777 June 2023	1	-
	Buy GBP 597,210 : Sell USD 742,461 July 2023	(1)	-
	Buy GBP 605,752 : Sell SEK 7,780,725 June 2023	29	-
	Buy GBP 609,509 : Sell USD 770,868 July 2023	(12)	-
	Buy GBP 613,428 : Sell EUR 695,677 June 2023	15	-
	Buy GBP 64,145 : Sell EUR 72,500 June 2023	2	-
	Buy GBP 64,861 : Sell USD 81,645 July 2023	(1)	-
	Buy GBP 641,567 : Sell EUR 728,858 June 2023	14	-
	Buy GBP 650,853 : Sell USD 822,236 July 2023	(12)	-
	Buy GBP 66,598 : Sell EUR 75,706 June 2023	1	-
	Buy GBP 675,179 : Sell USD 842,993 July 2023	(4)	-
	Buy GBP 75,665 : Sell USD 94,200 June 2023 <sup>3</sup>	-	-
	Buy GBP 785,508 : Sell USD 978,015 July 2023	(3)	-
	Buy GBP 817,853 : Sell USD 1,012,472 June 2023	1	-
	Buy GBP 862,643 : Sell EUR 991,200 July 2023	9	-
	Buy GBP 87,333 : Sell EUR 98,500 June 2023	3	-
	Buy GBP 873,146 : Sell EUR 1,003,993 July 2023	8	-
	Buy GBP 9,389,897 : Sell USD 11,722,667 June 2023	(66)	(0.01)
	Buy GBP 91,131 : Sell EUR 103,600 June 2023	2	-
	Buy SEK 3,564,060 : Sell GBP 277,535 June 2023	(13)	-
	Buy SEK 4,295,012 : Sell GBP 335,436 June 2023	(17)	-
	Buy SEK 419,041 : Sell GBP 32,382 June 2023	(1)	-
	Buy USD 1,119,215 : Sell GBP 904,302 July 2023	(2)	-
	Buy USD 1,156,112 : Sell GBP 928,666 June 2023	4	-
	Buy USD 1,199,631 : Sell GBP 953,061 July 2023	14	-
	Buy USD 1,264,452 : Sell GBP 1,013,204 July 2023	6	-
	Buy USD 1,379,186 : Sell GBP 1,107,053 June 2023	5	-
	Buy USD 1,467,320 : Sell GBP 1,188,870 July 2023	(6)	-
	Buy USD 1,705,607 : Sell GBP 1,371,725 July 2023	3	-
	Buy USD 130,123 : Sell GBP 103,005 July 2023	2	-
	Buy USD 132,899 : Sell GBP 107,089 June 2023 <sup>3</sup>	-	-
	Buy USD 155,200 : Sell GBP 124,309 July 2023	1	-
	Buy USD 173,200 : Sell GBP 138,777 June 2023	1	-
	Buy USD 190,056 : Sell GBP 153,561 July 2023 <sup>3</sup>	-	-
	Buy USD 2,064,337 : Sell GBP 1,669,798 July 2023	(6)	-
	Buy USD 2,282,391 : Sell GBP 1,806,736 July 2023	33	-
	Buy USD 2,538,149 : Sell GBP 2,050,771 July 2023	(5)	-
	Buy USD 2,727,554 : Sell GBP 2,168,226 June 2023	32	-
	Buy USD 202,518 : Sell GBP 162,480 June 2023	1	-
	Buy USD 264,859 : Sell GBP 212,904 July 2023	1	-
	Buy USD 31,493 : Sell GBP 25,336 June 2023 <sup>3</sup>	-	-

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Forward Foreign Exchange Contracts</b> (continued)			
	Buy USD 343,468 : Sell GBP 276,316 June 2023	1	-
	Buy USD 345,564 : Sell GBP 276,900 July 2023	2	-
	Buy USD 348,820 : Sell GBP 281,205 July 2023 <sup>3</sup>	-	-
	Buy USD 4,473,034 : Sell GBP 3,623,339 July 2023	(18)	-
	Buy USD 4,710,579 : Sell GBP 3,777,968 June 2023	22	-
	Buy USD 424,708 : Sell GBP 340,450 June 2023	2	-
	Buy USD 425,010 : Sell GBP 342,178 July 2023 <sup>3</sup>	-	-
	Buy USD 429,964 : Sell GBP 348,289 July 2023	(2)	-
	Buy USD 464,949 : Sell GBP 373,208 June 2023	2	-
	Buy USD 50,730 : Sell GBP 40,807 July 2023 <sup>3</sup>	-	-
	Buy USD 580,877 : Sell GBP 463,491 June 2023	5	-
	Buy USD 599,019 : Sell GBP 481,022 June 2023	2	-
	Buy USD 60,833 : Sell GBP 48,572 July 2023 <sup>3</sup>	-	-
	Buy USD 622,872 : Sell GBP 496,794 July 2023	5	-
	Buy USD 663,339 : Sell GBP 528,498 July 2023	6	-
	Buy USD 695,924 : Sell GBP 558,965 July 2023	2	-
	Buy USD 74,300 : Sell GBP 59,314 June 2023	1	-
	Buy USD 793,000 : Sell GBP 635,327 June 2023	4	-
	Buy USD 87,000 : Sell GBP 70,104 June 2023 <sup>3</sup>	-	-
	Buy USD 870,135 : Sell GBP 697,872 June 2023	4	-
	Buy USD 92,400 : Sell GBP 74,642 June 2023 <sup>3</sup>	-	-
		<u>2,629</u>	<u>0.24</u>
	<b>Investment assets including investment liabilities</b>	<b>993,928</b>	<b>92.34</b>
	Other net assets	<u>82,410</u>	<u>7.66</u>
	<b>Total net assets</b>	<b><u>1,076,338</u></b>	<b><u>100.00</u></b>

<sup>1</sup> Suspended or delisted securities

<sup>2</sup> Not listed on an official stock exchange

<sup>3</sup> Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules.

The classification is based on the country of risk and a relevant industry classification standard.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

## Statement of total return for the year ended 31 May 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		20,103		(9,951)
Revenue	3	46,498		36,267	
Expenses	4	(12,138)		(14,696)	
Interest payable and similar charges	5	(16,505)		(19,884)	
Net revenue before taxation		17,855		1,687	
Taxation	6	(1,031)		(608)	
Net revenue after taxation			16,824		1,079
Total return before distributions			36,927		(8,872)
Distributions	7		(15,618)		(1,300)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>21,309</b>		<b>(10,172)</b>

## Statement of change in net assets attributable to shareholders for the year ended 31 May 2023

	2023		2022	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>1,296,633</b>		<b>1,355,483</b>
Amounts receivable on issue of shares	99,046		294,232	
Amounts payable on cancellation of shares	(355,492)		(344,262)	
		(256,446)		(50,030)
Dilution adjustment		-		55
Change in net assets attributable to shareholders from investment activities		21,309		(10,172)
Retained distributions on accumulation shares		14,842		1,297
<b>Closing net assets attributable to shareholders</b>		<b>1,076,338</b>		<b>1,296,633</b>



## Balance sheet as at 31 May 2023

	Note	2023 £000	2022 £000
<b>Assets:</b>			
Investments		1,014,418	1,143,814
Current assets:			
Debtors	8	14,632	10,943
Cash and bank balances	9	101,817	191,666
<b>Total assets</b>		<b>1,130,867</b>	<b>1,346,423</b>
<b>Liabilities:</b>			
Investment liabilities		20,490	21,094
Creditors:			
Amounts held at derivative clearing houses and brokers		9,010	17,618
Other creditors	10	25,029	11,078
<b>Total liabilities</b>		<b>54,529</b>	<b>49,790</b>
<b>Net assets attributable to shareholders</b>		<b>1,076,338</b>	<b>1,296,633</b>

## Notes to the financial statements for the year ended 31 May 2023

### 1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

### 2 Net capital gains/(losses)

Net capital gains/(losses) on investments during the year comprise:

	2023 £000	2022 £000
Capital management fee rebates	-	21
Derivative securities	8,996	(10,515)
Forward currency contracts	(7,683)	(17,340)
Non-derivative securities	18,067	16,826
Other currency gains	732	1,069
Transaction costs	(9)	(12)
<b>Net capital gains/(losses)</b>	<b>20,103</b>	<b>(9,951)</b>

### 3 Revenue

	2023 £000	2022 £000
Bank interest	4,023	366
Derivative revenue	14,716	22,808
Interest on debt securities	19,362	1,912
Interest on margin	704	107
Management fee rebates	21	-
Overseas dividends*	2,233	5,712
Stock dividends	1,507	120
Stock lending revenue	33	10
UK dividends	3,899	5,228
UK REIT revenue - PID	-	2
UK REIT revenue - non PID	-	2
<b>Total revenue</b>	<b>46,498</b>	<b>36,267</b>

\* Includes distributions from overseas funds.

### 4 Expenses

	2023 £000	2022 £000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
Annual management charge	11,262	13,573
GAC*	777	924
Performance fee	2	83
	<u>12,041</u>	<u>14,580</u>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary fees	64	76
Safe custody fees	<u>33</u>	<u>40</u>
	97	116
<b>Total expenses</b>	<b>12,138</b>	<b>14,696</b>

Irrecoverable VAT is included in the above expenses where relevant.

\* The current audit fee, which is levied through the GAC, is £13,503 (2022: £12,249).

## Notes to the financial statements (continued)

### 5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable*	3,369	3,087
Interest on margin	1,090	1,011
Dividends payable on CFD contracts	12,046	15,786
<b>Total interest payable and similar charges</b>	<b>16,505</b>	<b>19,884</b>

\* Includes negative interest on credit balances held with the broker.

### 6 Taxation

#### a) Analysis of charge in the year

The tax charge comprises:

	2023 £000	2022 £000
<b>Current tax</b>		
Corporation tax - capital	301	-
Corporation tax - revenue	522	-
Overseas withholding tax	208	608
<b>Total tax (note 6b)</b>	<b>1,031</b>	<b>608</b>

#### b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue before taxation	17,855	1,687
Corporation tax at 20% (2022: 20%)	3,571	337
Effects of:		
Overseas withholding tax	208	608
Overseas dividends	(446)	(1,142)
Tax effect of management fee rebates in capital	-	4
UK dividends*	(780)	(1,046)
Unused management expenses	(1,522)	1,847
<b>Tax charge for the year (note 6a)</b>	<b>1,031</b>	<b>608</b>

\* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

#### c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

#### d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £21,441,226 (2022: £22,962,806) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

## Notes to the financial statements (continued)

### 7 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £000	2022 £000
Interim accumulation	3,407	-
Final accumulation	11,435	1,297
	<u>14,842</u>	<u>1,297</u>
Amounts deducted on cancellation of shares	905	4
Amounts received on issue of shares	(129)	(1)
<b>Total distributions</b>	<b><u>15,618</u></b>	<b><u>1,300</u></b>
Net revenue after taxation	16,824	1,079
Corporation tax - capital	301	-
Equalisation on conversions	(2)	-
Performance fee borne by the capital account	2	83
Revenue shortfall	-	258
Stock dividends	(1,507)	(120)
<b>Total distributions</b>	<b><u>15,618</u></b>	<b><u>1,300</u></b>

Details of the distribution per share are set out in the Distribution tables on page 186.

### 8 Debtors

	2023 £000	2022 £000
Accrued revenue	7,709	3,774
Amounts receivable for issue of shares	2,661	254
Amounts receivable from counterparty regarding CFD contracts	2,082	3,865
Currency transactions awaiting settlement	-	3
Management fee rebates	2	3
Overseas withholding tax reclaimable	396	369
Sales awaiting settlement	1,782	2,675
<b>Total debtors</b>	<b><u>14,632</u></b>	<b><u>10,943</u></b>

### 9 Cash and bank balances

	2023 £000	2022 £000
Amounts held at derivative clearing houses and brokers	28,754	21,874
Cash and bank balances	33,011	110,553
Deposit accounts	40,052	59,239
<b>Total cash and bank balances</b>	<b><u>101,817</u></b>	<b><u>191,666</u></b>

## Notes to the financial statements (continued)

### 10 Other creditors

	2023 £000	2022 £000
Accrued annual management charge	865	1,052
Accrued Depositary's fee	7	12
Accrued other expenses	67	81
Accrued performance fee payable to ACD	10	32
Amounts payable for cancellation of shares	7,506	2,359
Amounts payable to counterparty regarding CFD contracts	2,615	4,691
Corporation tax payable	823	-
Purchases awaiting settlement	13,136	2,851
<b>Total other creditors</b>	<b>25,029</b>	<b>11,078</b>

### 11 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

### 12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 172 and 173 and notes 4, 7, 8 and 10 on pages 174 to 177 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC
- Performance fees

There were no material shareholders at the year end (2022: nil).

### 13 Shareholders' funds

The fund currently has 4 share classes available: Class A (Retail), Class E (Retail), Class G (Institutional) and Class I (Institutional). The annual management charge on each share class is as follows:

	2023 %	2022 %
Class A	1.50	1.50
Class E	1.00	1.00
Class G	0.75	0.75
Class I	1.00	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 155 to 157. The distribution per share class is given in the Distribution tables on page 186. All share classes have the same rights on winding up.

### Shares reconciliation as at 31 May 2023

	Class A accumulation	Class E accumulation	Class G accumulation	Class I accumulation
Opening number of shares	24,523,030	505,531	335,122,753	501,228,547
Issues during the year	2,849,330	22,258	16,487,077	43,643,189
Cancellations during the year	(7,283,170)	(306,303)	(47,519,046)	(163,619,696)
Shares converted during the year	157,692	22,559	585,944	(522,050)
<b>Closing shares in issue</b>	<b>20,246,882</b>	<b>244,045</b>	<b>304,676,728</b>	<b>380,729,990</b>

## Notes to the financial statements (continued)

### 14 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management and for meeting the investment objectives of the fund.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

There was no collateral pledged or collateral held in respect of forward foreign exchange contracts as at 31 May 2023 (2022: nil).

The fund had cash assets of £28,754,509 (2022: £22,374,016) and cash liabilities of £9,010,401 (2022: £17,617,783) held in margin accounts at derivative clearing houses and brokers as at 31 May 2023. These balances are held as collateral on the fund's contracts for difference and future's contracts.

#### 2023

As at 31 May 2023 the counterparty exposure calculated using the positive marked-to-market value for each category of derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
Bank of America	165	-	-	165
BNP Paribas	-	3,963	-	3,963
JPMorgan Chase	9,053	-	-	9,053
UBS	-	-	1,393	1,393
	<b>9,218</b>	<b>3,963</b>	<b>1,393</b>	<b>14,574</b>

#### 2022

As at 31 May 2022 the counterparty exposure calculated using the positive marked-to-market value for each category of derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
BNP Paribas	-	1,520	-	1,520
JPMorgan Chase	19,458	-	-	19,458
UBS	-	-	1,561	1,561
	<b>19,458</b>	<b>1,520</b>	<b>1,561</b>	<b>22,539</b>

### 15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

## Notes to the financial statements (continued)

### 15 Stock lending (continued)

2023 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of Nova Scotia	3,886	4,336	Equity
UBS	6,948	8,045	Equity/Government Bond
	<b>10,834</b>	<b>12,381</b>	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	36	3	33

2022 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	55	60	Government Bond
Bank of Nova Scotia	7,718	8,591	Equity
HSBC	464	490	Government Bond
UBS	133	155	Equity
	<b>8,370</b>	<b>9,296</b>	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	11	1	10

## Notes to the financial statements (continued)

### 16 Risk

#### Currency risk

The fund's net exposure to currency risk (including any instruments used to hedge foreign currencies) is considered insignificant. This is consistent with the exposure during the prior year.

#### Interest rate risk

The fund's exposure to interest rate risk is considered significant. The interest rate risk profile of the fund's financial assets and financial liabilities at the year end is set out in the following table:

	Floating rate financial assets £000	Fixed rate financial assets £000	Non-interest bearing assets £000	Total £000
<b>2023</b>				
Canadian dollar	-	-	2	2
Danish krone	-	-	5,937	5,937
Euro	14,700	-	139,558	154,258
Norwegian krone	-	-	14	14
Swedish krona	192	-	755	947
Swiss franc	57	-	244	301
UK sterling	83,085	664,364	128,481	875,930
US dollar	3,783	-	89,695	93,478
<b>Total</b>	<b>101,817</b>	<b>664,364</b>	<b>364,686</b>	<b>1,130,867</b>

	Floating rate financial assets £000	Fixed rate financial assets £000	Non-interest bearing assets £000	Total £000
<b>2022</b>				
Canadian dollar	336	-	2,618	2,954
Danish krone	-	-	5,643	5,643
Euro	1,430	-	234,347	235,777
Norwegian krone	-	-	1,259	1,259
Swedish krona	-	-	2,361	2,361
Swiss franc	114	-	390	504
UK sterling	183,244	644,503	139,788	967,535
US dollar	6,542	-	123,848	130,390
<b>Total</b>	<b>191,666</b>	<b>644,503</b>	<b>510,254</b>	<b>1,346,423</b>

	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
<b>2023</b>				
Canadian dollar	-	-	3	3
Danish krone	-	-	61	61
Euro	2,260	-	5,607	7,867
Swedish krona	-	-	74	74
Swiss franc	-	-	30	30
UK sterling	6,180	-	36,581	42,761
US dollar	570	-	3,163	3,733
<b>Total</b>	<b>9,010</b>	<b>-</b>	<b>45,519</b>	<b>54,529</b>



## Notes to the financial statements (continued)

### 16 Risk (continued)

#### Interest rate risk (continued)

	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
<b>2022</b>				
Canadian dollar	261	-	163	424
Danish krone	-	-	31	31
Euro	2,843	-	6,400	9,243
Norwegian krone	-	-	59	59
Swedish krona	-	-	6	6
Swiss franc	2	-	277	279
UK sterling	12,670	-	18,302	30,972
US dollar	1,842	-	6,934	8,776
<b>Total</b>	<b>17,618</b>	<b>-</b>	<b>32,172</b>	<b>49,790</b>

#### Credit ratings

	Market value £000	Percentage of total net assets %
<b>2023</b>		
<b>Investments</b>		
Investment grade (AAA - BBB)*	664,364	61.70
<b>Total debt securities</b>	<b>664,364</b>	<b>61.70</b>
Collective investment schemes	48,974	4.55
Derivatives	(5,916)	(0.55)
Equities	286,506	26.64
<b>Investment assets including investment liabilities</b>	<b>993,928</b>	<b>92.34</b>
Other net assets	82,410	7.66
<b>Total net assets</b>	<b>1,076,338</b>	<b>100.00</b>
	<b>Market value £000</b>	<b>Percentage of total net assets %</b>
<b>2022</b>		
<b>Investments</b>		
Investment grade (AAA - BBB)*	644,503	49.70
<b>Total debt securities</b>	<b>644,503</b>	<b>49.70</b>
Collective investment schemes	61,108	4.71
Derivatives	1,445	0.11
Equities	415,664	32.07
<b>Investment assets including investment liabilities</b>	<b>1,122,720</b>	<b>86.59</b>
Other net assets	173,913	13.41
<b>Total net assets</b>	<b>1,296,633</b>	<b>100.00</b>

\* Certificates of deposit included within investment grade have been rated based on the rating of the issuer.

## Notes to the financial statements (continued)

### 16 Risk (continued)

#### Sensitivity analysis

The actual VaR results, limits and utilisation of limits are summarised in the table below:

VaR Results	Actual VaR in year			VaR limit	Utilisation of VaR limit		
	Minimum	Maximum	Average		Minimum	Maximum	Average
	%	%	%		%	%	%
2023	1.13	3.24	1.88	20	5.63	16.21	9.42
2022	2.56	5.43	4.01	20	12.80	27.13	20.04

#### Leverage

	Minimum	Maximum	Average
	%	%	%
2023	80.55	139.72	100.14
2022	101.75	164.55	123.83

#### Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis:

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2023				
Amounts held at derivatives clearing houses and brokers	9,010	-	-	-
Derivative financial liabilities	-	2,372	18,118	-
Other creditors	-	25,029	-	-
<b>Total</b>	<b>9,010</b>	<b>27,401</b>	<b>18,118</b>	<b>-</b>

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2022				
Amounts held at derivatives clearing houses and brokers	17,618	-	-	-
Derivative financial liabilities	-	10,517	10,577	-
Other creditors	-	11,078	-	-
<b>Total</b>	<b>17,618</b>	<b>21,595</b>	<b>10,577</b>	<b>-</b>

### 17 Fair value disclosure

#### Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

## Notes to the financial statements (continued)

### 17 Fair value disclosure (continued)

#### Fair value measurement (continued)

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

##### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

##### Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

##### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

#### Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	372,803*	1,038	417,225	2,801
Level 2	641,497	19,452	726,589	18,293
Level 3	118	-	-	-
	<b>1,014,418</b>	<b>20,490</b>	<b>1,143,814</b>	<b>21,094</b>

\* Debt securities included in the highest fair value hierarchy level, where their valuation is determined by unadjusted quoted prices from an active market, amount to £85,022,065 as at 31 May 2023 (2022: nil).

Where a price is unavailable or the price provided is not thought to be a fair reflection of the current market value of the asset, the Investment Manager, at its discretion, may permit an alternative method of valuation to be used if they consider that it better reflects value and is in accordance with good accounting practice. The EPC of the Investment Manager supports the ACD in determining or approving unquoted prices. Where deemed necessary, the EPC will seek ratification of decisions from the Janus Henderson Investment Risk Team. The EPC meets on a monthly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function, to review and approve fair value pricing decisions and pricing models on a regular basis. The asset included within level 3 is an illiquid security which has been valued by the EPC at their best estimate of fair value. At an extraordinary general meeting of Trian Investments 1 Limited (in voluntary liquidation) (the "Company") held on 26 April 2023, shareholders passed resolutions to wind up the Company. The Trian Investors 1 holding has been valued using broker quotes.

## Notes to the financial statements (continued)

### 18 Direct transaction costs

	Purchases		Sales	
	2023	2022	2023	2022
	£000	£000	£000	£000
<b>Trades in the year</b>				
Certificates of deposit	1,900,487	1,638,426	1,966,491	1,597,498
Debt securities	214,832	-	132,130	14,000
Equities	259,711	645,842	406,757	797,455
<b>Trades in the year before transaction costs</b>	<b>2,375,030</b>	<b>2,284,268</b>	<b>2,505,378</b>	<b>2,408,953</b>
<b>Transaction costs</b>				
<b>Commissions</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	72	133	109	162
<b>Total commissions</b>	<b>72</b>	<b>133</b>	<b>109</b>	<b>162</b>
<b>Taxes</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	8	131	-	-
<b>Total taxes</b>	<b>8</b>	<b>131</b>	<b>-</b>	<b>-</b>
<b>Other expenses</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	-	-	4	3
<b>Total other expenses</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>3</b>
<b>Total transaction costs</b>	<b>80</b>	<b>264</b>	<b>113</b>	<b>165</b>
<b>Total net trades in the year after transaction costs</b>	<b>2,375,110</b>	<b>2,284,532</b>	<b>2,505,265</b>	<b>2,408,788</b>

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
<b>Total transaction costs expressed as a percentage of asset type cost</b>				
<b>Commissions</b>				
Certificates of Deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	0.03	0.02	0.03	0.02
<b>Taxes</b>				
Certificates of Deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	-	0.02	-	-
<b>Other expenses</b>				
Certificates of Deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	-	-	-	-
	<b>2023</b>	<b>2022</b>		
	<b>%</b>	<b>%</b>		
<b>Total transaction costs expressed as a percentage of net asset value</b>				
Commissions	0.02	0.02		
Taxes	-	0.01		
Other expenses	-	-		
<b>Total costs</b>	<b>0.02</b>	<b>0.03</b>		

## Notes to the financial statements (continued)

### 18 Direct transaction costs (continued)

There were no in specie transfers during the year (2022: nil). There were no corporate actions during the year (2022: nil).

There were direct transaction costs associated with derivatives in the year of £836,996 (2022: £1,037,465) which is 0.07% of the average net asset value of the fund (2022: 0.07%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

Direct transaction costs related to bonds are not separately identifiable as with other financial instruments as the costs form part of the dealing spread and therefore are inherent within the purchase and sale prices of the trade.

The portfolio dealing spread as at 31 May 2023 was 0.19% (2022: 0.31%). The portfolio dealing spread is calculated at a 12 noon valuation point.

### 19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

## Distribution tables for the year ended 31 May 2023 (in pence per share)

### Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 June 2022

Group 2: shares purchased on or after 1 June 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
<b>Class A accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class E accumulation</b>				
Group 1	0.2864	-	0.2864	-
Group 2	-	0.2864	0.2864	-
<b>Class G accumulation</b>				
Group 1	0.4072	-	0.4072	-
Group 2	0.2886	0.1186	0.4072	-
<b>Class I accumulation</b>				
Group 1	0.4504	-	0.4504	-
Group 2	0.3549	0.0955	0.4504	-

### Final dividend distribution (accounting date 31 May 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
<b>Class A accumulation</b>				
Group 1	1.1185	-	1.1185	-
Group 2	0.7395	0.3790	1.1185	-
<b>Class E accumulation</b>				
Group 1	1.6335	-	1.6335	-
Group 2	1.3577	0.2758	1.6335	-
<b>Class G accumulation</b>				
Group 1	1.2905	-	1.2905	0.3760
Group 2	0.5402	0.7503	1.2905	0.3760
<b>Class I accumulation</b>				
Group 1	1.9101	-	1.9101	0.0074
Group 2	1.0370	0.8731	1.9101	0.0074

# Janus Henderson European Absolute Return Fund

## Authorised Corporate Director's report

### Investment Fund Managers

John Bennett and Robert Schramm-Fuchs

### Investment objective and policy

The fund aims to provide a positive (absolute) return, regardless of market conditions, over any 12 month period. A positive return is not guaranteed over this or any other time period, and particularly over the shorter term the fund may experience periods of negative returns. Consequently your capital is at risk.

Performance target: To outperform the Sterling Overnight Index Average (SONIA) + 1%, after the deduction of charges, over any 3 year period.

The fund invests in shares and makes extensive use of derivatives (complex financial instruments) to take both 'long' and 'short' positions in companies the Investment Manager believes will either rise in value (long positions) or fall in value (short positions) meaning that the fund may benefit from either scenario.

The fund will hold a significant proportion of its assets in cash and money market instruments as a result of holding derivatives and for when the Investment Manager wishes to take a defensive stance. Conversely, the fund may also employ 'leverage' (so that the fund can invest a greater amount than its actual value) when the Investment Manager has greater confidence in the opportunities available.

Typically, at least 80% of the exposure to the long and short positions (in aggregate) will be to companies of any size, in any industry, in Europe (including UK). Companies may be located or do most of their business in this region. The balance of the long and short exposure may be to companies outside this region.

The Investment Manager may also use derivatives (complex financial instruments) to reduce risk or to manage the fund more efficiently.

The fund is actively managed and makes reference to SONIA as this forms the basis of the fund's performance target and the calculation of performance fees (if applicable). For currency hedged share classes, the rate that corresponds with the relevant share class currency is used as the basis of the performance comparison. The Investment Manager has complete discretion to choose investments for the fund and is not constrained by a benchmark.

### Strategy

The Investment Manager targets long-term capital appreciation through exposure primarily to European equities. The manager selects stocks using a fundamental approach, blended with sector themes. The process results in a high-conviction portfolio with a bias towards long positions (where the manager believes the prospects for the companies are positive), complemented by 'short positions' (where prospects are less positive) and other market hedging securities.

### Performance summary

#### Cumulative performance

	One year	Three years	Five years	Since inception
	31 May 22 -	31 May 20 -	31 May 18 -	29 Jan 09 -
	31 May 23	31 May 23	31 May 23	31 May 23
	%	%	%	%
<b>Class I accumulation (Net)</b>	5.2	17.2	21.7	111.3
<b>SONIA + 1%*</b>	3.9	5.3**	6.7**	11.5**

#### Discrete performance

	31 May 22 -	31 May 21 -	31 May 20 -	31 May 19 -	31 May 18 -
	31 May 23	31 May 22	31 May 21	31 May 20	31 May 19
	%	%	%	%	%
<b>Class I accumulation (Net)</b>	5.2	(4.7)	16.9	8.5	(4.3)
<b>SONIA + 1%*</b>	3.9	1.3**	0.1*	0.6*	0.7*

Please note that the performance target is to be achieved over a specific annualised time period. Refer to the the investment objective and policy above.

## Authorised Corporate Director's report (continued)

### Performance summary (continued)

\* From 1 June 2021, the fund benchmark changed from the UK Base Interest Rate to SONIA. Past performance before 1 June 2021 is shown for the previous fund benchmark.

\*\* Performance is a blend of the old and new benchmark.

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

### Benchmark usage:

Index: SONIA + 1%

Index usage: Target

Index description: SONIA reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions. The BoE is the administrator for SONIA and they are responsible for its governance and publication every London business day. It is the basis for the fund's performance target.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

## Significant portfolio changes for the year ended 31 May 2023

Largest purchases	£000	Largest sales	£000
BNP Paribas Issuance (Warrants 20/03/2024)	3,000	Nvidia	3,015
Nvidia	2,645	Infineon Technologies	2,008
Nestlé	2,404	ASM International	1,946
ASM International	2,200	Anglo American	1,883
Anglo American	2,127	BE Semiconductor Industries	1,854
VAT	2,105	Shell	1,829
Smurfit Kappa	1,988	VAT	1,699
UPM-Kymmene	1,949	Siemens	1,641
UK Treasury 0.00% 31/07/2023	1,744	Advanced Micro Devices	1,557
Siemens	1,732	Logitech	1,531
<b>Total purchases</b>	<b>106,115</b>	<b>Total sales</b>	<b>101,982</b>



### Investment review

The fund returned 5.2% based on Class I accumulation (Net) over the year under review, compared with a return of 3.9% in the SONIA + 1%.

European equity markets were largely rangebound during the reporting year and were especially so in the latter months. It was a frustrating period of back and forth, with lots of sector rotation that tended to abruptly reverse after just a few weeks. Chasing market moves proved to be a futile strategy, given the many erroneous price signals. One-year relative highs to the wider equity market were taken as sell signals as opposed to those of ongoing strength. We grappled with the macroeconomic outlook during the year, as presumably equity markets did too. Periods of optimism alternated with phases of pessimism. Meanwhile, Germany has been declared in official recession since October 2022 as estimated GDP in the first quarter of 2023 was revised to a contraction, marking the second consecutive negative quarter. Following more recent macroeconomic data releases, such as industrial production and new orders, it seemed a foregone conclusion that the largest economy in our investment universe would remain in decline during the second quarter. However, the stock market is a forward-looking discounting mechanism, and not the economy.

The overall tight real narrow money supply situation between the most advanced economies (G7) and the seven largest emerging market economies (E7) – the weak inflation-adjusted liquidity environment – has kept the overall stock market in check, as largely predicted. However, if anything, equity markets have perhaps surprised with their resilience and refused to fall. Macroeconomic data has clearly weakened, although by and large the economy has remained in reasonable shape – even the Germany recession has been quite shallow. To that end, we expected the upcoming Fed and ECB meetings to maintain a vigilant, albeit cautiously optimistic tone on inflation fighting. In June, the Fed skipped an interest rate hike, and our view is that once it has paused, the hurdle to hike again is pretty high. Overall, we feel that we are at or very close to an interest rate plateau across the G7.

There is nothing the corporates in our investment universe can do about the liquidity outlook, although they have all been very busy and engaged in sorting out their supply chains, reducing delivery lead times and rightsizing inventory levels. The message we heard across the board in our many corporate management meetings was always about ongoing de-stocking. Some companies have already finished this process and have begun to produce at a still weaker rate of demand, while other, generally late-cycle companies were still in the throes of de-stocking. Our micro-level observations seem to tally with the macroeconomic data that suggests we should be largely through the de-stocking process during the third quarter of 2023. The huge restocking that was driven by one of the largest-ever supply-side shocks – COVID-19 lockdowns – has been on the final straight. This has been corroborated by freight data, which has shown that ocean container volumes have continued a recently started recovery. Semiconductors have been a little behind.

In conclusion, we believe it is right to start looking through the near-term macroeconomic weakness. Equity bear markets usually end when the economy is still in recession. Historically, markets had, on average, recouped only half their peak-to-trough losses one month before the recession ended. However, this time – similar to 2020 – the retracement has happened faster. Thus, our approach will be to run with gross and net exposures towards the higher end of the usual range. This will be secured by the usual more balanced portfolio construction approach of about 40 long positions versus about 25 short positions as well as a hedging overlay. For the long book, we have been moving the fund's largest exposures in what we believed to be the strongest idiosyncratic stories in the cyclical sectors of semiconductors, industrials, consumer discretionary and materials. On the short side, the most prominent exposures have been in stocks we believed were among the weakest idiosyncratic stories in the more defensive sectors of healthcare, utilities and consumer staples, as well as some very late cycle industrials. We have neutralised the fund's positions in the energy sector. Tellingly, during May, the best contributors by far were all semiconductors, whereas the largest detractors were in the fund's former long positions of staples and energy.

In terms of performance, the long book generated 6.6% gross of fees, while the short book acted as a drag with a -1.8% equivalent return. The biggest contributors on the long book included BE Semiconductor Industries, VAT and ASM International, all semiconductor stocks that benefited from artificial intelligence mania towards the end of the reporting year. Novo Nordisk (which benefited from a transformative obesity drug) and Hugo Boss (aided by better-than-expected consumer sentiment and brand reversal under new management team) also added to the long book return. The short book enjoyed some success in the real estate sector, although it was ultimately hindered by index hedging positions.

## Comparative tables for the year ended 31 May 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	184.45	194.98	168.49
Return before operating charges*	10.46	(7.05)	36.35
Operating charges	(3.33)	(3.46)	(3.23)
Operating charges - performance fees	-	(0.02)	(6.63)
Return after operating charges*	7.13	(10.53)	26.49
Distributions on accumulation shares	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	191.58	184.45	194.98
* after direct transaction costs of:	2.27	2.04	0.77

### Performance

Return after charges	3.87%	(5.40%)	15.72%
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### Other information

Closing net asset value (£000s)	469	1,419	1,352
Closing number of shares	244,892	769,493	693,315
Operating charges	1.76%	1.77%	1.79%
Operating charges - performance fees	0.00%	0.01%	3.67%
Direct transaction costs	1.20%	1.04%	0.43%

### Prices

Highest share price (pence)	197.80	203.60	195.70
Lowest share price (pence)	181.70	183.40	162.80

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	187.05	196.63	169.24
Return before operating charges*	10.67	(7.07)	36.64
Operating charges	(2.48)	(2.51)	(2.35)
Operating charges - performance fees	-	-	(6.90)
Return after operating charges*	8.19	(9.58)	27.39
Distributions on accumulation shares	(1.80)	-	-
Retained distributions on accumulation shares	1.80	-	-
Closing net asset value per share	195.24	187.05	196.63
* after direct transaction costs of:	2.33	2.06	0.77

### Performance

Return after charges	4.38%	(4.87%)	16.18%
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### Other information

Closing net asset value (£000s)	1,462	1,382	1,426
Closing number of shares	749,064	738,783	725,040
Operating charges	1.28%	1.27%	1.29%
Operating charges - performance fees	0.00%	0.00%	3.79%
Direct transaction costs	1.20%	1.04%	0.43%

### Prices

Highest share price (pence)	201.20	205.70	197.30
Lowest share price (pence)	184.60	185.80	163.60

## Comparative tables (continued)

	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	200.09	210.10	180.29
Return before operating charges*	11.44	(8.09)	38.99
Operating charges	(1.87)	(1.88)	(1.76)
Operating charges - performance fees	-	(0.04)	(7.42)
Return after operating charges*	9.57	(10.01)	29.81
Distributions on accumulation shares	(2.72)	-	-
Retained distributions on accumulation shares	2.72	-	-
Closing net asset value per share	209.66	200.09	210.10
* after direct transaction costs of:	2.49	2.20	0.82
<b>Performance</b>			
Return after charges	4.78%	(4.76%)	16.53%
<b>Other information</b>			
Closing net asset value (£000s)	28,472	28,943	16,887
Closing number of shares	13,579,650	14,464,762	8,037,634
Operating charges	0.90%	0.89%	0.91%
Operating charges - performance fees	0.00%	0.03%	3.84%
Direct transaction costs	1.20%	1.04%	0.43%
<b>Prices</b>			
Highest share price (pence)	215.80	220.10	210.70
Lowest share price (pence)	197.70	198.50	174.30

## Comparative tables (continued)

	Class I EUR Hedged accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	156.80	167.70	151.25
Return before operating charges*	8.26	(9.43)	24.01
Operating charges	(1.47)	(1.47)	(1.49)
Operating charges - performance fees	-	-	(6.07)
Return after operating charges*	6.79	(10.90)	16.45
Distributions on accumulation shares	(2.12)	-	-
Retained distributions on accumulation shares	2.12	-	-
Closing net asset value per share	163.59	156.80	167.70
* after direct transaction costs of:	1.98	1.72	0.69
<b>Performance</b>			
Return after charges (Share class base currency)	4.33%	(6.50%)	10.88%
Return after charges (Share class currency hedged)	3.10%	(5.38%)	15.97%
<b>Other information</b>			
Closing net asset value (£000s)	314	391	354
Closing number of shares	192,296	249,216	211,216
Operating charges	0.89%	0.89%	0.92%
Operating charges - performance fees	0.00%	0.00%	3.76%
Direct transaction costs	1.20%	1.04%	0.43%
<b>Prices</b>			
Highest share price (Euro cents)	196.80	203.60	195.60
Lowest share price (Euro cents)	181.30	183.50	162.50

## Comparative tables (continued)

	Class I USD Hedged accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	161.36	149.46	146.98
Return before operating charges*	14.16	13.32	9.44
Operating charges	(1.59)	(1.42)	(1.34)
Operating charges - performance fees	-	-	(5.62)
Return after operating charges*	12.57	11.90	2.48
Distributions on accumulation shares	(2.28)	-	-
Retained distributions on accumulation shares	2.28	-	-
Closing net asset value per share	173.93	161.36	149.46
* after direct transaction costs of:	2.12	1.66	0.63
<b>Performance</b>			
Return after charges (Share class base currency)	7.79%	7.96%	1.69%
Return after charges (Share class currency hedged)	6.00%	(4.27%)	16.92%
<b>Other information</b>			
Closing net asset value (£000s)	18	16	14
Closing number of shares	10,151	9,694	9,694
Operating charges	0.90%	0.89%	0.91%
Operating charges - performance fees	0.00%	0.00%	3.82%
Direct transaction costs	1.20%	1.04%	0.43%
<b>Prices</b>			
Highest share price (USD cents)	221.10	222.60	213.10
Lowest share price (USD cents)	201.70	201.70	175.60

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

### Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

### Share class launches and closures

There were no share classes launched or closed during the year.

### Hedged share classes

Class I EUR Hedged accumulation and Class I USD Hedged accumulation are hedged share classes. Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and sterling which is the base currency of the fund.

## Ongoing charge figure

The annualised OCF of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

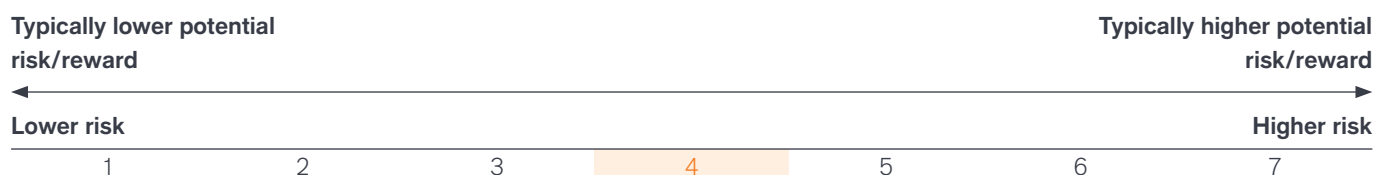
	<b>2023 excluding performance fees %</b>	<b>2023 including performance fees %</b>	<b>2022 excluding performance fees %</b>	<b>2022 including performance fees %</b>
<b>Class A accumulation</b>	1.76	1.76	1.77	1.78
<b>Class E accumulation</b>	1.28	1.28	1.27	1.27
<b>Class I accumulation</b>	0.90	0.90	0.89	0.92
<b>Class I EUR Hedged accumulation</b>	0.89	0.89	0.89	0.89
<b>Class I USD Hedged accumulation</b>	0.90	0.90	0.89	0.89
	<b>Performance fees 2023 %</b>	<b>Performance fees 2023 £</b>	<b>Performance fees 2022 %</b>	<b>Performance fees 2022 £</b>
<b>Class A accumulation</b>	-	-	0.01	196.19
<b>Class E accumulation</b>	-	-	-	4.64
<b>Class I accumulation</b>	-	-	0.03	6,835.44
<b>Class I EUR Hedged accumulation</b>	-	-	-	-
<b>Class I USD Hedged accumulation</b>	-	-	-	-

The performance fees are disclosed in accordance with guidelines issued by ESMA.

## Risk and reward profile

The fund currently has 5 types of share class in issue: A accumulation, E accumulation, I accumulation, I EUR Hedged accumulation and I USD Hedged accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 4 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The SRRI is calculated based on historical volatility over a rolling five\* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no changes to the risk rating during the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class E accumulation launched on 24 June 2019 and as it does not have a five year history, a synthetic history has been created using the A accumulation share class.

## Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 61.80% (2022: 37.46%)</b>		
	<b>Belgium 2.20% (2022: 0.00%)</b>		
	<b>Industrials 2.20% (2022: 0.00%)</b>		
34,811	Azelis	675	2.20
	<b>Denmark 3.43% (2022: 1.50%)</b>		
	<b>Health Care 3.43% (2022: 1.50%)</b>		
8,139	Novo Nordisk 'B'	1,053	3.43
	<b>Finland 3.26% (2022: 1.28%)</b>		
	<b>Materials 3.26% (2022: 1.28%)</b>		
41,497	UPM-Kymmene	1,003	3.26
	<b>France 9.86% (2022: 0.00%)</b>		
	<b>Financials 9.86% (2022: 0.00%)</b>		
3,000,000	BNP Paribas Issuance (Warrants 20/03/2024)	3,030	9.86
	<b>Germany 9.50% (2022: 12.70%)</b>		
	<b>Communication Services 0.00% (2022: 2.00%)</b>		
	<b>Consumer Discretionary 3.62% (2022: 1.98%)</b>		
4,100	Adidas	536	1.74
10,579	Hugo Boss	577	1.88
		1,113	3.62
	<b>Financials 0.00% (2022: 0.95%)</b>		
	<b>Industrials 3.92% (2022: 4.96%)</b>		
23,229	Deutsche Post	843	2.74
14,207	Jungheinrich Preference Share	363	1.18
		1,206	3.92
	<b>Information Technology 0.00% (2022: 1.82%)</b>		
	<b>Materials 0.00% (2022: 0.99%)</b>		
	<b>Utilities 1.96% (2022: 0.00%)</b>		
17,896	RWE	602	1.96
	<b>Ireland 1.84% (2022: 1.78%)</b>		
	<b>Materials 1.84% (2022: 1.78%)</b>		
19,819	Smurfit Kappa	564	1.84
	<b>Italy 1.75% (2022: 0.00%)</b>		
	<b>Consumer Discretionary 1.75% (2022: 0.00%)</b>		
10,013	Moncler	539	1.75



## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Netherlands 5.16% (2022: 1.97%)</b>		
	<b>Information Technology 5.16% (2022: 1.97%)</b>		
1,945	ASM International	677	2.20
1,083	ASML	625	2.03
3,229	BE Semiconductor Industries	286	0.93
		<u>1,588</u>	<u>5.16</u>
	<b>Norway 1.61% (2022: 1.14%)</b>		
	<b>Information Technology 1.61% (2022: 1.14%)</b>		
58,950	Nordic Semiconductor	<u>496</u>	<u>1.61</u>
	<b>Sweden 3.12% (2022: 1.58%)</b>		
	<b>Industrials 0.00% (2022: 1.58%)</b>		
	<b>Materials 3.12% (2022: 0.00%)</b>		
90,003	Svenska Cellulosa 'B'	<u>959</u>	<u>3.12</u>
	<b>Switzerland 10.80% (2022: 3.29%)</b>		
	<b>Consumer Discretionary 1.66% (2022: 0.00%)</b>		
14,039	Dufry	<u>510</u>	<u>1.66</u>
	<b>Consumer Staples 4.83% (2022: 0.00%)</b>		
48	Chocoladefabriken Lindt & Spruengli	461	1.50
10,759	Nestlé	<u>1,025</u>	<u>3.33</u>
		<u>1,486</u>	<u>4.83</u>
	<b>Financials 0.00% (2022: 1.39%)</b>		
	<b>Health Care 0.00% (2022: 1.07%)</b>		
	<b>Industrials 2.04% (2022: 0.00%)</b>		
1,892	VAT	<u>627</u>	<u>2.04</u>
	<b>Information Technology 0.00% (2022: 0.83%)</b>		
	<b>Materials 2.27% (2022: 0.00%)</b>		
264	Givaudan	<u>698</u>	<u>2.27</u>
	<b>United Kingdom 8.28% (2022: 9.46%)</b>		
	<b>Consumer Discretionary 3.14% (2022: 1.76%)</b>		
43,893	Compass	<u>967</u>	<u>3.14</u>
	<b>Consumer Staples 3.33% (2022: 0.00%)</b>		
25,442	Unilever	<u>1,025</u>	<u>3.33</u>
	<b>Energy 1.81% (2022: 2.95%)</b>		
25,049	Shell	<u>556</u>	<u>1.81</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Materials 0.00% (2022: 2.04%)</b>		
	<b>Utilities 0.00% (2022: 2.71%)</b>		
	<b>United States 0.99% (2022: 2.76%)</b>		
	<b>Information Technology 0.99% (2022: 2.76%)</b>		
997	Nvidia	304	0.99
	<b>Bonds 28.46% (2022: 3.11%)</b>		
	<b>United Kingdom 15.42% (2022: 3.11%)</b>		
	<b>Treasury Bill 15.42% (2022: 3.11%)</b>		
GBP 1,000,000	UK Treasury 0.00% 07/08/2023	991	3.22
GBP 1,000,000	UK Treasury 0.00% 17/07/2023	994	3.23
GBP 1,000,000	UK Treasury 0.00% 19/06/2023	998	3.25
GBP 1,770,858	UK Treasury 0.00% 31/07/2023	1,757	5.72
		4,740	15.42
	<b>Certificates of Deposit 13.04% (2022: 31.11%)</b>		
	<b>Australia 1.63% (2022: 4.67%)</b>		
GBP 500,000	Commonwealth Bank of Australia 4.20% 06/07/2023	500	1.63
	<b>Canada 1.63% (2022: 6.21%)</b>		
GBP 500,000	Bank of Montreal 4.75% 22/08/2023	500	1.63
	<b>Finland 1.63% (2022: 1.56%)</b>		
GBP 500,000	Nordea Bank 4.52% 05/07/2023	500	1.63
	<b>France 0.00% (2022: 6.24%)</b>		
	<b>Japan 1.63% (2022: 0.00%)</b>		
GBP 500,000	MUFG Bank 4.75% 02/08/2023	500	1.63
	<b>Netherlands 1.63% (2022: 0.00%)</b>		
GBP 500,000	Rabobank 4.30% 15/06/2023	500	1.63
	<b>Sweden 0.00% (2022: 3.11%)</b>		
	<b>Switzerland 0.00% (2022: 6.21%)</b>		
	<b>United Arab Emirates 1.63% (2022: 3.11%)</b>		
GBP 500,000	First Abu Dhabi Bank 4.76% 21/08/2023	500	1.63
	<b>United Kingdom 1.63% (2022: 0.00%)</b>		
GBP 500,000	Santander 4.50% 03/07/2023	500	1.63
	<b>United States 1.63% (2022: 0.00%)</b>		
GBP 500,000	Citibank 4.70% 04/08/2023	500	1.63

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Derivatives (0.09%) (2022: (0.26%))</b>		
	<b>Contracts for Difference (0.84%) (2022: (0.27%))<sup>1</sup></b>		
	<b>Equity Long Contracts for Difference (2.04%) (2022: 0.60%)<sup>1</sup></b>		
3,147	Advanced Micro Devices	26	0.08
8,593	Airbus	(40)	(0.13)
6,625	AstraZeneca	(25)	(0.08)
99,397	Barratt Developments	(36)	(0.12)
16,618	CIE de Saint-Gobain	(51)	(0.17)
6,433	CIE Financiere Richemont	(50)	(0.16)
21,227	Danone	(55)	(0.18)
4,747	Deutsche Boerse	(28)	(0.09)
44,888	Faurecia	(65)	(0.21)
3,735	Kuehne + Nagel	(10)	(0.03)
1,416	LVMH Moët Hennessy Louis Vuitton	(71)	(0.23)
60,673	Prudential	(77)	(0.25)
16,343	Rio Tinto	(25)	(0.08)
6,397	Safran	(43)	(0.14)
31,486	Sandvik	(32)	(0.10)
19,314	TotalEnergies	(47)	(0.15)
		<u>(629)</u>	<u>(2.04)</u>
	<b>Equity Short Contracts for Difference 1.20% (2022: (0.87%))<sup>1</sup></b>		
(17,476)	ACS	5	0.02
(175)	Adyen <sup>2</sup>	-	-
(36,233)	Allfunds <sup>2</sup>	-	-
(276)	Barry Callebaut	19	0.06
(28,975)	British American Tobacco	37	0.12
(69,025)	Darktrace	7	0.02
(7,193)	Delivery Hero	8	0.03
(73,409)	E.ON	4	0.01
(124,308)	ENEL	22	0.07
(7,353)	Eurofins Scientific	(4)	(0.01)
(21,131)	Hennes & Mauritz	7	0.02
(12,990)	Infineon Technologies	(10)	(0.03)
(1,128)	Kering	37	0.12
(123,683)	Legal & General	11	0.04
(601)	Lonza	4	0.01
(2,396)	MTU Aero Engines	29	0.09
(34,216)	Nexi	17	0.06
(8,469)	Orsted	36	0.12
(8,140)	Pandora	34	0.11
(7,345)	Randstad	7	0.02
(9,540)	Sanofi	44	0.14
(3,542)	SMA Solar Technology <sup>2</sup>	-	-
(11,047)	Société Générale	16	0.05
(53,616)	Technoprobe	(21)	(0.07)
(22,168)	Umicore	37	0.12
(19,179)	Vestas Wind Systems	20	0.07
(19,072)	Vonovia	2	0.01
		<u>368</u>	<u>1.20</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Futures 0.00% (2022: 0.02%)</b>			
<b>Options (0.06%) (2022: 0.44%)</b>			
(21)	ASML Put 550 September 2023	(19)	(0.06)
(85)	Deutsche Boerse AG Put 14800 June 2023	(19)	(0.06)
85	Deutsche Boerse AG Put 15500 June 2023	60	0.20
(100)	Deutsche Boerse AG Put 156 June 2023	(8)	(0.03)
624	Euro Stoxx Call 104 June 2023	11	0.03
(624)	Euro Stoxx Put 97 June 2023	(43)	(0.14)
		(18)	(0.06)
<b>Forward Foreign Exchange Contracts 0.82% (2022: (0.45%))<sup>1</sup></b>			
	Buy CHF 1,735 : Sell GBP 1,552 July 2023 <sup>2</sup>	-	-
	Buy CHF 104,025 : Sell GBP 94,422 June 2023	(3)	(0.01)
	Buy CHF 128,640 : Sell GBP 116,108 June 2023	(3)	(0.01)
	Buy CHF 135,563 : Sell GBP 121,519 July 2023	(2)	(0)
	Buy CHF 20,939 : Sell GBP 18,864 June 2023 <sup>2</sup>	-	-
	Buy CHF 270,601 : Sell GBP 245,361 June 2023	(6)	(0.02)
	Buy CHF 4,001 : Sell GBP 3,610 July 2023 <sup>2</sup>	-	-
	Buy CHF 500,047 : Sell GBP 447,745 July 2023	(5)	(0.02)
	Buy CHF 6,016 : Sell GBP 5,401 June 2023 <sup>2</sup>	-	-
	Buy CHF 9,867 : Sell GBP 8,826 June 2023 <sup>2</sup>	-	-
	Buy EUR 105,285 : Sell GBP 91,993 July 2023	(1)	-
	Buy EUR 111,600 : Sell GBP 98,716 June 2023	(3)	(0.01)
	Buy EUR 12,793 : Sell GBP 11,349 June 2023 <sup>2</sup>	-	-
	Buy EUR 14,324 : Sell GBP 12,526 July 2023 <sup>2</sup>	-	-
	Buy EUR 141,191 : Sell GBP 123,017 July 2023	(1)	-
	Buy EUR 165,059 : Sell GBP 145,550 June 2023	(4)	(0.01)
	Buy EUR 175,660 : Sell GBP 155,422 June 2023	(4)	(0.01)
	Buy EUR 20,901 : Sell GBP 18,216 July 2023 <sup>2</sup>	-	-
	Buy EUR 209,000 : Sell GBP 183,341 July 2023	(3)	(0.01)
	Buy EUR 214,704 : Sell GBP 189,452 June 2023	(5)	(0.02)
	Buy EUR 254,212 : Sell GBP 224,796 July 2023	(6)	(0.02)
	Buy EUR 287,902 : Sell GBP 255,273 June 2023	(8)	(0.03)
	Buy EUR 311,294 : Sell GBP 270,693 July 2023	(3)	(0.01)
	Buy EUR 357,535 : Sell GBP 314,535 June 2023	(7)	(0.02)
	Buy EUR 395,026 : Sell GBP 347,730 June 2023	(8)	(0.03)
	Buy EUR 421,470 : Sell GBP 366,445 July 2023	(3)	(0.01)
	Buy EUR 484,530 : Sell GBP 420,996 July 2023	(4)	(0.01)
	Buy EUR 509,204 : Sell GBP 449,602 June 2023	(11)	(0.04)
	Buy EUR 525,297 : Sell GBP 465,792 June 2023	(14)	(0.05)
	Buy EUR 60,200 : Sell GBP 53,377 June 2023	(2)	(0.01)
	Buy EUR 66,181 : Sell GBP 57,873 July 2023	(1)	-
	Buy EUR 691,242 : Sell GBP 600,869 July 2023	(5)	(0.02)
	Buy EUR 7,283 : Sell GBP 6,346 July 2023 <sup>2</sup>	-	-
	Buy EUR 7,874 : Sell GBP 6,853 July 2023 <sup>2</sup>	-	-
	Buy EUR 79,540 : Sell GBP 69,775 July 2023	(1)	-
	Buy EUR 79,799 : Sell GBP 70,198 June 2023	(2)	(0.01)
	Buy EUR 8,470 : Sell GBP 7,366 July 2023 <sup>2</sup>	-	-
	Buy EUR 80,561 : Sell GBP 70,847 June 2023	(2)	(0.01)
	Buy EUR 89,015 : Sell GBP 78,715 July 2023	(2)	(0.01)

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Forward Foreign Exchange Contracts</b> (continued)			
	Buy EUR 93,900 : Sell GBP 81,587 July 2023	(1)	-
	Buy GBP 1,037 : Sell EUR 1,169 June 2023 <sup>2</sup>	-	-
	Buy GBP 1,038,718 : Sell EUR 1,195,521 July 2023	9	0.03
	Buy GBP 10,596 : Sell CHF 11,797 July 2023 <sup>2</sup>	-	-
	Buy GBP 111,554 : Sell EUR 128,271 July 2023	1	-
	Buy GBP 119,647 : Sell EUR 137,477 July 2023	1	-
	Buy GBP 12,015 : Sell EUR 13,681 June 2023 <sup>2</sup>	-	-
	Buy GBP 12,043 : Sell EUR 13,590 June 2023 <sup>2</sup>	-	-
	Buy GBP 12,133 : Sell SEK 155,807 June 2023	1	-
	Buy GBP 12,667 : Sell EUR 14,400 June 2023 <sup>2</sup>	-	-
	Buy GBP 12,735 : Sell USD 15,762 July 2023 <sup>2</sup>	-	-
	Buy GBP 125,594 : Sell EUR 144,038 July 2023	2	0.01
	Buy GBP 13,298 : Sell USD 16,568 June 2023 <sup>2</sup>	-	-
	Buy GBP 13,544 : Sell NOK 184,835 July 2023 <sup>2</sup>	-	-
	Buy GBP 133,243 : Sell EUR 153,900 July 2023	1	-
	Buy GBP 140,933 : Sell EUR 162,322 July 2023	1	-
	Buy GBP 141,334 : Sell USD 176,707 June 2023	(1)	-
	Buy GBP 150,799 : Sell CHF 167,876 July 2023	2	0.01
	Buy GBP 153,127 : Sell CHF 168,708 June 2023	4	0.01
	Buy GBP 153,360 : Sell EUR 175,700 July 2023	2	0.01
	Buy GBP 16,151 : Sell SEK 209,007 June 2023	1	-
	Buy GBP 16,303 : Sell EUR 18,749 July 2023 <sup>2</sup>	-	-
	Buy GBP 163,003 : Sell CHF 180,160 July 2023	3	0.01
	Buy GBP 17,548 : Sell EUR 20,135 July 2023 <sup>2</sup>	-	-
	Buy GBP 175,511 : Sell EUR 198,000 June 2023	5	0.02
	Buy GBP 176,514 : Sell CHF 196,923 July 2023	2	0.01
	Buy GBP 186,811 : Sell EUR 213,810 July 2023	3	0.01
	Buy GBP 2,943,473 : Sell EUR 3,329,549 July 2023	75	0.24
	Buy GBP 20,123 : Sell EUR 22,792 June 2023	1	-
	Buy GBP 206,313 : Sell EUR 237,625 July 2023	2	0.01
	Buy GBP 23,729 : Sell USD 29,614 July 2023 <sup>2</sup>	-	-
	Buy GBP 24,456 : Sell CHF 27,066 June 2023	1	-
	Buy GBP 25,181 : Sell EUR 28,878 July 2023 <sup>2</sup>	-	-
	Buy GBP 259,508 : Sell USD 325,088 June 2023	(3)	(0.01)
	Buy GBP 266,909 : Sell EUR 301,998 June 2023	7	0.02
	Buy GBP 269,745 : Sell NOK 3,629,718 July 2023	7	0.02
	Buy GBP 27,044 : Sell SEK 361,579 July 2023 <sup>2</sup>	-	-
	Buy GBP 270,544 : Sell CHF 299,084 June 2023	6	0.02
	Buy GBP 28,558 : Sell EUR 32,444 June 2023	1	-
	Buy GBP 280,826 : Sell CHF 309,688 June 2023	7	0.02
	Buy GBP 29,858 : Sell SEK 397,216 July 2023 <sup>2</sup>	-	-
	Buy GBP 3,957,947 : Sell EUR 4,503,058 June 2023	83	0.27
	Buy GBP 307,393 : Sell EUR 351,534 July 2023	5	0.02
	Buy GBP 307,494 : Sell NOK 3,991,061 June 2023	19	0.06
	Buy GBP 312,667 : Sell EUR 358,945 July 2023	4	0.01
	Buy GBP 313,585 : Sell SEK 4,058,331 July 2023	12	0.04
	Buy GBP 316,174 : Sell CHF 351,954 June 2023	5	0.02
	Buy GBP 32,759 : Sell CHF 36,687 July 2023 <sup>2</sup>	-	-
	Buy GBP 320,192 : Sell CHF 355,958 July 2023	5	0.02

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Forward Foreign Exchange Contracts</b> (continued)			
	Buy GBP 324,252 : Sell USD 410,093 July 2023	(6)	(0.02)
	Buy GBP 330,014 : Sell CHF 367,630 July 2023	4	0.01
	Buy GBP 37,307 : Sell EUR 42,309 June 2023	1	-
	Buy GBP 386,513 : Sell EUR 444,664 July 2023	3	0.01
	Buy GBP 41,375 : Sell SEK 535,459 July 2023	2	0.01
	Buy GBP 43,905 : Sell USD 55,466 July 2023	(1)	-
	Buy GBP 435,559 : Sell EUR 499,005 July 2023	6	0.02
	Buy GBP 437,412 : Sell USD 540,730 July 2023	2	0.02
	Buy GBP 45,947 : Sell CHF 50,675 June 2023	1	-
	Buy GBP 46,222 : Sell SEK 592,363 July 2023	2	0.01
	Buy GBP 470,114 : Sell EUR 539,546 July 2023	5	0.02
	Buy GBP 505,733 : Sell CHF 561,536 June 2023	10	0.03
	Buy GBP 523,230 : Sell CHF 578,487 July 2023	11	0.04
	Buy GBP 525,166 : Sell USD 657,994 July 2023	(5)	(0.02)
	Buy GBP 53,130 : Sell EUR 61,047 July 2023	1	-
	Buy GBP 55,478 : Sell EUR 63,658 July 2023	1	-
	Buy GBP 599,593 : Sell NOK 7,763,699 June 2023	37	0.12
	Buy GBP 6,891 : Sell EUR 7,924 July 2023 <sup>2</sup>	-	-
	Buy GBP 60,296 : Sell EUR 68,500 June 2023	1	-
	Buy GBP 613,941 : Sell USD 775,602 July 2023	(11)	(0.04)
	Buy GBP 64,967 : Sell CHF 72,287 June 2023	1	-
	Buy GBP 67,715 : Sell USD 84,185 July 2023 <sup>2</sup>	-	-
	Buy GBP 69,741 : Sell CHF 77,721 July 2023	1	-
	Buy GBP 70,485 : Sell CHF 78,563 July 2023	1	-
	Buy GBP 74,205 : Sell CHF 82,608 July 2023	1	-
	Buy GBP 742,472 : Sell SEK 9,542,563 July 2023	34	0.11
	Buy GBP 755,666 : Sell CHF 849,165 June 2023	5	0.02
	Buy GBP 805 : Sell USD 1,000 June 2023 <sup>2</sup>	-	-
	Buy GBP 81,303 : Sell NOK 1,083,440 July 2023	3	0.01
	Buy GBP 86,732 : Sell NOK 1,140,229 June 2023	4	0.01
	Buy GBP 87,559 : Sell CHF 96,775 July 2023	2	0.01
	Buy GBP 94,373 : Sell EUR 108,532 July 2023	1	-
	Buy GBP 94,393 : Sell SEK 1,212,451 June 2023	5	0.02
	Buy GBP 961,775 : Sell EUR 1,092,947 June 2023	21	0.07
	Buy NOK 1,366,228 : Sell GBP 103,994 June 2023	(5)	(0.02)
	Buy NOK 158,216 : Sell GBP 11,983 June 2023	(1)	-
	Buy NOK 3,257,810 : Sell GBP 247,976 June 2023	(12)	(0.04)
	Buy NOK 4,133,981 : Sell GBP 318,803 June 2023	(19)	(0.06)
	Buy NOK 852,810 : Sell GBP 64,990 June 2023	(3)	(0.01)
	Buy SEK 182,296 : Sell GBP 14,003 June 2023 <sup>2</sup>	-	-
	Buy SEK 3,927,393 : Sell GBP 301,377 July 2023	(10)	(0.03)
	Buy SEK 408,052 : Sell GBP 31,692 June 2023	(1)	-
	Buy USD 141,250 : Sell GBP 114,418 July 2023	(1)	-
	Buy USD 142,444 : Sell GBP 115,220 July 2023 <sup>2</sup>	-	-
	Buy USD 16,016 : Sell GBP 12,895 July 2023 <sup>2</sup>	-	-
	Buy USD 2,707 : Sell GBP 2,168 June 2023 <sup>2</sup>	-	-
	Buy USD 3,105 : Sell GBP 2,468 June 2023 <sup>2</sup>	-	-
	Buy USD 361,612 : Sell GBP 292,990 July 2023	(1)	-
	Buy USD 439,460 : Sell GBP 349,134 July 2023	5	0.02

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Forward Foreign Exchange Contracts</b> (continued)			
	Buy USD 624,872 : Sell GBP 500,710 July 2023	3	0.01
	Buy USD 796,450 : Sell GBP 636,654 July 2023	5	0.02
	Buy USD 90,117 : Sell GBP 72,893 July 2023 <sup>2</sup>	-	-
		<u>257</u>	<u>0.82</u>
<b>Forward Foreign Exchange Contracts (Hedged share classes) (0.01%) (2022: 0.00%)<sup>1</sup></b>			
	Buy EUR 369,267 : Sell GBP 322,283 June 2023	(5)	(0.01)
	Buy EUR 6,380 : Sell GBP 5,544 June 2023 <sup>2</sup>	-	-
	Buy GBP 336 : Sell USD 415 June 2023 <sup>2</sup>	-	-
	Buy GBP 4,134 : Sell EUR 4,751 June 2023 <sup>2</sup>	-	-
	Buy USD 1,000 : Sell GBP 804 June 2023 <sup>2</sup>	-	-
	Buy USD 21,235 : Sell GBP 16,947 June 2023 <sup>2</sup>	-	-
	Buy USD 368 : Sell GBP 298 June 2023 <sup>2</sup>	-	-
		<u>(5)</u>	<u>(0.01)</u>
	<b>Investment assets including investment liabilities</b>	<b>27,714</b>	<b>90.17</b>
	Other net assets	<u>3,021</u>	<u>9.83</u>
	<b>Total net assets</b>	<b>30,735</b>	<b>100.00</b>

<sup>1</sup> Not listed on an official stock exchange

<sup>2</sup> Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

The classification is based on the country of risk and a relevant industry classification standard.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

## Statement of total return for the year ended 31 May 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		1,092		(2,045)
Revenue	3	1,027		691	
Expenses	4	(291)		(275)	
Interest payable and similar charges	5	(368)		(432)	
Net revenue/(expense) before taxation		368		(16)	
Taxation	6	26		(21)	
Net revenue/(expense) after taxation			394		(37)
Total return before distributions			1,486		(2,082)
Distributions	7		(396)		-
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>1,090</b>		<b>(2,082)</b>

## Statement of change in net assets attributable to shareholders for the year ended 31 May 2023

	2023		2022	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>32,151</b>		<b>20,033</b>
Amounts receivable on issue of shares	3,118		25,198	
Amounts payable on cancellation of shares	(6,011)		(11,002)	
		(2,893)		14,196
Dilution adjustment		-		4
Change in net assets attributable to shareholders from investment activities		1,090		(2,082)
Retained distributions on accumulation shares		387		-
<b>Closing net assets attributable to shareholders</b>		<b>30,735</b>		<b>32,151</b>



## Balance sheet as at 31 May 2023

	Note	2023 £000	2022 £000
<b>Assets:</b>			
Investments		28,698	23,598
Current assets:			
Debtors	8	551	419
Cash and bank balances	9	2,569	9,023
<b>Total assets</b>		<b>31,818</b>	<b>33,040</b>
<b>Liabilities:</b>			
Investment liabilities		984	637
Creditors:			
Amounts held at derivative clearing houses and brokers		2	21
Other creditors	10	97	231
<b>Total liabilities</b>		<b>1,083</b>	<b>889</b>
<b>Net assets attributable to shareholders</b>		<b>30,735</b>	<b>32,151</b>

## Notes to the financial statements for the year ended 31 May 2023

### 1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

### 2 Net capital gains/(losses)

Net capital gains/(losses) on investments during the year comprise:

	2023 £000	2022 £000
Derivative securities	440	(1,455)
Forward currency contracts	110	162
Forward currency contracts on hedged share classes	2	(6)
Non-derivative securities	472	(800)
Other currency gains	77	63
Transaction costs	(9)	(9)
<b>Net capital gains/(losses)</b>	<b>1,092</b>	<b>(2,045)</b>

### 3 Revenue

	2023 £000	2022 £000
Bank interest	147	8
Derivative revenue	236	190
Interest on debt securities	307	36
Interest on margin	13	1
Overseas dividends*	191	311
Stock lending revenue	4	1
UK dividends	129	144
<b>Total revenue</b>	<b>1,027</b>	<b>691</b>

\* Includes distributions from overseas funds.

## Notes to the financial statements (continued)

### 4 Expenses

	2023 £000	2022 £000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
Annual management charge	252	233
GAC*	32	30
Performance fee	-	7
	<u>284</u>	<u>270</u>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary fees	3	3
Safe custody fees	1	1
	<u>4</u>	<u>4</u>
<b>Other expenses:</b>		
Professional fees	3	1
	<u>3</u>	<u>1</u>
<b>Total expenses</b>	<u><b>291</b></u>	<u><b>275</b></u>

Irrecoverable VAT is included in the above expenses where relevant.

\* The current audit fee, which is levied through the GAC, is £16,751 (2022: £15,195).

### 5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable*	61	88
Interest on margin	39	39
Dividends payable on CFD contracts	268	305
<b>Total interest payable and similar charges</b>	<u><b>368</b></u>	<u><b>432</b></u>

\* Includes negative interest on credit balances held with the broker.

### 6 Taxation

#### a) Analysis of (credit)/charge in the year

The tax (credit)/charge comprises:

	2023 £000	2022 £000
<b>Current tax</b>		
Overseas withholding tax	(26)	21
<b>Total tax (note 6b)</b>	<u><b>(26)</b></u>	<u><b>21</b></u>

## Notes to the financial statements (continued)

### 6 Taxation (continued)

#### b) Factors affecting tax (credit)/charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue/(expense) before taxation	368	(16)
Corporation tax at 20% (2022: 20%)	74	(3)
Effects of:		
Overseas withholding tax	(26)	21
Overseas dividends	(38)	(62)
UK dividends*	(26)	(29)
Unused management expenses	(10)	94
<b>Tax (credit)/charge for the year (note 6a)</b>	<b>(26)</b>	<b>21</b>

\* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

#### c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

#### d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £2,694,242 (2022: £2,704,039) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

### 7 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £000	2022 £000
Interim accumulation	18	-
Final accumulation	369	-
	387	-
Amounts deducted on cancellation of shares	13	-
Amounts received on issue of shares	(4)	-
<b>Total distributions</b>	<b>396</b>	<b>-</b>
Net revenue/(expense) after taxation	394	(37)
Equalisation on conversions	1	-
Performance fee borne by the capital account	-	7
Revenue shortfall	1	30
<b>Total distributions</b>	<b>396</b>	<b>-</b>

Details of the distribution per share are set out in the Distribution tables on pages 218 to 219.

## Notes to the financial statements (continued)

### 8 Debtors

	2023 £000	2022 £000
Accrued revenue	49	36
Amounts receivable for issue of shares	58	183
Amounts receivable from counterparty regarding CFD contracts	19	67
Overseas withholding tax reclaimable	122	133
Sales awaiting settlement	303	-
<b>Total debtors</b>	<b>551</b>	<b>419</b>

### 9 Cash and bank balances

	2023 £000	2022 £000
Amounts held at derivative clearing houses and brokers	654	954
Cash and bank balances	1,402	4,568
Deposit accounts	513	3,501
<b>Total cash and bank balances</b>	<b>2,569</b>	<b>9,023</b>

### 10 Other creditors

	2023 £000	2022 £000
Accrued annual management charge	21	22
Accrued Depositary's fee	-	1
Accrued other expenses	5	9
Amounts payable for cancellation of shares	2	17
Amounts payable to counterparty regarding CFD contracts	69	84
Purchases awaiting settlement	-	98
<b>Total other creditors</b>	<b>97</b>	<b>231</b>

### 11 Contingent assets, liabilities and commitments

The fund has filed a claim with HMRC (on the basis of the principles set out in the FII GLO) for corporation tax unduly paid in respect of periods prior to 1 July 2009. The claim has been filed on the basis that the relevant UK tax legislation was in breach of EU law for these periods. A successful outcome may result in a refund of corporation tax. Currently, there is insufficient information available to provide an estimate of the financial effect regarding the timing and amount of the settlement.

There were no contingent liabilities or outstanding commitments at the current or prior year end.

### 12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 204 and 205 and notes 4, 7, 8 and 10 on pages 207 to 209 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC
- Performance fees

There were no material shareholders at the year end (2022: nil).

## Notes to the financial statements (continued)

### 13 Shareholders' funds

The fund currently has 5 share classes available: Class A (Retail), Class E (Retail), Class I (Institutional), Class I EUR Hedged (Institutional) and Class I USD Hedged (Institutional). The annual management charge on each share class is as follows:

	2023	2022
	%	%
Class A	1.50	1.50
Class E	1.00	1.00
Class I	0.75	0.75
Class I EUR Hedged	0.75	0.75
Class I USD Hedged	0.75	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 190 to 191. The distribution per share class is given in the Distribution tables on pages 218 to 219. All share classes have the same rights on winding up.

#### Shares reconciliation as at 31 May 2023

	Class A accumulation	Class E accumulation	Class I accumulation	Class I EUR Hedged accumulation
Opening number of shares	769,493	738,783	14,464,762	249,216
Issues during the year	18,063	12,720	1,453,636	40,643
Cancellations during the year	(113,932)	(10,938)	(2,723,929)	(97,563)
Shares converted during the year	(428,732)	8,499	385,181	-
<b>Closing shares in issue</b>	<b>244,892</b>	<b>749,064</b>	<b>13,579,650</b>	<b>192,296</b>
	<b>Class I USD Hedged accumulation</b>			
Opening number of shares	9,694			
Issues during the year	457			
Cancellations during the year	-			
Shares converted during the year	-			
<b>Closing shares in issue</b>	<b>10,151</b>			

### 14 Financial derivatives

The fund may use financial derivatives for the purposes of EPM and for meeting the investment objectives of the fund.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

There was no collateral pledged or collateral held in respect of forward foreign exchange and options contracts as at 31 May 2023 (2022: nil). The fund had cash assets of £653,733 (2022: £954,459) and cash liabilities of £2,088 (2022: £21,361) held in margin accounts at derivative clearing houses and brokers as at 31 May 2023.

## Notes to the financial statements (continued)

### 14 Financial derivatives (continued)

#### 2023

As at 31 May 2023 the counterparty exposure calculated using the positive marked-to-market value for each category of derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Option £000	Total by counterparty £000
BNP Paribas	-	457	-	457
UBS	429	-	71	500
	<b>429</b>	<b>457</b>	<b>71</b>	<b>957</b>

#### 2022

As at 31 May 2022 the counterparty exposure calculated using the positive marked-to-market value for each category of derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Futures £000
BNP Paribas	-	94	-
UBS	257	-	5
	<b>257</b>	<b>94</b>	<b>5</b>

Counterparty	Options contracts £000	Total by counterparty £000
BNP Paribas	-	94
UBS	200	462
	<b>200</b>	<b>556</b>

### 15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

## Notes to the financial statements (continued)

### 15 Stock lending (continued)

2023 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	236	254	Government Bond
Bank of Nova Scotia	143	159	Equity
	<b>379</b>	<b>413</b>	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	4	-*	4

\* Due to rounding to the nearest thousand, stock lending commission is below the minimum reporting threshold.

2022 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of Nova Scotia	121	136	Equity
Credit Suisse	460	508	Equity/Government Bond
HSBC	234	246	Government Bond
JPMorgan Chase	332	372	Equity
UBS	47	50	Government Bond
	<b>1,194</b>	<b>1,312</b>	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	1	-*	1

\* Due to rounding to the nearest thousand, stock lending commission is below the minimum reporting threshold.



## Notes to the financial statements (continued)

### 16 Risk

#### Currency risk

The fund's net exposure to currency risk (including any instruments used to hedge foreign currencies) is considered insignificant. This is consistent with the exposure during the prior year.

#### Interest rate risk

The fund's exposure to interest rate risk is considered significant. The interest rate risk profile of the fund's financial assets and financial liabilities at the year end is set out in the following table:

	Floating rate financial assets £000	Fixed rate financial assets £000	Non-interest bearing assets £000	Total £000
<b>2023</b>				
Danish krone	-	-	1,180	1,180
Euro	390	-	7,922	8,312
Norwegian krone	-	-	569	569
Swedish krone	1	-	1,027	1,028
Swiss franc	1	-	3,416	3,417
UK sterling	2,133	8,740	6,040	16,913
US dollar	45	-	354	399
<b>Total</b>	<b>2,570</b>	<b>8,740</b>	<b>20,508</b>	<b>31,818</b>
	Floating rate financial assets £000	Fixed rate financial assets £000	Non-interest bearing assets £000	Total £000
<b>2022</b>				
Danish krone	378	-	670	1,048
Euro	245	-	6,714	6,959
Norwegian krone	-	-	389	389
Swedish krone	8	-	530	538
Swiss franc	9	-	1,189	1,198
UK sterling	9,365	9,994	2,594	21,953
US dollar	17	-	938	955
<b>Total</b>	<b>10,022</b>	<b>9,994</b>	<b>13,024</b>	<b>33,040</b>
	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
<b>2023</b>				
Danish krone	2	-	-	2
Euro	-	-	675	675
Norwegian krone	-	-	40	40
Swedish krone	-	-	42	42
Swiss franc	-	-	79	79
UK sterling	-	-	214	214
US dollar	-	-	31	31
<b>Total</b>	<b>2</b>	<b>-</b>	<b>1,081</b>	<b>1,083</b>

## Notes to the financial statements (continued)

### 16 Risk (continued)

#### Interest rate risk (continued)

	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
<b>2022</b>				
Danish krone	1	-	104	105
Euro	15	-	383	398
Norwegian krone	-	-	35	35
Swedish krone	5	-	65	70
Swiss franc	-	-	40	40
UK sterling	-	-	133	133
US dollar	-	-	108	108
<b>Total</b>	<b>21</b>	<b>-</b>	<b>868</b>	<b>889</b>

#### Credit ratings

	Market value £000	Percentage of total net assets %
<b>2023</b>		
<b>Investments</b>		
Investment grade (AAA - BBB)*	8,740	28.46
<b>Total debt securities</b>	<b>8,740</b>	<b>28.46</b>
Derivatives	(27)	(0.09)
Equities	19,001	61.80
<b>Investment assets including investment liabilities</b>	<b>27,714</b>	<b>90.17</b>
Other net assets	3,021	9.83
<b>Total net assets</b>	<b>30,735</b>	<b>100.00</b>
<b>2022</b>		
<b>Investments</b>		
Investment grade (AAA - BBB)*	10,992	34.22
<b>Total debt securities</b>	<b>10,992</b>	<b>34.22</b>
Derivatives	(81)	(0.26)
Equities	12,050	37.46
<b>Investment assets including investment liabilities</b>	<b>22,961</b>	<b>71.42</b>
Other net assets	9,190	28.58
<b>Total net assets</b>	<b>32,151</b>	<b>100.00</b>

\* Certificates of deposit included within investment grade have been rated based on the rating of the issuer.

#### Sensitivity analysis

The actual VaR results, limits and utilisation of limits are summarised in the table below:

VaR Results	Actual VaR in year			VaR limit	Utilisation of VaR limit		
	Minimum	Maximum	Average		Minimum	Maximum	Average
	%	%	%		%	%	%
<b>2023</b>	2.33	9.79	4.73	20	11.66	48.93	23.67
<b>2022</b>	3.00	14.04	6.25	20	14.98	70.19	31.26

## Notes to the financial statements (continued)

### 16 Risk (continued)

#### Leverage

	Minimum %	Maximum %	Average %
<b>2023</b>	137.42	484.59	272.93
<b>2022</b>	120.26	468.24	232.32

#### Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis:

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2023</b>				
Amounts held at derivatives clearing houses and brokers	2	-	-	-
Derivative financial liabilities	-	294	690	-
Other creditors	-	97	-	-
<b>Total</b>	<b>2</b>	<b>391</b>	<b>690</b>	<b>-</b>
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2022</b>				
Amounts held at derivatives clearing houses and brokers	21	-	-	-
Derivative financial liabilities	-	293	344	-
Other creditors	-	231	-	-
<b>Total</b>	<b>21</b>	<b>524</b>	<b>344</b>	<b>-</b>

### 17 Fair value disclosure

#### Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

#### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

#### Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

#### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

## Notes to the financial statements (continued)

### 17 Fair value disclosure (continued)

#### Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	20,420*	89	13,254*	59
Level 2	8,278	895	10,344	578
Level 3	-	-	-	-
	<b>28,698</b>	<b>984</b>	<b>23,598</b>	<b>637</b>

\* Debt securities included in the highest fair value hierarchy level, where their valuation is determined by unadjusted quoted prices from an active market, amount to £4,740,375 as at 31 May 2023 (2022: £998,500).

### 18 Direct transaction costs

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
<b>Trades in the year</b>				
Certificates of deposit	24,987	33,999	31,000	32,250
Debt securities	9,840	1,997	6,187	2,000
Equities	71,205	57,080	64,816	50,527
<b>Trades in the year before transaction costs</b>	<b>106,032</b>	<b>93,076</b>	<b>102,003</b>	<b>84,777</b>
<b>Transaction costs</b>				
<b>Commissions</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	24	18	21	18
<b>Total commissions</b>	<b>24</b>	<b>18</b>	<b>21</b>	<b>18</b>
<b>Taxes</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	57	66	-	-
<b>Total taxes</b>	<b>57</b>	<b>66</b>	<b>-</b>	<b>-</b>
<b>Other expenses</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	2	6	-	-
<b>Total other expenses</b>	<b>2</b>	<b>6</b>	<b>-</b>	<b>-</b>
<b>Total transaction costs</b>	<b>83</b>	<b>90</b>	<b>21</b>	<b>18</b>
<b>Total net trades in the year after transaction costs</b>	<b>106,115</b>	<b>93,166</b>	<b>101,982</b>	<b>84,759</b>

## Notes to the financial statements (continued)

### 18 Direct transaction costs (continued)

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
<b>Total transaction costs expressed as a percentage of asset type cost</b>				
<b>Commissions</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	0.03	0.03	0.03	0.04
<b>Taxes</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	0.08	0.12	-	-
<b>Other expenses</b>				
Certificates of deposit	-	-	-	-
Debt securities	-	-	-	-
Equities	-	0.01	-	-
	<b>2023</b>	<b>2022</b>		
	%	%		
<b>Total transaction costs expressed as a percentage of net asset value</b>				
Commissions	0.14	0.12		
Taxes	0.18	0.23		
Other expenses	0.01	0.02		
<b>Total costs</b>	<b>0.33</b>	<b>0.37</b>		

There were no in specie transfers during the year (2022: nil). There were no corporate actions during the year (2022: nil).

There were direct transaction costs associated with derivatives in the year of £279,682 (2022: £199,209) which is 0.87% of the average net asset value of the fund (2022: 0.68%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 31 May 2023 was 0.04% (2022: 0.06%). The portfolio dealing spread is calculated at a 12 noon valuation point.

### 19 Events after the Balance sheet date

Subsequent to the fund's year end, as a result of the Ukraine situation the fund could be affected by fluctuations in global stock markets, inflation and adverse investor sentiment. As at 14 September 2023, the Net Asset Value of the fund is £25,739,883 which is a decrease of 16.25% from the balance sheet date. The movements are considered to be a non-adjusting post balance sheet event and therefore no adjustments to the financial statements were required as a result.

## Distribution tables for the year ended 31 May 2023 (in pence per share)

### Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 June 2022

Group 2: shares purchased on or after 1 June 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
<b>Class A accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class E accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class I accumulation</b>				
Group 1	0.1298	-	0.1298	-
Group 2	0.1059	0.0239	0.1298	-
<b>Class I EUR Hedged accumulation<sup>1</sup></b>				
Group 1	0.1236	-	0.1236	-
Group 2	0.1236	-	0.1236	-
<b>Class I USD Hedged accumulation<sup>2</sup></b>				
Group 1	0.1480	-	0.1480	-
Group 2	0.1480	-	0.1480	-

<sup>1</sup> in EUR cents per share

<sup>2</sup> in USD cents per share

## Distribution tables for the year ended 31 May 2023 (in pence per share)

### Final dividend distribution (accounting date 31 May 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
<b>Class A accumulation</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>Class E accumulation</b>				
Group 1	1.8016	-	1.8016	-
Group 2	0.7583	1.0433	1.8016	-
<b>Class I accumulation</b>				
Group 1	2.5899	-	2.5899	-
Group 2	1.4643	1.1256	2.5899	-
<b>Class I EUR Hedged accumulation<sup>1</sup></b>				
Group 1	2.3433	-	2.3433	-
Group 2	2.3433	-	2.3433	-
<b>Class I USD Hedged accumulation<sup>2</sup></b>				
Group 1	2.6761	-	2.6761	-
Group 2	-	2.6761	2.6761	-

<sup>1</sup> in EUR cents per share

<sup>2</sup> in USD cents per share

## Appendix - additional information (unaudited)

### Securities financing transactions

The funds engage in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EUR Exit) Regulations 2019, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EU Exit) Regulations 2019, the funds' involvement in and exposures related to securities lending for the year ended 31 May 2023 are detailed below.

### Global data

The table lists the amount of securities on loan as a proportion of total lendable assets and the funds' AUM as at 31 May 2023:

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson China Opportunities Fund	654	0.29	0.28
Janus Henderson European Focus Fund	7,791	3.14	3.07
Janus Henderson European Selected Opportunities Fund	36,327	2.01	1.94
Janus Henderson Absolute Return Fund	10,834	1.08	1.01
Janus Henderson European Absolute Return Fund	379	1.37	1.23

### Concentration data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for each fund as at 31 May 2023:

Issuer	Market value of collateral received £000	Issuer	Market value of collateral received £000
<b>Janus Henderson China Opportunities Fund</b>		<b>Janus Henderson European Focus Fund</b>	
US Treasury	279	US Treasury	3,124
Toyota Motor	36	Government of Japan	1,468
Tencent	36	Toyota Motor	331
Meituan	35	Tencent	330
DSM-Firmenich	22	Meituan	318
DSV	22	Government of France	310
Keyence	22	DSM-Firmenich	201
Investor	16	DSV	199
Link REIT	15	Keyence	198
RWE	14	Investor	145
<b>Janus Henderson European Selected Opportunities Fund</b>		<b>Janus Henderson Absolute Return Fund</b>	
Government of Japan	21,475	3i	389
US Treasury	7,702	QUALCOMM	370
QUALCOMM	495	Allkem	317
Allkem	424	Japan Post Bank	296
Japan Post Bank	396	Eisai	279
Eisai	373	Goldman Sachs	278
Goldman Sachs	372	TDK	274
TDK	367	Murata Manufacturing	241
Murata Manufacturing	323	BP	241
Toshiba	314	Toshiba	234



## Appendix - additional information (unaudited) (continued)

### Securities financing transactions (continued)

#### Concentration data (continued)

Issuer	Market value of collateral received £000
<b>Janus Henderson European Absolute Return Fund</b>	
Government of France	213
UK Treasury	23
Republic of Finland	10
BP	8
Glencore	8
GSK	8
Entain	8
First Quantum Minerals	8
Shell	8
3i	8

The following table details the top ten counterparties of each type of SFTs (based on gross volume of outstanding transactions), for each fund as at 31 May 2023:

Counterparty	Market value of securities on loan £000	Settlement basis	Counterparty	Market value of securities on loan £000	Settlement basis
<b>Janus Henderson China Opportunities Fund</b>			<b>Janus Henderson European Focus Fund</b>		
JPMorgan Chase	654	Triparty	JPMorgan Chase	6,006	Triparty
	<b>654</b>		Bank of America	922	
			Citigroup	598	
			HSBC	265	
				<b>7,791</b>	
<b>Janus Henderson European Selected Opportunities Fund</b>			<b>Janus Henderson Absolute Return Fund</b>		
Morgan Stanley	16,319	Triparty	UBS	6,948	Triparty
Bank of America	10,710		Bank of Nova Scotia	3,886	
UBS	9,298			<b>10,834</b>	
	<b>36,327</b>				
<b>Janus Henderson European Absolute Return Fund</b>					
Bank of America	236	Triparty			
Bank of Nova Scotia	143				
	<b>379</b>				

All counterparties have been included.

## Appendix - additional information (unaudited) (continued)

### Securities financing transactions (continued)

#### Aggregate transaction data

The following tables provides an analysis of the collateral received by each fund in respect of each type of SFTs as at 31 May 2023:

Counterparty	Counterparty country of origin	Type	Quality	Collateral currency	Settlement basis	Custodian	Market value of collateral received £000
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#### Janus Henderson China Opportunities Fund

JPMorgan Chase	United States	Equity	Main market listing	AUD	Triparty	JPMorgan Chase	12
JPMorgan Chase	United States	Equity	Main market listing	CAD	Triparty	JPMorgan Chase	10
JPMorgan Chase	United States	Equity	Main market listing	CHF	Triparty	JPMorgan Chase	2
JPMorgan Chase	United States	Equity	Main market listing	DKK	Triparty	JPMorgan Chase	31
JPMorgan Chase	United States	Equity	Main market listing	EUR	Triparty	JPMorgan Chase	91
JPMorgan Chase	United States	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	4
JPMorgan Chase	United States	Equity	Main market listing	HKD	Triparty	JPMorgan Chase	110
JPMorgan Chase	United States	Equity	Main market listing	JPY	Triparty	JPMorgan Chase	126
JPMorgan Chase	United States	Equity	Main market listing	SEK	Triparty	JPMorgan Chase	36
JPMorgan Chase	United States	Equity	Main market listing	USD	Triparty	JPMorgan Chase	15
JPMorgan Chase	United States	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	279
							<b>716</b>

#### Janus Henderson European Focus Fund

Bank of America	United States	Government Bond	Investment grade	JPY	Triparty	JPMorgan Chase	1,011
Citigroup	United States	Government Bond	Investment grade	EUR	Triparty	JPMorgan Chase	453
Citigroup	United States	Government Bond	Investment grade	JPY	Triparty	JPMorgan Chase	457
Citigroup	United States	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	453
HSBC	United Kingdom	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	31
HSBC	United Kingdom	Equity	Main market listing	USD	Triparty	JPMorgan Chase	1
HSBC	United Kingdom	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	141
HSBC	United Kingdom	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	108
JPMorgan Chase	United States	Equity	Main market listing	AUD	Triparty	JPMorgan Chase	114
JPMorgan Chase	United States	Equity	Main market listing	CAD	Triparty	JPMorgan Chase	89
JPMorgan Chase	United States	Equity	Main market listing	CHF	Triparty	JPMorgan Chase	17
JPMorgan Chase	United States	Equity	Main market listing	DKK	Triparty	JPMorgan Chase	286
JPMorgan Chase	United States	Equity	Main market listing	EUR	Triparty	JPMorgan Chase	832
JPMorgan Chase	United States	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	39
JPMorgan Chase	United States	Equity	Main market listing	HKD	Triparty	JPMorgan Chase	1,009
JPMorgan Chase	United States	Equity	Main market listing	JPY	Triparty	JPMorgan Chase	1,160
JPMorgan Chase	United States	Equity	Main market listing	SEK	Triparty	JPMorgan Chase	329
JPMorgan Chase	United States	Equity	Main market listing	SGD	Triparty	JPMorgan Chase	4
JPMorgan Chase	United States	Equity	Main market listing	USD	Triparty	JPMorgan Chase	137
JPMorgan Chase	United States	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	2,563
							<b>9,234</b>

#### Janus Henderson European Selected Opportunities Fund

Bank of America	United States	Government Bond	Investment grade	JPY	Triparty	JPMorgan Chase	11,750
Morgan Stanley	United States	Government Bond	Investment grade	JPY	Triparty	JPMorgan Chase	9,725
Morgan Stanley	United States	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	7,702
UBS	Switzerland	Equity	Main market listing	AUD	Triparty	JPMorgan Chase	1,172
UBS	Switzerland	Equity	Main market listing	CAD	Triparty	JPMorgan Chase	215
UBS	Switzerland	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	1,405
UBS	Switzerland	Equity	Main market listing	HKD	Triparty	JPMorgan Chase	36
UBS	Switzerland	Equity	Main market listing	JPY	Triparty	JPMorgan Chase	2,827
UBS	Switzerland	Equity	Main market listing	USD	Triparty	JPMorgan Chase	5,109
UBS	Switzerland	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	1
							<b>39,942</b>

## Appendix - additional information (unaudited) (continued)

### Securities financing transactions (continued)

#### Aggregate transaction data (continued)

Counterparty	Counterparty country of origin	Type	Quality	Collateral currency	Settlement basis	Custodian	Market value of collateral received £000
<b>Janus Henderson Absolute Return Fund</b>							
Bank of Nova Scotia Canada		Equity	Main market listing	CAD	Triparty	JPMorgan Chase	867
Bank of Nova Scotia Canada		Equity	Main market listing	EUR	Triparty	JPMorgan Chase	37
Bank of Nova Scotia Canada		Equity	Main market listing	GBP	Triparty	JPMorgan Chase	2,348
Bank of Nova Scotia Canada		Equity	Main market listing	USD	Triparty	JPMorgan Chase	1,084
UBS	Switzerland	Equity	Main market listing	AUD	Triparty	JPMorgan Chase	876
UBS	Switzerland	Equity	Main market listing	CAD	Triparty	JPMorgan Chase	161
UBS	Switzerland	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	1,050
UBS	Switzerland	Equity	Main market listing	HKD	Triparty	JPMorgan Chase	27
UBS	Switzerland	Equity	Main market listing	JPY	Triparty	JPMorgan Chase	2,112
UBS	Switzerland	Equity	Main market listing	USD	Triparty	JPMorgan Chase	3,818
UBS	Switzerland	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	1
							<b>12,381</b>
<b>Janus Henderson European Absolute Return Fund</b>							
Bank of America	United States	Government Bond	Investment grade	EUR	Triparty	JPMorgan Chase	231
Bank of America	United States	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	23
Bank of Nova Scotia Canada		Equity	Main market listing	CAD	Triparty	JPMorgan Chase	32
Bank of Nova Scotia Canada		Equity	Main market listing	EUR	Triparty	JPMorgan Chase	1
Bank of Nova Scotia Canada		Equity	Main market listing	GBP	Triparty	JPMorgan Chase	86
Bank of Nova Scotia Canada		Equity	Main market listing	USD	Triparty	JPMorgan Chase	40
							<b>413</b>

All collateral is held in segregated accounts.

The lending and collateral transactions are on an open basis and can be recalled on demand.

#### Re-use of collateral

Cash collateral may be reinvested during the loan transaction to generate additional returns for the benefit of the sub-fund, however there was no collateral reinvested during the year.

## Appendix - additional information (unaudited) (continued)

### Securities financing transactions (continued)

#### Return and cost on securities lending activities

The following table details the funds' return and costs for each type of SFTs for the year ended 31 May 2023:

Fund	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000	% return retained by the securities lending agent	% return retained by the fund
Janus Henderson China Opportunities Fund	8	1	7	8	92
Janus Henderson Emerging Markets Opportunities Fund	11	1	10	8	92
Janus Henderson European Focus Fund	35	3	32	8	92
Janus Henderson European Selected Opportunities Fund	267	21	246	8	92
Janus Henderson US Growth Fund	12	1	11	8	92
Janus Henderson Absolute Return Fund	36	3	33	8	92
Janus Henderson European Absolute Return Fund	4	-*	4	8	92

\* Due to rounding to the nearest thousand, stock lending commission is below the minimum reporting threshold.

## Appendix - additional information (unaudited) (continued)

### Remuneration policy

Following the implementation of the UK UCITS V in the UK from 18 March 2016, all authorised UK UCITS Management Companies are required to comply with the UK UCITS Remuneration Code (SYSC 19E). Under the Code, the Compensation Committee of Janus Henderson Group plc in its oversight of JHFMUKL must make relevant remuneration disclosures.

The disclosures must split remuneration between fixed and variable remuneration and must break down remuneration for categories of UK UCITS Code Staff (defined as all staff whose professional activities have a material impact on the risk profiles of the funds it manages). The Janus Henderson Group plc Compensation Committee approves the list of UK UCITS Code Staff annually. In addition, identified UK UCITS Code Staff are notified of their status and the associated implications annually.

Janus Henderson Investment Funds Series I is managed by JHFMUKL which is a subsidiary of Janus Henderson Group plc.

The Compensation Committee of Janus Henderson Group plc has established a Remuneration policy, one of the guiding principles of which is to ensure that the remuneration of its employees is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is consistent with risk profiles, rules or instruments of incorporation of each ACD and the funds they manage. This policy applies to JHFMUKL and Janus Henderson Investment Funds Series I.

Further information on the Janus Henderson Group plc's Remuneration policy is available in the annual report as at 31 December 2022.

	Headcount (1)	Total Remuneration (£000s) (2,3)
<b>Janus Henderson China Opportunities Fund</b>	2,131	601
<b>of which</b>		
Fixed Remuneration	2,131	311
Variable Remuneration	2,118	290
<b>Janus Henderson China Opportunities Fund Remuneration Code Staff</b>	44	74
<b>of which</b>		
Senior Management (4)	25	40
Other Code Staff (5)	19	34
<b>Janus Henderson Emerging Markets Opportunities Fund</b>	2,131	182
<b>of which</b>		
Fixed Remuneration	2,131	94
Variable Remuneration	2,118	88
<b>Janus Henderson Emerging Markets Opportunities Fund Remuneration Code Staff</b>	44	22
<b>of which</b>		
Senior Management (4)	25	12
Other Code Staff (5)	19	10
<b>Janus Henderson European Focus Fund</b>	2,131	460
<b>of which</b>		
Fixed Remuneration	2,131	238
Variable Remuneration	2,118	222
<b>Janus Henderson European Focus Fund Remuneration Code Staff</b>	44	57
<b>of which</b>		
Senior Management (4)	25	31
Other Code Staff (5)	19	26
<b>Janus Henderson European Selected Opportunities Fund</b>	2,131	3,224
<b>of which</b>		
Fixed Remuneration	2,131	1,668
Variable Remuneration	2,118	1,556
<b>Janus Henderson European Selected Opportunities Fund Remuneration Code Staff</b>	44	396
<b>of which</b>		
Senior Management (4)	25	215
Other Code Staff (5)	19	181

## Appendix - additional information (unaudited) (continued)

### Remuneration policy (continued)

	Headcount (1)	Total Remuneration (£000s) (2,3)
<b>Janus Henderson US Growth Fund</b>	2,131	551
<b>of which</b>		
Fixed Remuneration	2,131	285
Variable Remuneration	2,118	266
<b>Janus Henderson US Growth Fund Remuneration Code Staff</b>	44	68
<b>of which</b>		
Senior Management (4)	25	37
Other Code Staff (5)	19	31
<b>Janus Henderson Absolute Return Fund</b>	2,131	2,113
<b>of which</b>		
Fixed Remuneration	2,131	1,093
Variable Remuneration	2,118	1,020
<b>Janus Henderson Absolute Return Fund Remuneration Code Staff</b>	44	260
<b>of which</b>		
Senior Management (4)	25	141
Other Code Staff (5)	19	119
<b>Janus Henderson European Absolute Return Fund</b>	2,131	56
<b>of which</b>		
Fixed Remuneration	2,131	29
Variable Remuneration	2,118	27
<b>Janus Henderson European Absolute Return Fund Remuneration Code Staff</b>	44	7
<b>of which</b>		
Senior Management (4)	25	4
Other Code Staff (5)	19	3

1. This is the actual number of employees who are fully or partly involved in the activities of Janus Henderson Investment Funds Series I – no attempt has been made to apportion the time spent specifically in support of Janus Henderson Investment Funds Series I as this data is not captured as part of the Company's normal processes.
2. Please note that due to the employment structure and resourcing of the Janus Henderson Group plc, the staff indicated in this table may provide services to other companies in the Janus Henderson Group plc.
3. The remuneration disclosed is only in respect of the provision of services to Janus Henderson Investment Funds Series I for the year, rather than the total remuneration for the year – for this purpose, remuneration has been apportioned between the provision of services to Janus Henderson Investment Funds Series I and to other entities in Janus Henderson Group plc, in respect of fixed pay and annual/long term incentive bonuses, as follows:
  - where fixed pay is directly attributable to Janus Henderson Funds Series I (for example, fees for the JHFMUKL Board members), 100% of those fees;
  - pro-rated using the average AUM of Janus Henderson Investment Funds Series I (as a proportion of the aggregate average AUM of Janus Henderson Group plc) as a proxy;
  - in respect of performance fee incentives, 100% of any direct allocations of performance fees generated within the Company.
4. Senior Management includes the Janus Henderson Executive Committee and other Group Board members and the Board of JHFMUKL.
5. Other Code Staff includes all JHFMUKL Code Staff.
6. Please note that rounding off of values could lead to a mismatch of individual numbers and their sum.

## Further information

### Shareholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on the number below:

For all enquiries please telephone at local rate: **0800 832 832**

or you can contact us via e-mail at **[support@janushenderson.com](mailto:support@janushenderson.com)**

We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

## Important Information

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), (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 2 Rue de Bitbourg, L-1273, Luxembourg and regulated by the Commission de Surveillance du Secteur Financier).

**We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.**

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