

Q4 2023

Janus Henderson

# GLOBAL LIFE SCIENCES FUND



Past performance does not predict future returns.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested.



# EXPERIENCED EXPERTS

The Janus Henderson Global Life Sciences Fund's management team comprises of sector specialists with scientific backgrounds. The team has more than 100 years of combined healthcare investment experience and manages US\$10.7bn\* in assets under management.

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\*AUM as at 30 September 2023.

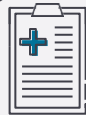
All data sourced from Janus Henderson Investors (as at 31 December 2023), unless otherwise stated.

# KEY MESSAGES

## Case for the healthcare sector:

### INNOVATION

- ▶ Scientific advancements are leading to novel therapies addressing unmet medical needs
- ▶ Increasing pace of approvals of novel therapies
- ▶ Rapidly increasing sales



### DEMOGRAPHICS

- ▶ We are in the midst of a massive global demographic shift
- ▶ People are living longer due to increased access to healthcare
- ▶ As people age they spend more on healthcare

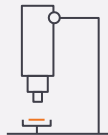


### GLOBALISATION

- ▶ Rising standards of living leading to higher healthcare spending globally
- ▶ As countries develop the demand for healthcare increases



## WHY JANUS HENDERSON FOR GLOBAL HEALTHCARE?



### Experts in science and healthcare business

Two primary concerns when investing in healthcare are clinical risks and commercial risks. We call this the **90/90 rule\***.



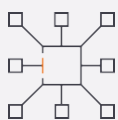
### Clinical risk

**90%** of drugs that enter human clinical trials never make it to market



### Commercial risk

In our experience, consensus estimates of revenues derived from new drug launches are wrong **90%** of the time



### Diversified approach

Across industries, geographies and market capitalisations:

- Biotechnology
- Pharmaceuticals
- Medical devices
- Healthcare services



### Value at risk

- Stock level VaR\*\* designed to mitigate downside risks

Past performance does not predict future returns.

\*90/90 rule is a concept created by the Janus Henderson team. \*\* It only applies to development stage companies.

# OUR APPROACH: WHAT ARE WE SEEKING?

## Innovation

Investing in companies that are addressing high unmet medical needs



### Acceleration of innovation

Many decades of advanced **Research & Development in biology, chemistry, genetics, and computer technology** have come together to deliver revolutionary new healthcare treatments.

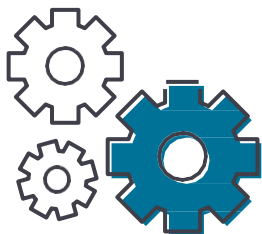
The result is an increasing pace of innovative novel therapies treating – and in some cases curing – previously high unmet medical needs.

### Commercial benefits of novel therapies

- Novel therapies are swiftly adopted and give companies pricing power
- Intellectual property often protected by durable patents

## Efficiency

Identifying companies that make the healthcare system more efficient and help to lower costs



### Healthcare systems under pressure

Long-term trends in demographics also means growing pressure on governments and society to support the additional healthcare costs of this aging population.

### Commercial benefits of improving system efficiency

**Companies that are able to make the healthcare system more efficient and are able to lower costs will stand** to benefit as a greater cost-consciousness permeates through the system.

# FUND AT A GLANCE

## Fund facts

Structure	Irish Investment Company (IIC)
SFDR categorisation	Article 8
Base currency	USD
Inception date	31 March 2000
Sector	Morningstar Sector Equity Healthcare
Benchmark	MSCI World Health Care Index
ISIN	IE0009355771

Portfolio managers  
**Andy Acker, CFA**  
**Daniel Lyons, PhD, CFA**

Fund assets  
**\$3.7bn**

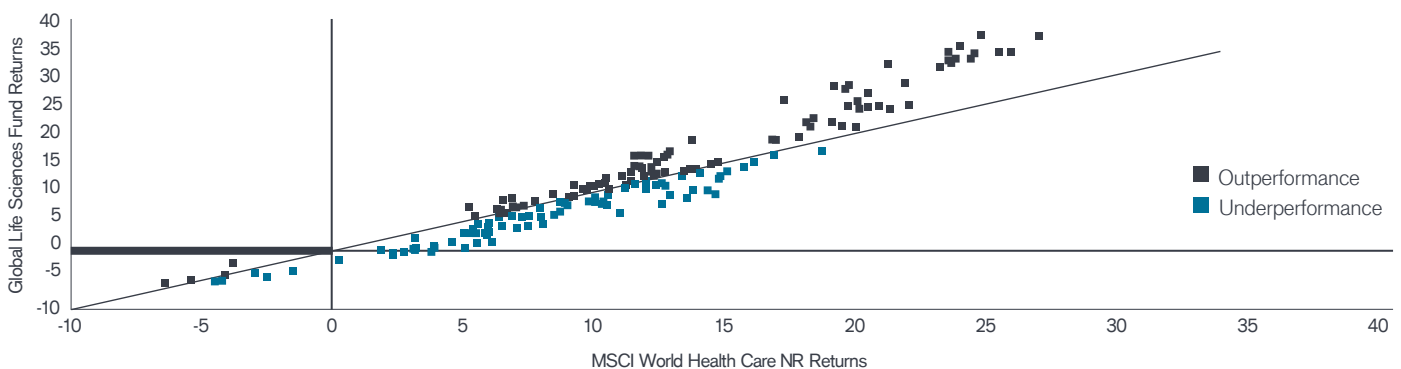
Overall Morningstar Rating™



Sector: Morningstar sector Equity Healthcare. A2 USD share class, as at December 2023

## Performance

Annualised monthly rolling 3 year performance\* – A2 USD (%)



Performance\*\* – USD (%)

	3 Month	1 Year	3 Year	5 Year	10 Year
Global Life Sciences Fund A2 USD (net)	7.81	5.44	1.84	10.62	9.44
Global Life Sciences Fund A2 USD (with Sales Charge)^	2.42	0.17	0.11	9.49	8.87
MSCI World Health Care Index	5.87	3.76	5.55	10.47	9.01
Morningstar Sector Equity Healthcare	7.16	2.68	-1.81	6.81	6.38

^Performance with sales charge assume 5.00% initial sales charge/front-end load (FEL) applied.

Calendar year returns\*\*

– USD (%)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Global Life Sciences Fund A2 USD (net)	5.44	-4.35	4.72	23.41	27.06	2.01	20.55	-13.79	5.69	32.75
MSCI World Health Care Index	3.76	-5.41	19.80	13.52	23.24	2.51	19.80	-6.81	6.60	18.10
Morningstar Sector Equity Healthcare	2.68	-14.12	7.12	20.53	21.80	-3.40	21.68	-9.37	5.90	18.33

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\*\*Data shown is for the "Value at Risk" approach period from 01/04/07 - 31/12/23. \*\*Performance is on a net of fees basis, with gross income reinvested. Returns greater than one year are annualised. Benchmark: MSCI World Health Care Index. Fund: Janus Henderson Global Life Sciences Fund A2 USD shareclass

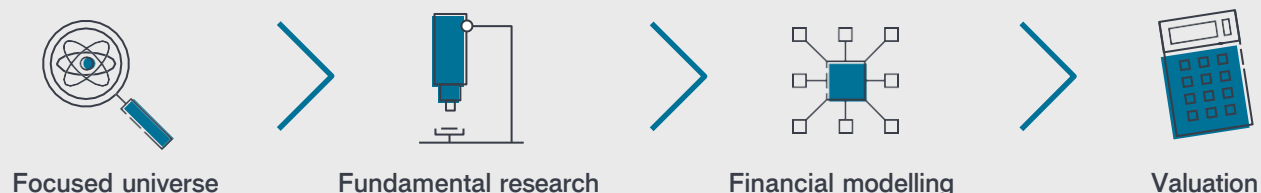
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# INVESTMENT PROCESS

## 1 CREATE AN INVESTABLE UNIVERSE

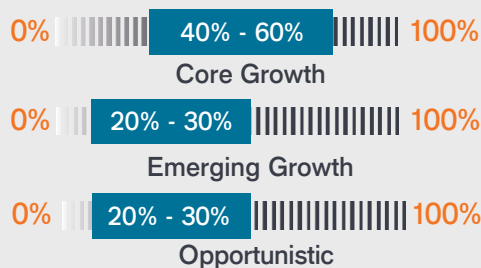


## 2 INTENSIVE FUNDAMENTAL ANALYSIS

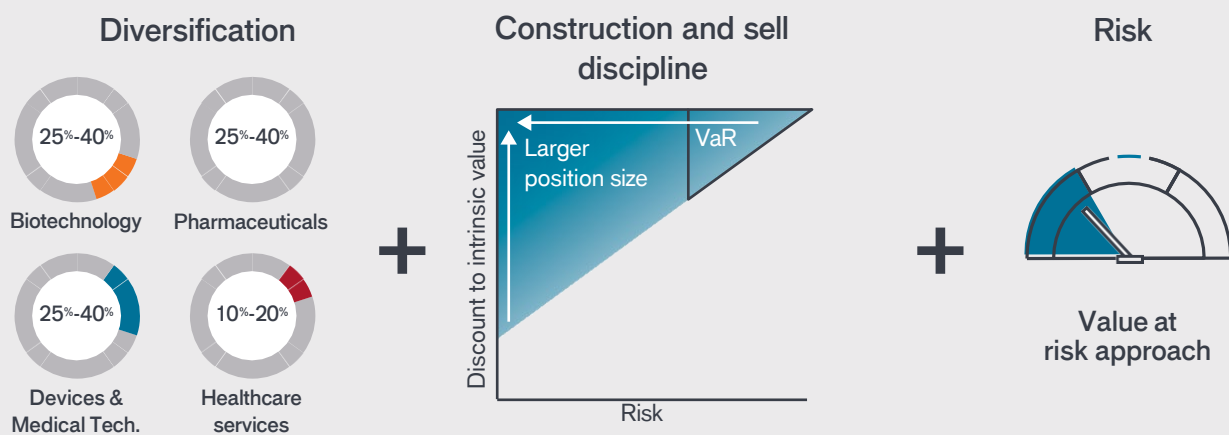


## 3 PORTFOLIO STOCK SELECTION

- 80-120 holdings
- 85%-90% of portfolio "Buy" or "Strong Buy" rated
- Non-U.S. holdings range from 20%-30%
- Diversified across subsectors and market cap



## 4 PORTFOLIO COMPOSITION AND CONSTRUCTION



# FUND AT A GLANCE



**Andy Acker, CFA**  
Portfolio Manager

- Joined Janus in 1999
- Bachelor's degree in biochemical sciences from Harvard University
- MBA with honours from Harvard Business School
- 28 years of financial industry experience
- **Also specialist in Biotech**



**Daniel Lyons, PhD, CFA**  
Portfolio Manager

- Joined Janus in 2000
- Bachelor's degree in biochemistry and chemistry from Rice University
- PhD in immunology from Stanford and postdoctoral research with a Nobel laureate
- 24 years of financial industry experience

## Sector specialists

### Biotechnology

**Agustin Mohedas, PhD**

10 years of financial industry experience

**Vish Sridharan, MD**

4 years of financial industry experience

### Healthcare IT Medical Technology

**Tim McCarty, CFA**

12 years of financial industry experience

**Adam Poussard, CFA**

18 years of financial industry experience

**Lauren Petite**

6 years of financial industry experience

### Pharmaceuticals

**Luyi Guo, PhD, CFA**

11 years of financial industry experience

## Did you know?

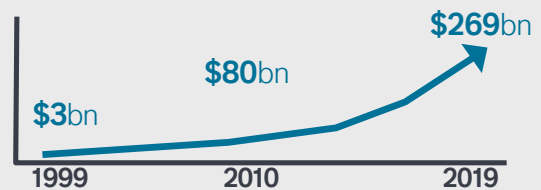
### FASTER INNOVATION:



**247<sup>1</sup> drugs approved in 2018 – 2022**

**up 101% compared to 2003 – 2022**

### x50 BIOTECH SALES SINCE 1999<sup>2</sup>



### AGEING DEMOGRAPHICS



By 2050, **one in six** people in the world will be over age 65 (16%).<sup>3</sup>

According to the UN, population ageing is poised to become one of the most significant social transformations of the 21st century.<sup>4</sup>

### GLOBALISATION



By 2030, those living in Asia Pacific could represent two-thirds of the global middle-class population.<sup>5</sup>

Sources: <sup>1</sup> FDA, as at 31 December 2022, <sup>2</sup> ISI Group and Janus Henderson Investors, as at 31 December 2021, <sup>3</sup> United Nations 2019 Revision of World Population Prospects, <sup>4</sup> Kaiser Family Foundation analysis of a 5 percent sample of Medicare claims from the Chronic Conditions Data Warehouse, as at 2011, <sup>5</sup> Kharas (2010), Global Economy & Development at Brookings, Working Paper 100, 2017.

FOR MORE INFORMATION, PLEASE VISIT [JANUSHENDERSON.COM](https://www.janushenderson.com)

**Janus Henderson**  
INVESTORS

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