

U.S. Managed Volatility Fund

Performance Commentary (Class I Shares)

as of 6/30/20

Summary

- Equity markets recorded strong gains in the second quarter as investors became more optimistic about the outlook for the global economy following a loosening of lockdown restrictions and the reopening of many global economies.
- Defensive segments generally lagged as volatility in the market declined amidst the strong market recovery during the quarter. Specifically, lower beta stocks underperformed their higher beta counterparts within the index, and the defensive utilities and consumer staples sectors were the weakest performers during the period.
- While the Fund was negatively impacted by its overall defensive positioning in the market rally, an average overweight to the smaller capitalization stocks within the Russell 1000[®] Index and favorable selection effects within the consumer discretionary and health care sectors more than offset the negative impact from its defensive positioning.
- U.S. Managed Volatility strategy's optimization approach, which targets an excess return while minimizing the absolute risk, involves a dynamic adjustment to the market environment whereby the strategy adjusts the volatility reduction to market conditions. In periods of volatile markets, the portfolio will focus on volatility reduction offering a smoother ride and an increased downside mitigation and in periods of lower volatility, the portfolio will focus on alpha generation.

Performance (%)	2Q20	1 yr	3 yr	5 yr	10 yr	Since Inception (12/30/05)
Class I Shares	22.92	3.37	8.89	8.84	12.80	7.66
Class T Shares	23.03	3.32	8.79	8.68	12.62	7.37
Class A Shares @ NAV	22.89	3.14	8.62	8.55	12.49	7.38
Class A Shares @ MOP	15.89	-2.76	6.48	7.28	11.82	6.94
Russell 1000 [®] Index	21.82	7.48	10.64	10.47	13.97	8.78

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

Maximum Offering Price (MOP) returns include the maximum sales charge of 5.75%. Net Asset Value (NAV) returns exclude this charge, which would have reduced returns.

Expense ratios: Class I Shares: Gross 0.70% and Net 0.70% | Class T Shares: Gross 0.80% and Net 0.80% | Class A Shares: Gross 0.96% and Net 0.96%.

Returns include reinvestment of dividends and capital gains. Returns greater than one year are annualized.

Please consider the charges, risks, expenses and investment objectives carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, please call Janus Henderson at 800.668.0434 or download the file from janushenderson.com/info. Read it carefully before you invest or send money.

U.S. Managed Volatility Fund (as of 6/30/20)

Quarterly Performance Attribution by Standard Deviation (%)

Std. Dev. Range	U.S. Managed Volatility Fund			Russell 1000® Index			Avg. Weight Difference	Attribution		
	Avg. Std. Dev.	Avg. Weight	Total Return	Avg. Std. Dev.	Avg. Weight	Total Return		Allocation Effect	Residual (Selection Effect)	Total Effect
Quintile 1 (high)	48.17	6.46	70.86	43.43	5.26	43.49	1.21	0.59	0.88	1.48
Quintile 2	36.65	14.87	35.83	37.62	9.60	25.58	5.26	0.54	1.07	1.61
Quintile 3	28.34	12.91	28.90	32.39	14.71	22.94	-1.81	0.04	0.56	0.60
Quintile 4	26.42	28.39	15.85	28.40	21.70	19.09	6.69	-0.12	-0.82	-0.94
Quintile 5 (low)	21.60	36.85	14.59	24.38	48.40	19.93	-11.55	0.59	-1.75	-1.16
Total	24.36	100.00	-	28.05	100.00	21.85	-	1.72	0.01	1.72

- As of June 30, 2020, the portfolio exhibits a 13% estimated volatility reduction versus the Russell 1000 Index.
- The Fund's overall active positioning from a volatility standpoint contributed to overall relative performance.

Quarterly Performance Attribution by Beta (%)

Beta Range	U.S. Managed Volatility Fund			Russell 1000® Index			Avg. Weight Difference	Attribution		
	Avg. Beta	Avg. Weight	Total Return	Avg. Beta	Avg. Weight	Total Return		Allocation Effect	Residual (Selection Effect)	Total Effect
Quintile 1 (high)	1.40	7.86	35.61	1.42	10.24	30.03	-2.37	0.14	0.14	0.28
Quintile 2	1.19	16.92	41.92	1.18	26.88	28.95	-9.96	-0.62	1.81	1.19
Quintile 3	1.05	13.28	26.43	1.04	17.57	22.11	-4.29	0.02	0.52	0.54
Quintile 4	0.90	27.45	14.68	0.91	20.47	13.97	6.98	-0.49	0.21	-0.28
Quintile 5 (low)	0.70	34.48	17.57	0.69	24.65	17.61	9.82	-0.12	0.05	-0.08
Total	0.98	100.00	-	1.00	100.00	21.85	-	-1.05	2.77	1.72

- An average overweight to lower beta stocks detracted from overall relative performance during the quarter.

Quarterly Performance Attribution by Market Capitalization (%)

Market Capitalization Range	U.S. Managed Volatility Fund		Russell 1000® Index		Avg. Weight Difference	Attribution		
	Avg. Weight	Total Return	Avg. Weight	Total Return		Allocation Effect	Residual (Selection Effect)	Total Effect
Over \$100B	14.54	17.04	48.16	22.06	-33.61	0.06	-0.60	-0.54
\$25B to \$100B	22.60	22.97	26.89	17.54	-4.29	0.18	1.21	1.39
\$15B to \$25B	19.55	24.43	9.75	26.60	9.80	0.48	-0.47	0.01
\$2B to \$15B	42.91	24.92	14.68	25.55	28.23	1.29	-0.50	0.78
Under \$2B	0.37	17.53	0.51	41.23	-0.14	0.04	-0.05	-0.01
Total	100.00	-	100.00	21.85	-	2.09	-0.36	1.72

- Due to their volatility and correlation characteristics, the Fund tends to overweight the smaller stocks within the investment universe as they provide more relative volatility capture potential. The portfolio's smaller size positioning contributed to relative performance for the quarter.

U.S. Managed Volatility Fund (as of 6/30/20)

Quarterly Performance Attribution by Sector (%)

GICS Sector	U.S. Managed Volatility Fund		Russell 1000® Index		Avg. Weight Difference	Attribution		
	Avg. Weight	Total Return	Avg. Weight	Total Return		Allocation Effect	Residual (Selection Effect)	Total Effect
Communication Services	5.13	22.25	10.39	21.08	-5.26	0.04	0.06	0.10
Consumer Discretionary	11.28	54.78	10.82	36.40	0.46	0.19	1.80	1.99
Consumer Staples	6.84	13.59	6.87	8.55	-0.04	0.15	0.31	0.46
Energy	0.26	20.94	2.79	32.51	-2.53	-0.28	-0.02	-0.29
Financials	9.33	16.40	10.68	12.76	-1.35	0.17	0.31	0.48
Health Care	14.85	25.75	15.04	15.39	-0.19	0.02	1.45	1.46
Industrials	6.40	23.66	8.36	17.89	-1.96	0.14	0.36	0.50
Information Technology	17.94	34.03	25.78	31.86	-7.84	-0.66	0.34	-0.32
Materials	1.32	32.16	2.62	25.98	-1.30	-0.03	0.09	0.05
Real Estate	10.53	16.23	3.47	13.30	7.06	-0.53	0.27	-0.26
Utilities	16.12	2.74	3.17	2.85	12.95	-2.40	-0.06	-2.47
Total	100.00	-	100.00	21.85	-	-3.19	4.91	1.72

- The Fund was negatively impacted by an average overweight to the defensive utilities sector during the quarter.
- However, an overall positive selection effect offset the negative impact from adverse sector positioning and contributed to the portfolio's relative performance during the quarter, especially within the consumer discretionary and health care sectors.

For more information, please visit janushenderson.com.

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INVESTORS

Past performance is no guarantee of future results.

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

Intech's focus on managed volatility may keep the Fund from achieving excess returns over its index. The strategy may underperform during certain periods of up markets, and may not achieve the desired level of protection in down markets.

Performance for Class A Shares, Class I Shares and Class T Shares that includes periods prior to 7/6/09 reflects the performance of one or more share classes of the Fund or a predecessor fund, adjusted, where applicable and permitted, for differing fees and expenses. See the Fund's prospectus for further details.

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

Russell 1000® Index reflects the performance of U.S. large-cap equities. **Alpha** compares risk-adjusted performance relative to an index. Positive alpha means outperformance on a risk-adjusted basis. **Beta** measures the volatility of a security or portfolio relative to an index. Less than one means lower volatility than the index; more than one means greater volatility. **Standard Deviation** measures historical volatility. Higher standard deviation implies greater volatility.

Attribution is used as a tool to explain the sources of a portfolio excess return versus a specific benchmark and during a specific period. The most widely used attribution methodology is a Return Decomposition Model based on weights and returns of a portfolio and index's underlying holdings. This attribution framework can be defined over a specific period, benchmark, grouping (sector, market cap, country, beta quintiles, standard deviation quintiles) and currency. **Allocation Effect** measures whether the overweight or underweight of a segment relative to the index contributed positively or negatively to the overall portfolio's relative return over a specific period. For example, if the portfolio is underweight a segment of the market that underperformed, the allocation

effect will be positive. If the portfolio is overweight a segment of the market that underperformed or underweight a segment of the market that outperformed, the allocation effect will be negative. **Residual (Selection Effect)**, measures if the securities that a portfolio hold within a given segment have contributed to or detracted from the overall portfolio's relative performance. A positive selection effect means that the portfolio return within a specific segment was greater than the benchmark within the same segment. The "selection" of the stocks in the portfolio for that segment outperformed similar securities in the benchmark. Intech refers to "selection effect" as "residual" given our process selects stocks based on relative volatility and correlation characteristics as opposed to a traditional manager where "selection effect" measures the manager skill to select stocks that outperform. **Total Effect** is the sum of the allocation and selection effects.

Performance attribution is equity only and does not include cash. Total returns are gross of advisory fees and may differ from actual returns as they are based on end-of-day holdings in the fund. Companies in the fund and index are divided into quintiles based upon their standard deviation and beta during the period. Sector weights based on GICS. Intech Investment Management LLC is a subsidiary of Janus Henderson Group plc and serves as the sub-advisor on certain products.

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