

VIT U.S. Low Volatility Portfolio

Performance Commentary (Service 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.
- The Fund was negatively impacted by its overall defensive positioning during the period. In particular, an average overweight to lower beta stocks and the defensive utilities and consumer staples sectors detracted from relative performance.
- The Janus Henderson U.S. Low Volatility Portfolio aims to generate market-like returns over time with significantly lower return fluctuations. While some downside mitigation and a more consistent experience are expected over the long term, the tracking error, relative to the S&P 500[®] Index, is expected to be high.

Performance (%)	2Q20	1 yr	3 yr	5 yr	10 yr	Since Inception (9/6/12)
Service Shares	12.22	1.46	7.26	8.35	–	10.60
S&P 500 [®] Index	20.54	7.51	10.73	10.73	–	12.70

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/VITperformance.

Expense ratios: Service Shares: Gross 0.82% and Net 0.82%.

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

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

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/VIT. Read it carefully before you invest or send money.

VIT U.S. Low Volatility Portfolio (as of 6/30/20)

Quarterly Performance Attribution by Standard Deviation (%)

Std. Dev. Range	VIT U.S. Low Volatility Portfolio			S&P 500® 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)	47.92	2.75	31.75	47.29	5.70	29.99	-2.95	-0.27	-0.03	-0.30
Quintile 2	35.27	7.82	20.13	36.57	12.91	18.04	-5.09	0.03	0.15	0.18
Quintile 3	30.54	15.07	5.02	31.42	14.74	21.70	0.32	-0.04	-2.32	-2.36
Quintile 4	23.61	21.77	19.91	28.44	33.26	25.01	-11.49	-0.46	-1.07	-1.53
Quintile 5 (low)	21.46	52.31	9.22	21.94	33.23	15.24	19.09	-0.93	-2.89	-3.82
Total	22.89	100.00	-	27.95	100.00	20.57	-	-1.71	-6.28	-7.99

- As of June 30, 2020, the Portfolio exhibits an 18% estimated volatility reduction versus the S&P 500 Index.
- An average overweight to lower volatility stocks and underweight to higher volatility stocks detracted from the Portfolio's relative performance during the quarter.

Quarterly Performance Attribution by Beta (%)

Beta Range	VIT U.S. Low Volatility Portfolio			S&P 500® 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)	1.34	2.48	27.62	1.38	11.72	23.85	-9.23	-0.38	0.03	-0.35
Quintile 2	1.17	8.07	27.85	1.17	26.73	29.27	-18.66	-1.42	-0.05	-1.46
Quintile 3	1.03	8.85	12.17	1.03	16.39	20.97	-7.54	-0.09	-0.76	-0.86
Quintile 4	0.91	30.00	8.79	0.91	20.48	12.48	9.52	-0.75	-1.06	-1.81
Quintile 5 (low)	0.66	50.51	11.40	0.70	24.38	16.51	26.13	-1.02	-2.33	-3.35
Total	0.84	100.00	-	1.00	100.00	20.57	-	-3.73	-4.26	-7.99

- An average overweight to lower beta stocks (quintile 5) detracted from the Portfolio's relative performance during the quarter.

Quarterly Performance Attribution by Market Capitalization (%)

Market Capitalization Range	VIT U.S. Low Volatility Portfolio		S&P 500® Index		Avg. Weight Difference	Attribution		
	Avg. Weight	Total Return	Avg. Weight	Total Return		Allocation Effect	Residual (Selection Effect)	Total Effect
Over \$100B	25.14	11.40	53.28	22.07	-28.14	-0.36	-2.39	-2.75
\$25B to \$100B	43.92	9.14	28.89	16.37	15.04	-0.60	-3.08	-3.68
\$15B to \$25B	13.85	20.61	9.43	22.62	4.42	0.04	-0.38	-0.34
\$2B to \$15B	17.06	16.03	8.37	23.40	8.69	0.28	-1.26	-0.98
Under \$2 B	0.03	35.84	0.03	86.77	0.00	-0.07	-0.09	-0.15
Total	100.00	-	100.00	20.57	-	-0.79	-7.20	-7.99

- Due to their volatility and correlation characteristics, the Portfolio tends to overweight the smaller stocks within the investment universe as they provide more relative volatility capture potential. The Portfolio's active size positioning had a negative impact on relative performance for the quarter.

VIT U.S. Low Volatility Portfolio (as of 6/30/20)

Quarterly Performance Attribution by Sector (%)

GICS Sector	VIT U.S. Low Volatility Portfolio		S&P 500® Index		Avg. Weight Difference	Attribution		
	Avg. Weight	Total Return	Avg. Weight	Total Return		Allocation Effect	Residual (Selection Effect)	Total Effect
Communication Services	5.30	16.42	10.86	20.04	-5.56	-0.06	-0.12	-0.17
Consumer Discretionary	9.86	25.73	10.41	32.86	-0.55	-0.06	-0.55	-0.61
Consumer Staples	26.85	10.61	7.35	8.12	19.49	-2.27	0.57	-1.70
Energy	0.52	30.16	2.93	30.51	-2.41	-0.25	-0.03	-0.29
Financials	7.68	5.99	10.52	12.20	-2.84	0.20	-0.53	-0.33
Health Care	10.19	17.18	15.17	13.59	-4.98	0.27	0.26	0.53
Industrials	4.94	16.30	7.95	17.33	-3.00	0.12	-0.14	-0.02
Information Technology	5.75	33.85	26.14	30.53	-20.39	-1.67	0.08	-1.59
Materials	3.78	31.81	2.50	26.04	1.28	0.04	0.11	0.15
Real Estate	5.54	7.15	2.89	13.22	2.65	-0.18	-0.40	-0.58
Utilities	19.60	-0.66	3.28	2.73	16.32	-2.72	-0.66	-3.37
Total	100.00	-	100.00	20.57	-	-6.58	-1.41	-7.99

- Average overweights to the defensive consumer staples and utilities sectors, as well as an average underweight to the information technology sector, detracted from the Portfolio's relative performance for the quarter.

For more information, please visit janushenderson.com/VIT.

Janus Henderson
INVESTORS

Past performance is no guarantee of future results.

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

The proprietary mathematical process used by Intech may not achieve the desired results. Since the portfolio is periodically re-balanced, this may result in a higher portfolio turnover rate and higher expenses compared to a "buy and hold" or index fund strategy. Intech's low volatility strategy may underperform its benchmark during certain periods of up markets and may not achieve the desired level of protection in down markets.

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

S&P 500® Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance. **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. **Tracking Error** is the divergence between the price behavior of an investment and an index.

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-adviser on certain products.

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