2Q21 Global & International Equity

FUND COMMENTARY

Dividend & Income Builder Fund

Market Environment

- Equity markets continued to make gains in the second quarter, although there was a shift in market performance: From mid-May to quarter end, growth significantly outperformed value, led by stocks in the information technology and communication services sectors.
- While a flattening of the yield curve stimulated outperformance in real estate, it did not drive positive performance in utilities.
- Concerns over peaking manufacturing indicators impacted the performance of the industrials and materials sectors during the period.
- Companies continued to indicate confidence in the growth outlook, with solid levels of dividend increases, special dividends and share buybacks. Commodities also performed strongly, with oil reaching a one-year high.

Performance Summary

While the Fund continued to meet its income objectives and delivered a positive return for the quarter ended June 30, 2021, it underperformed its primary benchmark, the MSCI World Index^{SM}, and its secondary benchmark, the 75% MSCI World / 25% Bloomberg Barclays Global Aggregate Credit (USD Hedged) Index. Stock selection and an underweight in information technology and selection in financials and energy weighed on relative returns, while selection in health care, staples and industrials was additive.

For detailed performance information, please visit janushenderson.com/performance.

Portfolio Discussion

The underweight exposure to the information technology sector detracted from relative returns due to negative allocation and selection effects. The sector outperformed the rest of the market due to a rotation into growth from mid-May. The Fund's holdings in the semiconductor and communications equipment industries underperformed as outperformance was targeted at higher-growth and no/low dividend-yielding companies, including in the software and services industry. Supply/demand conditions in semiconductors remained tight and inventories were low, which we believed provided a good backdrop for pricing and growth for the Fund's semiconductor holdings.

The Fund's fixed income allocation also detracted over the period, as global bonds experienced a disappointing quarter on the back of rising inflation expectations.

Our overweight position in the health care sector was positive for relative returns, with strong stock selection driving the Fund's outperformance. The sector benefited from the Federal Drug Administration's (FDA) approval of Aduhelm, the first new drug for treating Alzheimer's to be approved in over a decade. This represents a sizable new end-market opportunity and demonstrates the innovative capability of the sector. Ahead of the second quarter, the sector had underperformed for a sustained period,

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but the Fund's holdings traded at very attractive valuations during the quarter relative to their defensible competitive positions and growth profiles. Overall, we see good levels of capital and income upside from our holdings in the sector.

Within consumer staples, our overweight positioning contributed positively to performance, as did strong stock selection.

Top Contributors	Equity Average Weight (%)	Equity Relative Contribution (%)
AstraZeneca PLC	1.22	0.15
Nestle SA	2.52	0.12
Novo Nordisk A/S	0.97	0.10
Entain plc	1.20	0.09
Stellantis N.V.	1.52	0.07

Top Detractors	Equity Average Weight (%)	Equity Relative Contribution (%)
Panasonic Corporation	1.39	-0.25
AB SKF	1.17	-0.23
Enel S.p.A.	1.54	-0.22
AXA SA	1.41	-0.21
Taiwan Semiconductor Manufacturing Co Ltd	2.22	-0.21

The holdings identified in this table, in compliance with Janus Henderson policy, do not represent all of the securities purchased, held or sold during the period. To obtain a list showing every holding as a percentage of the portfolio at the end of the most recent publicly available disclosure period, contact 800.668.0434 or visit janushenderson.com/info.

Relative contribution reflects how the portfolio's holdings impacted return relative to the benchmark. Cash and securities not held in the portfolio are not shown.

Manager Outlook

After a prolonged period of value stocks underperforming growth, we see scope for continued market rotation into undervalued and unloved segments of the market. The Fund is well positioned for this due to the team's strong valuation discipline that focuses on identifying attractive dividend-yielding stocks with high levels of free cash flow. We continue to see signs of companies being more comfortable to distribute dividends. We see this as supportive for the income generation for the Fund during the remainder of the year.

Portfolio Management

Equity Sleeve

- Ben Lofthouse, CFA
- Job Curtis
- Alex Crooke

Fixed Income Sleeve

- Jenna Barnard, CFA
- John Pattullo

For more information, please visit **janushenderson.com.**

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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.

Past performance is no guarantee of future results. Call 800.668.0434 or visit janushenderson.com/performance for current month-end performance.

Discussion is based on the performance of Class I Shares.

As of 6/30/21 the top ten portfolio holdings of Janus Henderson Dividend & Income Builder Fund are: Microsoft Corp (3.75%), Samsung Electronics Co Ltd (3.02%), Nestle SA (2.31%), UPM-Kymmene Oyj (2.13%), AstraZeneca PLC (2.01%), UBS Group AG (1.99%), Medtronic PLC (1.87%), Cisco Systems Inc/Delaware (1.81%), Sanofi (1.75%) and AXA SA (1.72%). There are no assurances that any portfolio currently holds these securities or other securities mentioned.

The opinions are as of 6/30/21, are subject to change and may not reflect the views of others in the organization. Janus Henderson may have a business relationship with certain entities discussed. The comments should not be construed as a recommendation of individual holdings or market sectors, but as an illustration of broader themes.

For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, gross of advisory fees, may exclude certain derivatives and will differ from actual performance.

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

Foreign securities are subject to additional risks including currency fluctuations, political and economic uncertainty, increased volatility, lower liquidity and differing financial and information reporting standards, all of which are magnified in emerging markets.

Fixed income securities are subject to interest rate, inflation, credit and default risk. The bond market is volatile. As interest rates rise, bond prices usually fall, and vice versa. The return of principal is not guaranteed, and prices may decline if an issuer fails to make timely payments or its credit strength weakens.

Initial Public Offerings (IPOs) are highly speculative investments and may be subject to lower liquidity and greater volatility. Special risks associated with IPOs include limited operating history, unseasoned trading, high turnover and non-repeatable performance.

MSCI World Index℠ reflects the equity market performance of global developed markets.

75% MSCI World / 25% BBgBarc Global Agg Credit (USD Hedged) Index is an internally-calculated, hypothetical combination of total returns from the MSCI World Index℠ (75%) and the Bloomberg Barclays Global Aggregate Credit Index (USD Hedged) (25%).

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

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