2Q20 Global & International Equity

FUND COMMENTARY

International Opportunities Fund

Market Environment

- The second quarter provided a reprieve to global equities, following broad market declines in the first quarter.
- Global equities rallied, with gains driven by the U.S., while international (ex U.S.) markets rose slightly more moderately.
- Regionally, Latin America and Asia Pacific both performed well, while Europe – the major region within the benchmark – slightly underperformed.
- International markets saw small-cap companies outperform their large-cap counterparts, a contrast from U.S. equities. Growth investing proved to be superior to value given persistent low interest rates and sector leadership in the context of the COVID-19 pandemic.
- As for sectors, technology continued its strong performance from the first quarter, although it was surpassed by materials during the second quarter as companies saw a rebound in demand as economies began reopening. Consumer discretionary also saw a rebound as shoppers returned to stores and pent-up demand was released, especially in Asia. Energy was the poorest performer, with long-term concerns over global oil and gas demand continuing to weigh on the sector.

Performance Summary

The Fund outperformed its benchmark, the MSCI All Country World ex USA Index[SM], during the quarter ended June 30, 2020. There were strong contributions to relative returns from the Japan, Emerging Markets and Europe 1 sleeves, while the Europe 2 sleeve also outperformed. The Asia Pacific ex Japan and Global Growth sleeves lagged their respective regional indices, and our cash positioning also detracted. Despite the dramatic change in market direction from the first quarter into the second, the Fund maintained its positive momentum and materially outperformed its benchmark and peers.

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

Portfolio Discussion

Allocations across the regional sleeves are poised to participate in those markets we believe will see growth in the near term while being mindful of risk and uncertainty around the globe. At the end of April, we adjusted allocations across the six regional sleeves of the Fund to better align, we believe, with the current environment and uncertainty around the pandemic for the foreseeable future. The Fund had been underweight in the Asia Pacific ex Japan region, with a corresponding overweight to Japan. We also felt that the cyclical nature of the Japan and Europe markets was slightly at odds with the current environment. Accordingly, we reduced our weight in Europe and Japan and increased our weight in Asia Pacific ex Japan.

Activity within the sub-portfolios was muted over the quarter given managers' conviction in the underlying positions remained robust. Exposures to companies

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negatively impacted by COVID-19 – for example, those in the hospitality industry – generally were increased on weakness, while companies that have been able to continue to operate relatively normally (e.g., online payments) persisted in performing well. Bayer AG, the German multinational conglomerate, was the Fund's top contributor to relative returns on an individual stock level. Shares were buoyed largely by the announcement of a settlement in the U.S. after ongoing litigation related to the glyphosate herbicide commonly known as Roundup. The company has faced billions of dollars in penalties from court decisions, and the settlement was viewed overall as a positive. Bayer is held in the Fund's Europe 1 and Europe 2 sleeves. Z Holdings Corporation, held in the Fund's Japan sleeve, was the second-strongest individual performer during the quarter. Shares rallied amid increased activity in the company's payment services and advertising revenue from its e-commerce division. The company continues to assume a more dominant position as an Internet services provider in Japan.

The largest individual detractor on a relative basis was Grifols S.A., a Spanish multinational pharmaceutical and chemical manufacturer held in the Fund's Europe 2 sleeve. Shares came under pressure due to increased costs for blood plasma as global donations have declined due to the pandemic. Much of the company's business is tied to therapies for blood-related disorders. Telecom Italia S.p.A., an Italian company focused on mobile communications and data services and held in the Fund's Europe 2 sleeve, was the second-largest detractor from relative performance. The share price decline was driven by the market's concerns about the Italian domestic recovery, along with negative sentiment toward an industry that struggles to maintain its current dividend. Those risks are well known and priced in. The rationale for the stock's inclusion is a prospective corporate merger with a broadband infrastructure group that would be additive to the business going forward. While news of the prospective merger is public knowledge, the market remains fixated on the negative issues rather than the potential upside.

Top Contributors	Average Weight (%)	Relative Contribution (%)
Bayer AG	3.35	0.46
Z Holdings Corporation	1.40	0.41
ASML Holding N.V.	2.38	0.35
Nitori Holdings Co Ltd	1.34	0.33
Scout24 AG	2.10	0.30

Top Detractors	Average Weight (%)	Relative Contribution (%)
Grifols S.A.	2.32	-0.61
Telecom Italia S.p.A.	2.46	-0.47
Fujifilm Holdings Corporation	1.28	-0.40
Anhui Conch Cement	1.36	-0.21
Berkshire Hathaway Inc	0.97	-0.20

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

While we hope that the second half of 2020 will not be as wild a ride for financial markets as the first half, we nevertheless expect it to remain volatile. Investors are likely to be jumpy and reactive in a financial landscape for which they have no road map and little confidence about what lies ahead – and these uncertainties are likely to be exacerbated as the November U.S. presidential election moves into full swing. As market participants struggle to evaluate potentially conflicting signals on both the pandemic and the economic outlooks, we expect to see occasional big shifts in sentiment and market leadership. We believe that while buy-and-hold investing can be an efficient strategy in low-volatility and trending markets, high-volatility regimes will both demand and reward a more active approach to asset allocation and international equity investing.

Portfolio Management

Multi-Manager Approach

Equity Security Selection Oversight

- Dean Cheeseman

Asset Allocation Strategist

- Paul O'Connor

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

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 6/30/20 the top ten portfolio holdings of Janus Henderson International Opportunities Fund are: Bayer AG (3.41%), Vivendi SA (2.76%), ASML Holding N.V. (2.67%), Unicredit Spa (2.57%), Telecom Italia S.p.A. (2.50%), Tencent Holdings Ltd (2.45%), Novo Nordisk A/S (2.31%), Samsung Electronics Co Ltd (2.22%), Alibaba Group Holding Ltd (2.18%) and AIA Group Limited (2.14%). There are no assurances that any portfolio currently holds these securities or other securities mentioned.

The opinions are as of 6/30/20 and are subject to change without notice. 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.

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 EAFE® (Europe, Australasia, Far East) Index reflects the equity market performance of developed markets, excluding the U.S. and Canada.

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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