

CONCENTRATED GROWTH MANAGED ACCOUNT

High-Conviction Large-Cap Growth Equities

Concentrated Growth Managed Account leverages our three decades of experience in high-conviction investing. By investing in our best wide-moat ideas, the Portfolio seeks to add excess returns over the long term. Given its concentrated nature, the Portfolio may exhibit moderately higher volatility than its benchmark.

Key Distinctions

High-Conviction Approach

Fundamental research-driven approach, investing with conviction in 30 to 40 of our best large-cap growth ideas where we believe we have a differentiated view from the market.

Innovative Wide-Moat Companies

Seeks companies with sustainable competitive advantages that capitalize on their competitive moat to grow market share globally over a multi-year period. This process emphasizes dominant companies driving innovation and change through disruptive technologies, products or business models.

Stock Selection Drives Return

Stock picker's portfolio designed to deliver long-term growth of capital with a high-conviction approach. Seeks to use risk wisely, leveraging our best ideas in a concentrated portfolio to drive potential outperformance of the index over time.

Pursuing Innovative Companies Across the Disruption Divide

In a market bifurcated by winners and losers, disruption is a constant force causing the growing divide.



“ We are business model investors that seek to invest in disruptive companies or those that are resilient to disruption, while avoiding those companies we believe in danger of being disrupted.”

Doug Rao, Portfolio Manager

Investing involves risk, including the possible loss of principal and fluctuation of value. There is no assurance that the investment process will consistently lead to successful investing.

Portfolio Management



Doug Rao

- Portfolio Manager
- 23 years of financial industry experience



Nick Schommer, CFA

- Portfolio Manager
- 14 years of financial industry experience

Overview

Benchmark:

Russell 1000® Growth Index

AUM:

\$25.1 B (as of 31 Dec 20)

Morningstar Category:

Large Growth

Target Beta Range:

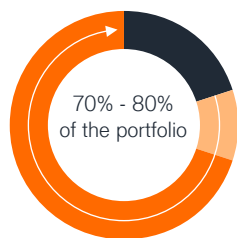
0.85 – 1.15

Typical Holdings Range:

30 – 40

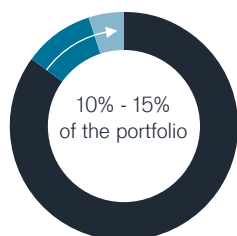
Target Portfolio Composition

We seek companies that enjoy sustainable “moats” around their businesses, potentially allowing them to grow faster, with higher returns than their competitors.



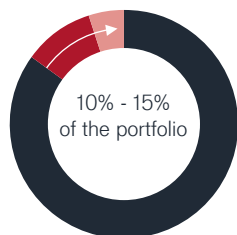
Compounding Growth (Difficult to Disrupt)

- Distinct long-term competitive advantages
- Strong free cash flow generation
- Profitable business selling at attractive valuation
- Larger position sizes up to 7% – 8%



Blue Sky Opportunities (Disruptive)

- Narrow moats becoming wider
- Large addressable market
- Smaller position sizes, typically 1% – 1.5%



Special Situations

- Embedded assets and the ability to create value underappreciated by the market
- Restructuring of balance sheet or cost structure
- Asymmetrical risk/reward

Characteristics

	Rep. Account	Benchmark
Number of Holdings	38	464
Weighted Average Market Cap	\$560.7 B	\$701.3 B
Median Market Cap	\$103.5 B	\$17.1 B
Active Share	62.57%	–

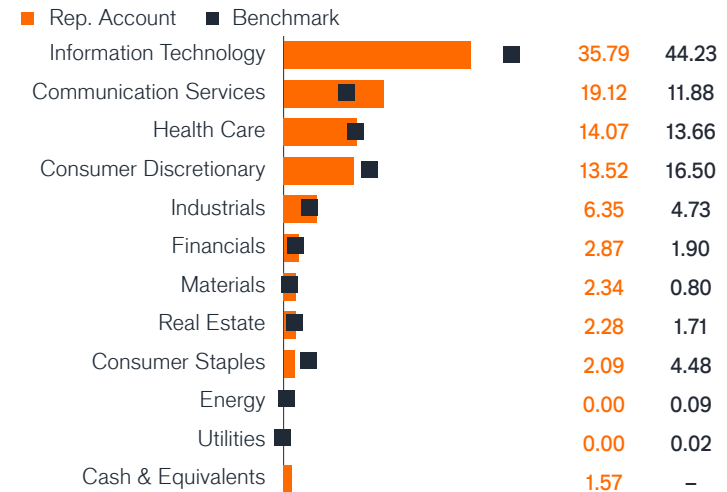
Top Holdings (%)

	Rep. Account
Microsoft Corp	8.09
Amazon.com Inc	7.86
Mastercard Inc	6.41
Facebook Inc	5.74
Apple Inc	3.96

3 Year Reward and Risk Statistics

	Composite	Benchmark
Alpha	2.15	–
Beta	0.93	1.00
Standard Deviation	18.31	19.41
Sharpe Ratio	1.22	1.10

Sector Allocation (%)



Performance (%)	Q121	1 Year	3 Year	5 Year	Since PM Inception (6/3/13)	10 Year	Since Inception (10/1/94)
Composite (pure gross*)	1.99	62.84	23.74	22.39	19.17	17.52	15.57
Composite (net)	1.24	58.27	20.18	18.88	15.74	14.13	12.21
Russell 1000® Growth Index	0.94	62.74	22.80	21.05	18.03	16.63	10.96

Past performance cannot guarantee future results. Investing involves risk, including the possible loss of principal and fluctuation of value. Returns greater than one year are annualized. Returns are expressed in U.S. dollars. All returns reflect the reinvestment of dividends and other earnings.

*Pure gross performance results do not reflect the deduction of any trading costs, fees or expenses and returns will be reduced by such advisory fee and other contractual expenses as described in the individual contract and Form ADV Part 2A. Pure gross returns are supplemental to net returns.

Net returns are calculated by subtracting the highest applicable Managed Account fee (3.00% annually, or 0.25% monthly) from the pure gross or gross composite return. The Managed Account fee includes all charges for trading costs, portfolio management, custody and other administrative fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The fees are available on request and may be found in Form ADV Part 2A.

Index returns are provided to represent the investment environment existing during the periods shown. The index is fully invested, including the reinvestment of dividends and capital gains. Index returns do not include any transaction costs, management fees or other costs, and are gross of non-reclaimable withholding taxes, if any and unless otherwise noted.

Janus Henderson

INVESTORS

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Index represents the Russell 1000® Growth Index.

Information relating to portfolio holdings is based on the representative account in the composite and may vary for other accounts in the strategy due to asset size, client guidelines and other factors. The representative account is believed to most closely reflect the current portfolio management style.

Portfolio holdings are as of the date indicated, and are subject to change. This material should not be construed as recommendation to buy or sell any security.

Equity country, regional, sector and industry weights based on MSCI and GICS classifications. Fixed income country, regional, sector and industry weights based on Barclays classifications.

There is no assurance the stated objective(s) will be met. When valuations fall and market and economic conditions change it is possible for both actively and passively managed investments to lose value.

Investing involves market risk and it is possible to lose money by investing. Investment return and value will fluctuate in response to issuer, political, market and economic developments, which can affect a single issuer, issuers within an industry, economic sector or geographic region, or the market as a whole.

Concentrated Growth Managed Account Composite, benchmarked to the Russell 1000® Growth Index, includes portfolios that take concentrated positions in larger well-established companies along with smaller, more aggressive companies selected for their growth potential. A typical portfolio concentrates its investments in 30 to 40 equity securities. Prior to September 1, 2006 returns for the composite are for the Institutional Concentrated Growth Composite, which consisted of separately managed institutional accounts as well as sub-advised pooled funds. The composite was created in September 2006.

Janus Henderson Investors claims compliance with the Global Investment Performance Standards (GIPS®). For the purpose of claiming GIPS compliance, Janus Henderson

Investors defines its GIPS Firm as the following entities within Janus Henderson Group plc that directly manage assets: Henderson Global Investors Limited, Henderson Global Investors (Singapore) Limited (excluding private equity assets), Henderson Investment Funds Limited, Janus Capital Management LLC, Janus Henderson Investors (Australia) Institutional Funds Management Limited and Perkins Investment Management LLC. The GIPS firm was formed on January 1, 2018 as a result of the merger of the predecessor GIPS firms Janus Capital Management LLC and Henderson Global Investors, which previously claimed compliance since January 1, 1994 and January 1, 2009, respectively.

To receive a complete list and description of composites and/or a presentation that complies with the requirements of the GIPS® standards, please contact Janus Henderson at 800.668.0434.

Russell 1000® Growth Index reflects the performance of U.S. large-cap equities with higher price-to-book ratios and higher forecasted growth values.

Active Share represents the portion of portfolio holdings that differ from an index. **Alpha** compares risk-adjusted performance relative to an index. Positive alpha means outperformance on a risk-adjusted basis. **Sharpe Ratio** measures risk-adjusted performance using excess returns versus the "risk-free" rate and the volatility of those returns. A higher ratio means better return per unit of risk. **Standard Deviation** measures historical volatility. Higher standard deviation implies greater volatility. **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.

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