

## MID CAP GROWTH MANAGED ACCOUNT

### Moderate mid-cap growth equities

By taking a moderate approach to an asset class with potential for fast growth, **Mid Cap Growth Managed Account** has demonstrated lower volatility than the index. The strategy invests with conviction in companies that exhibit sustainable and durable growth amid a competitive universe focused on high-volatility, high-trajectory growth.

### Key distinctions

#### **Smart Growth approach**

The Portfolio's investment approach focuses on long-duration, sustainable-growth companies with strong competitive advantages and large addressable markets. We seek to avoid companies with rapid but unsustainable short-term growth profiles.

#### **Deep, specialized team**

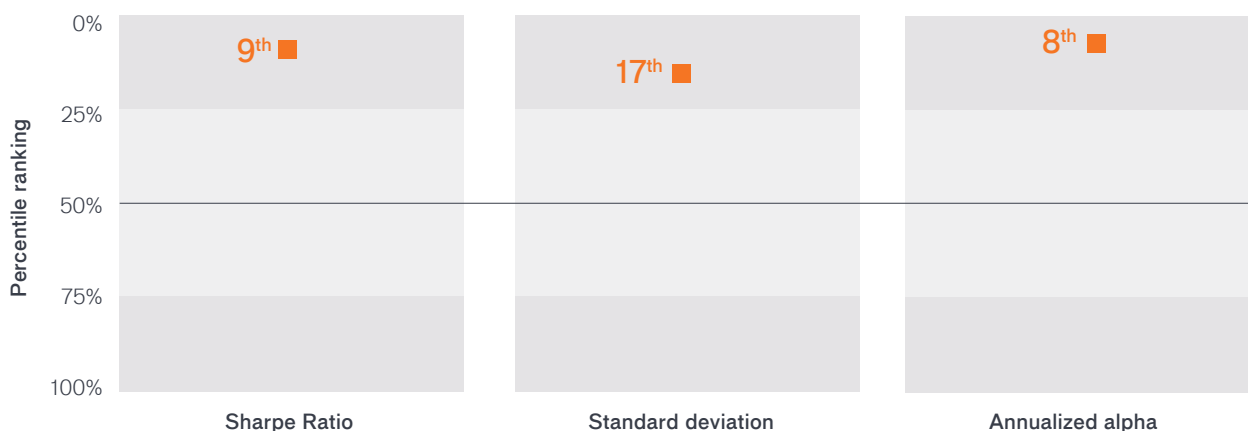
The Portfolio benefits from experienced Portfolio Managers with expertise in mid-cap investing; in-depth fundamental research conducted by a dedicated team of experts exclusively focused on small-mid-cap companies; and the broader support of an insightful team of equity investment professionals.

#### **Growth potential with tempered volatility**

The Portfolio offers exposure to medium-sized companies with resilient business models and is designed to weather a variety of market environments and take on moderately less risk than the index.

### Strong risk-adjusted performance vs. peers

10-year rankings in eVestment US Mid Cap Growth Equity Category (76 portfolios) as of 12/31/23



Universe: eVestment US Mid Cap Growth Equity (Percentile)

US Mid Cap Growth Managed Account 3-Year rankings in eVestment US Mid Cap Growth Equity category as of 12/31/23: Sharpe Ratio - ranked 13 out of 94, Standard deviation - ranked 19 out of 94, and Alpha - ranked 13 out of 94. eVestment's software has been used to create the rankings exhibits. A fee was paid for the use of the software.

**Past performance cannot guarantee future results.**

## Portfolio management



**Brian Demain, CFA**

- Portfolio Manager
- Industry since 1999



**Cody Wheaton, CFA**

- Portfolio Manager
- Research Analyst
- Industry since 2001

## Overview

### Benchmark:

Russell Midcap® Growth Index

### Strategy assets:

\$24.4 B (as of 30 Sep 2023)

### Morningstar category:

Mid-Cap Growth

### Target beta range:

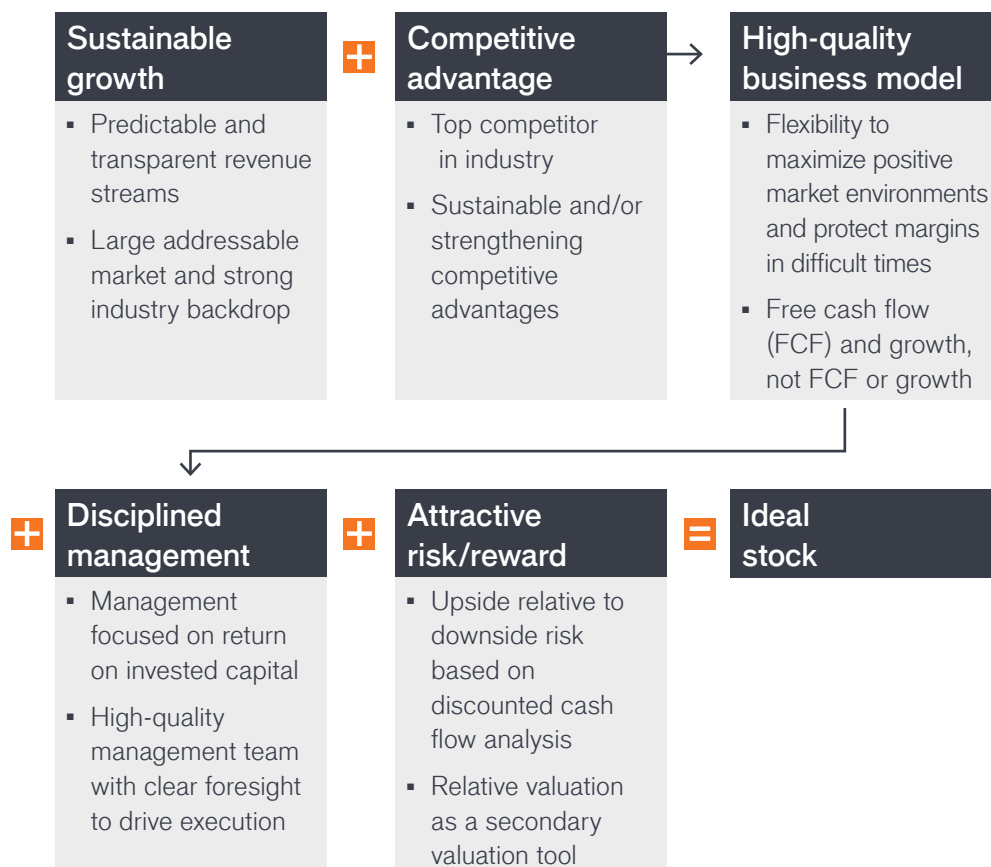
0.85 – 1.00

### Typical holdings range:

50 – 60

## Stock selection process

We invest with an emphasis on *smart growth* companies exhibiting sustainable growth and high return on invested capital potential versus fast-growing, momentum companies with less-visible long-term drivers.



### Characteristics

	Rep. account	Benchmark
Number of holdings	52	333
Weighted average market cap	\$25.4 B	\$25.8 B
Median market cap	\$16.7 B	\$10.7 B
Turnover ratio (1 year trailing)	14.36%	–
Active share	95.41%	–

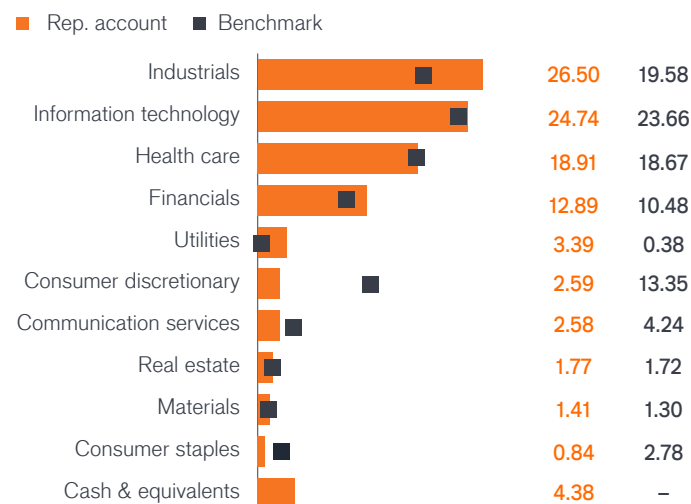
### Top holdings (%)

	Rep. account
Boston Scientific Corp	3.71
Flex Ltd	3.47
Alliant Energy Corp	3.39
SS&C Technologies Holdings Inc	3.16
ON Semiconductor Corp	3.10
GoDaddy Inc	2.98
W R Berkley Corp	2.95
Broadridge Financial Solutions Inc	2.85
WEX Inc	2.74
Teleflex Inc	2.64

## 3 year risk and reward statistics

	Composite	Benchmark
Alpha	3.64	–
Beta	0.81	1.00
Standard deviation	19.18	21.36
Sharpe Ratio	0.15	-0.04

## Sector allocation (%)



## Performance (%)

	Q423	1 Year	3 Year	5 Year	10 Year	Since inception (1/1/06)
Composite (pure gross*)	9.80	18.40	5.27	13.93	12.48	11.53
Composite (net)	9.01	14.99	2.20	10.63	9.22	8.30
Russell Midcap® Growth Index	14.55	25.87	1.31	13.82	10.57	9.78
Russell Midcap® Index	12.82	17.23	5.92	12.68	9.42	9.12

**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.

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**Janus Henderson**  
INVESTORS

Index represents the Russell Midcap® Growth Index.

**There is no assurance the stated objectives will be met.**

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

**Active and passive** investments may both lose value when valuations fall and market and economic conditions change. **Growth stocks** are subject to increased risk of loss and price volatility and may not realize their perceived growth potential.

**Smaller capitalization securities** may be less stable and more susceptible to adverse developments, and may be more volatile and less liquid than larger capitalization securities.

Information relating to portfolio holdings is based on the representative account in the composite, which reflects the typical portfolio management style of the investment strategy. Other accounts in the strategy may vary due to asset size, client guidelines and other factors.

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.

Sector weights based on GICS.

**Actively managed investment portfolios** are subject to the risk that the investment strategies and research process employed may fail to produce the intended results. Accordingly, a portfolio may underperform its benchmark index or other investment products with similar investment objectives.

Mid Cap Growth Managed Account Composite, benchmarked to the Russell Midcap® Growth Index, includes portfolios that invest in a diversified portfolio of mid-sized companies selected for their potential for predictable and sustainable growth. Portfolios invest primarily in US companies whose market capitalization, at time of initial purchase, fall within the 12-month average of the capitalization range of the Russell Midcap Growth Index. The portfolios are optimized to the Russell Midcap Growth Index and typically hold 50 to 60 equity securities. The composite was created in January 2006.

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**Russell Midcap® Growth Index** reflects the performance of U.S. mid-cap equities with higher price-to-book ratios and higher forecasted growth values. **Russell Midcap® Index** reflects the performance of U.S. mid-cap equities. **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. **Discounted Cash Flow (DCF)** analysis is a valuation method used to estimate the attractiveness of an investment opportunity. DCF analysis uses future free cash flow projections and discounts them (most often using the weighted average cost of capital) to arrive at a present value, which is used to evaluate the potential for investment. If the value arrived at through DCF analysis is higher than the current cost of the investment, the opportunity may be a good one. **Free Cash Flow (FCF)** represents the amount of cash generated by a business, after accounting for reinvestment in non-current capital assets and net changes in debt issued by the company. **Return On Invested Capital (ROIC)** is a measure of how effectively a company used the money invested in its operations.

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