Janus Henderson
INVESTORS

Q4 2023

JMBS

MORTGAGE-BACKED SECURITIES ETF

Seeking above-market total returns by actively modeling inefficiencies in borrower behavior

Overall Morningstar Rating™
Based on risk-adjusted returns as of 12/31/23
★★★★★
Class I Shares among 220 Intermediate Government Funds

JMBS AT A GLANCE

For investors looking to generate income while also insulating their portfolio during material risk-off environments.

JMBS provides exposure to agency mortgage-backed securities (MBS), which has historically provided low correlation to both corporate credit and equities.

PORTFOLIO PARAMETERS

- **Fund assets**
  $3.6B
- **Fund inception**
  September 12, 2018
- **Benchmark**
  Bloomberg U.S. MBS Index
- **Morningstar category**
  Intermediate government
- **Primary investments**
  Agency MBS (80% - 100%)
- **Additional investments**
  Non-agency MBS, derivatives (for hedging only)
- **Duration**
  Target benchmark neutral

Highlights	JMBS
Yield to worst	5.05%
Credit quality	117% AAA-A, 4.55% BBB-B
Effective duration	6.25 years
Correlation to index	0.97, annualized since inception
Annual expense ratio	0.28% (gross), 0.28% net

Defining characteristics

- **Our team**
  Culture of collaboration across portfolio managers and dedicated team of securitized analysts
- **Fundamental and quantitative**
  Fundamental loan-level analysis combined with quantitative modeling aimed at identifying mispriced assets with attractive borrower behavior
- **Active allocation**
  Aims to minimize risk exposure and maximize excess return potential by balancing agency and non-agency MBS allocations

Source: Janus Henderson Investors, Morningstar, as of 12/31/23.

OBJECTIVE: Janus Henderson Mortgage-Backed Securities ETF (JMBS) seeks a high level of total return consisting of income and capital appreciation.

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/performance.

EXPERIENCED TEAM WITH A HISTORY OF SUCCESS

PORTFOLIO MANAGEMENT

John Kerschner, CFA
- Head of U.S. Securitized Products
- 34 years of financial industry experience

Nick Childs, CFA
- Portfolio Manager
- 21 years of financial industry experience

ABOUT OUR SECURITIZED INVESTMENT TEAM

15 Investment professionals

18 Average years experience

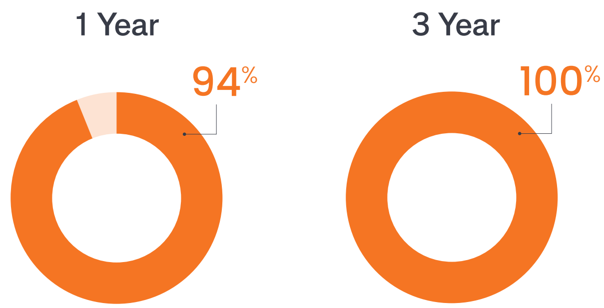
$23.6B Securitized assets on the Fixed Income platform as of 9/30/2023.

SUCCESS METRICS

The highly experienced JMBS investment team has a track record of outperforming the index over various rolling periods since the inception of the portfolio in 2018.

Success rate against the benchmark

Monthly rolling returns, since inception:



Average excess performance

TOP QUARTILE
based on total returns over the 1-, 3-, 5-year periods and since inception, within the Morningstar intermediate government peer group

COMPETITIVE YIELD
5.05% yield to worst

Source: Morningstar, Janus Henderson Investors, as of 12/31/23.

Success rate is based on the 1- and 3-year rolling monthly returns since inception, 9/12/18. The chart depicts the percentage of time the Mortgage-Backed Securities ETF (JMBS) outperformed the Bloomberg U.S. MBS Index.

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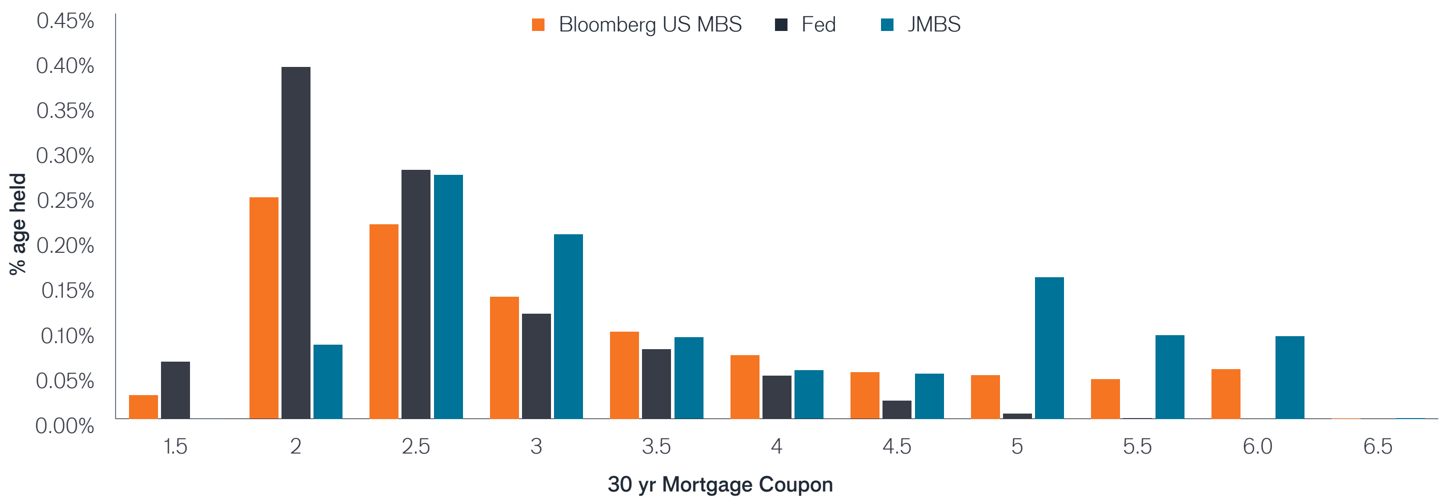
Why actively managing MBS matters

Fundamental risks are different for MBS relative to alternative fixed income assets. While credit risk is typically the fundamental risk associated with non-government issued debt, the major risk factor for MBS is prepayment risk.

Not all mortgages are created equal

Compared to passive MBS allocations, which are often concentrated in older, lower-yielding mortgages more affected by quantitative tightening (QT), active allocations in MBS may be warranted for two important reasons: First, active management can help increase yield and mitigate risk from QT by allocating to newer, higher-coupon mortgages.

Second, through security selection, JMBS seeks to mitigate prepayment risk; this is particularly important with newer, higher-yielding mortgages that are closer to market rates.



Source: RiskSpan, Janus Henderson Investors, data and current mortgage rate as of December 31, 2023.
Past performance cannot guarantee future results. Investing involves risk, including the possible loss of principal and fluctuation of value.

Our approach to analyzing the mortgage opportunity set

Our goal is to identify and model undervalued prepayment stories across the massive universe of agency mortgages through qualitative research and quantitative screening.

QUALITATIVE

- Analyze supply/demand factors across various sub-groups including banks, insurance, money managers, and sovereign and central banks
- Evaluate macro factors, including housing supply/demand, mortgage rates, overall consumer health, and credit landscape

QUANTITATIVE

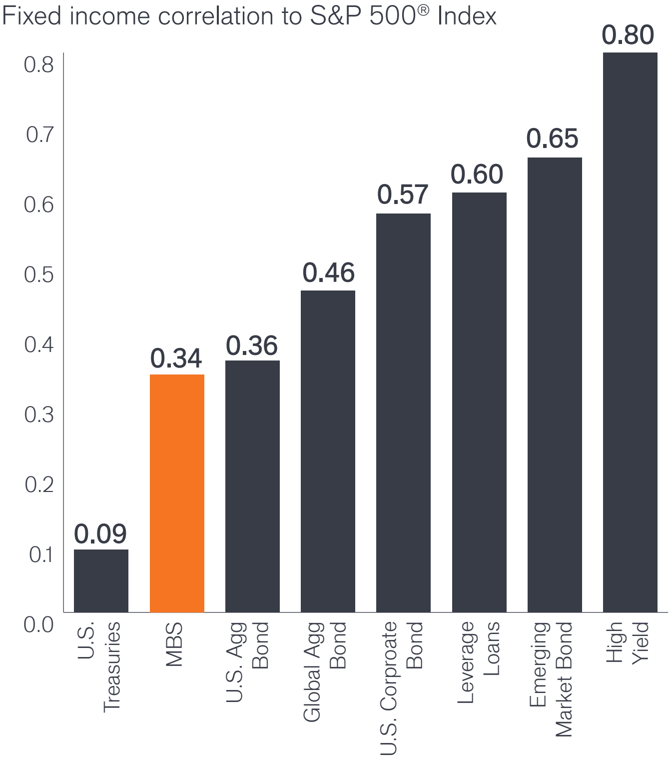
- Factors we screen for: location, coupon credit score, debt to income, cash flow, collateral
- Loan valuation, local housing market conditions, origination year, underwriting standards, originator and servicer analysis, empirical collateral performance, expected defaults and loss severities

$12T
in outstanding mortgage-backed securities in the United States

MBS offer diversification and attractive valuations

The mortgage market offers an uncorrelated return profile to broader risk assets

Fixed income correlation to S&P 500® Index

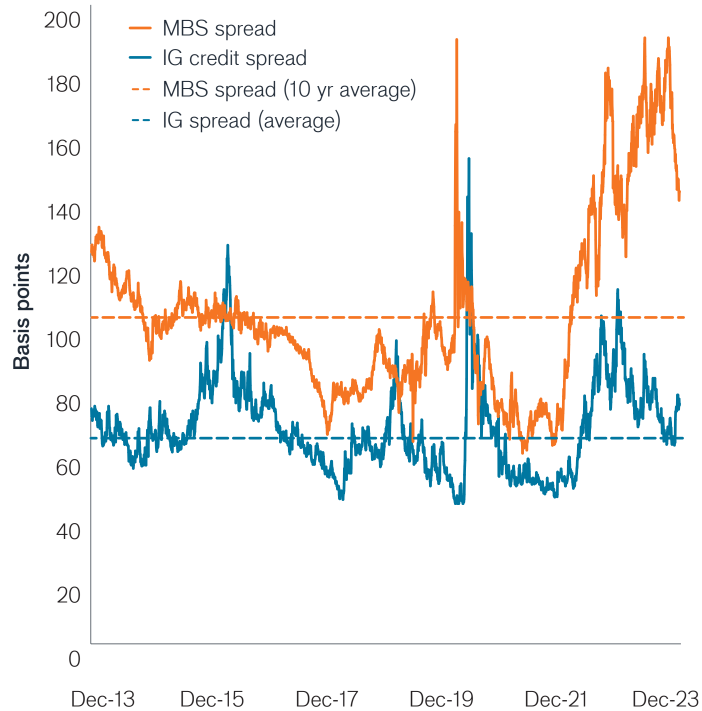


Source: Janus Henderson Investors, Morningstar, January 1, 2014 through December 31, 2023. Note: Correlation based on: Bloomberg U.S. Government (Treasuries), Bloomberg U.S. MBS Index (MBS), Bloomberg Global Aggregate (Global Agg), Bloomberg U.S. Credit (Corporates), Bloomberg Emerging Market Aggregate (EM) and Bloomberg U.S. Corporate High Yield (High Yield).

Past performance is no guarantee of future results.

Valuations on MBS look attractive relative to investment grade

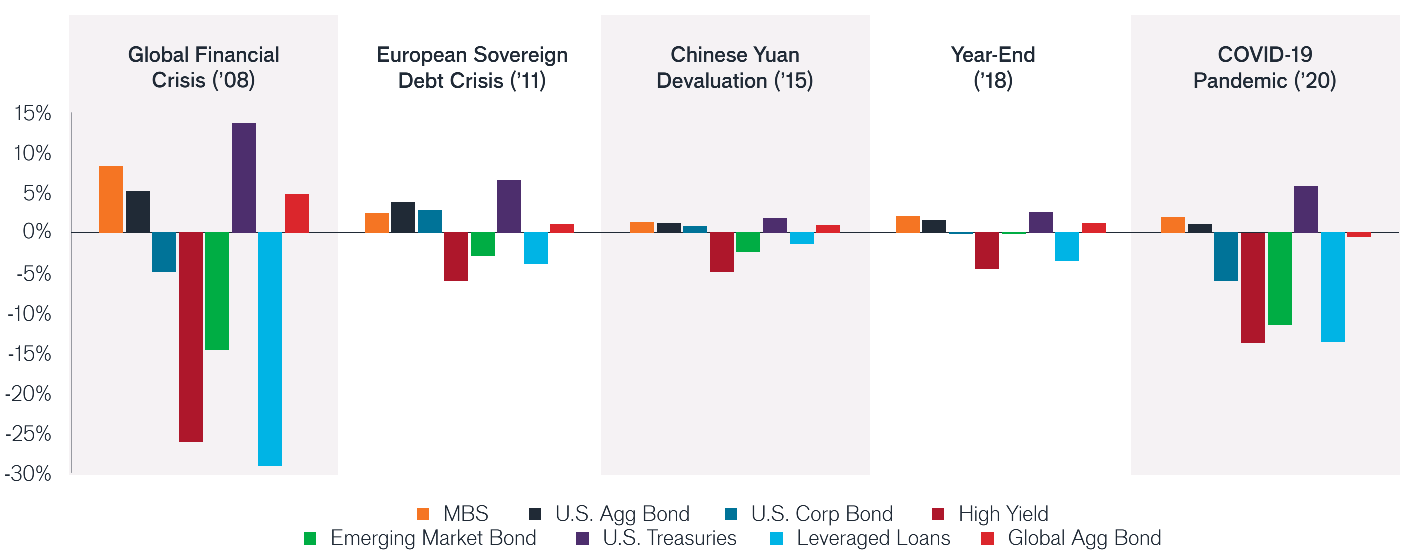
MBS current coupon spreads relative to investment grade credit spreads



Source: Bloomberg, Janus Henderson Investors. Current coupon MBS spreads versus Market CDX North America Investment-Grade Index, as of December 31, 2023.

MBS has held up during difficult market events

During periods of market stress, investors often look to Treasuries to protect capital. Agency MBS, which also carries the explicit or implied backing of the U.S. government, may be an attractive alternative given its potential for higher returns over the long term. In flight-to-quality events, MBS has experienced strong performance relative to other areas of the fixed income market where investors typically seek diversification.

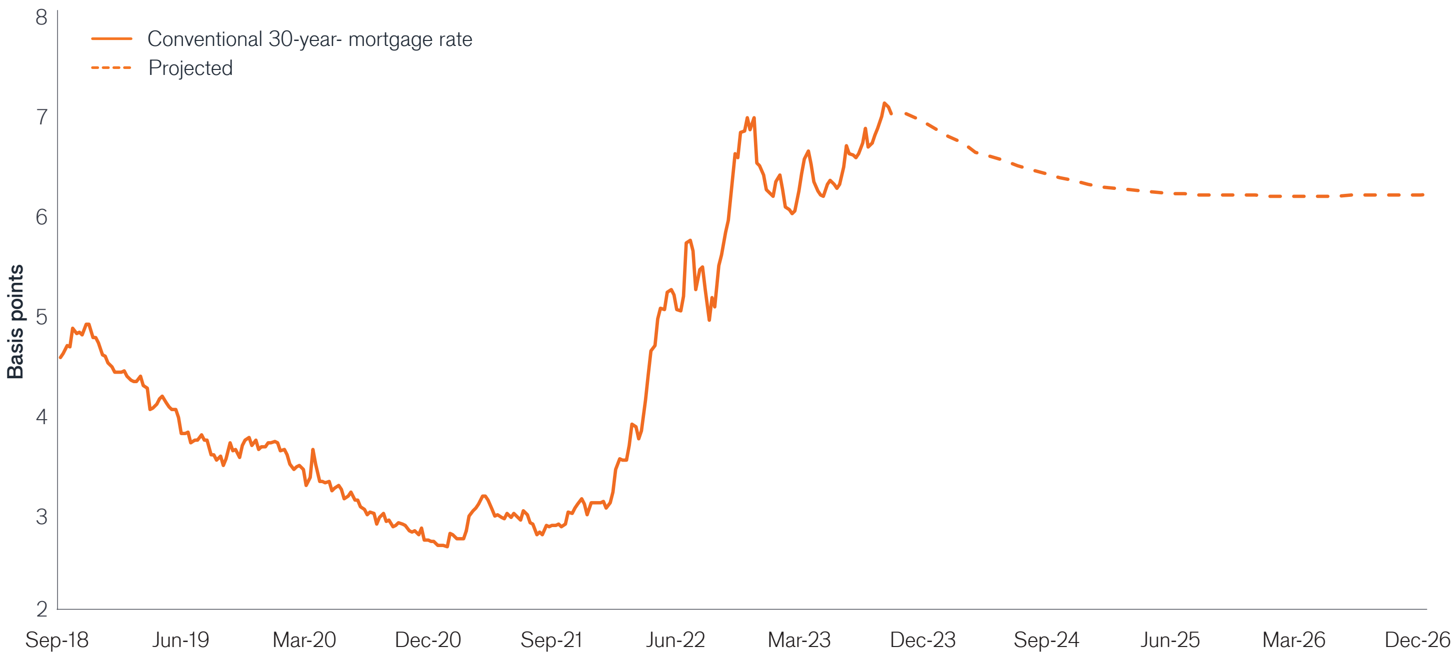


Prepayment risk is negligible

When mortgage rates plummeted in 2020 and 2021, record numbers of borrowers refinanced their existing loans at historically low rates. Since then, mortgage rates have risen sharply resulting in very few outstanding government sponsored entity (GSE) mortgages with a rate incentive to refinance. As a result, prepayment risk is nearly eliminated from the MBS asset class at this time.

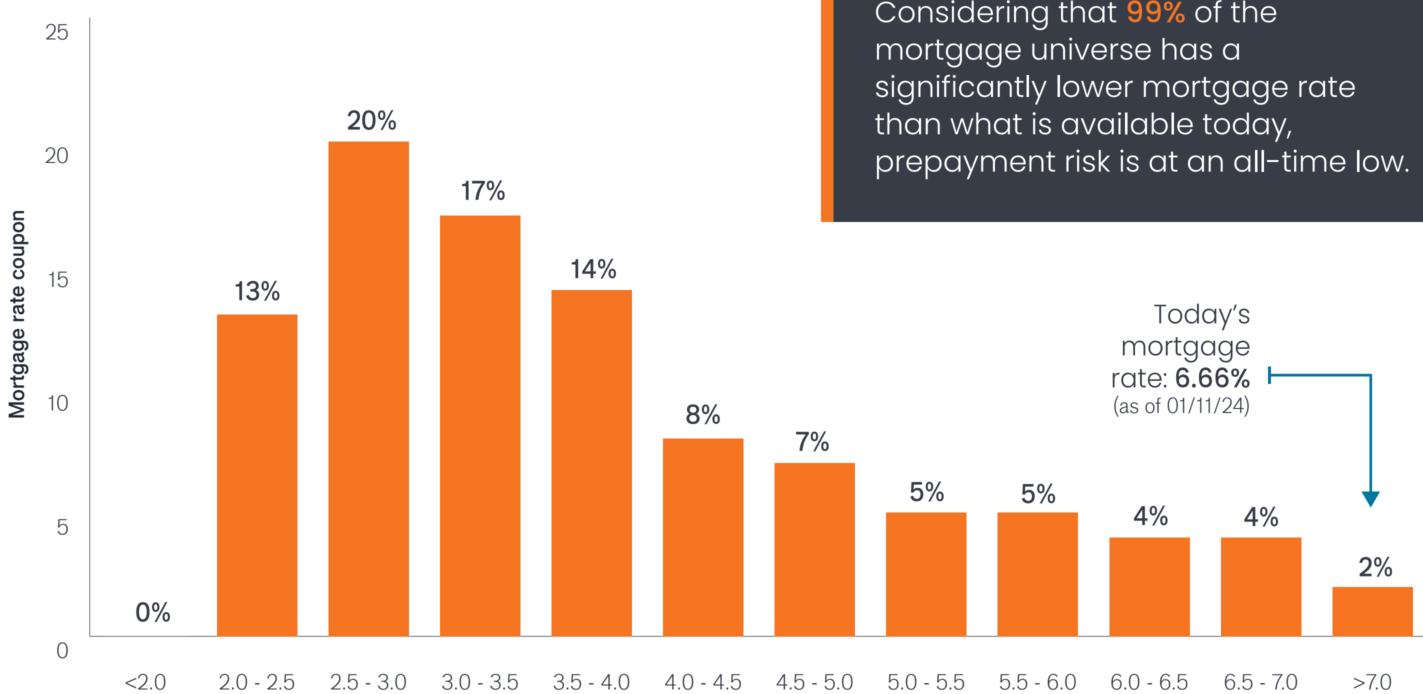
Conventional 30-year mortgage rate

September 13, 2018 - December 11, 2026



Source: Bloomberg.

Percentage outstanding per mortgage rate coupon (%)



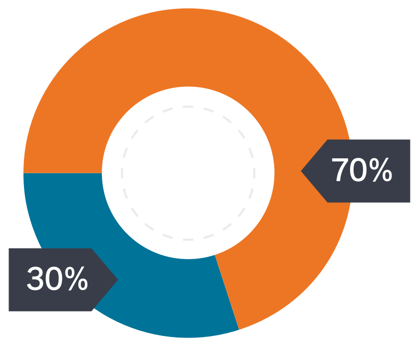
Considering that 99% of the mortgage universe has a significantly lower mortgage rate than what is available today, prepayment risk is at an all-time low.

Source: Janus Henderson Investors, FRED, RiskSpan, as of December 31, 2023.

Non-Agency MBS exposure can act as a portfolio diversifier and return driver

Having the ability to actively invest up to 20% in non-agency MBS has led to additional alpha

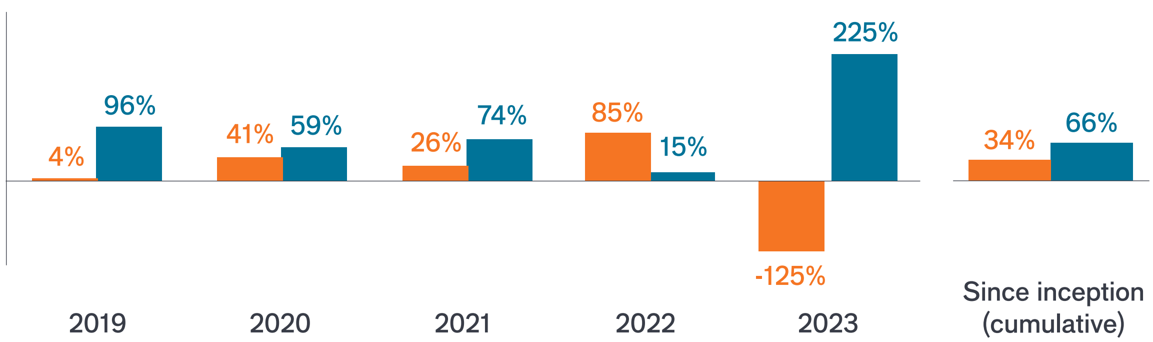
Expected sources of excess return



Agency MBS
80% – 100% allocation

Non-Agency MBS
0% – 20% allocation

Excess return contribution



	2019	2020	2021	2022	2023	Since inception (cumulative)
Excess return vs benchmark	+0.64%	+2.22%	+0.61%	+0.30%	+0.63%	+4.29%

Performance (%)	Q423	1 Year	3 Year	5 Year	Since inception (9/12/18)
JMBS @ NAV	7.72	5.68	-2.35	1.11	1.37
JMBS @ Market price	7.62	5.71	-2.27	1.11	1.36
Bloomberg U.S. MBS Index	7.48	5.05	-2.86	0.25	0.59
ETF.com Fixed Income Mortgage-Backed Investment Grade peer group average	6.93	4.99	-2.72	0.45	0.73

Expense ratios: Gross 0.28%; Net 0.28%

Source: Janus Henderson, Morningstar, ETF.com, as of December 31, 2023.

Note: Excess return calculated against the Bloomberg US MBS Index. Peer group average calculated by Janus Henderson based on ETF.com Fixed Income Mortgage-Backed Investment Grade classification as of 12/31/23, excluding JMBS..

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Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Market returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. Eastern time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times. Ordinary brokerage commissions apply and will reduce returns.

Characteristics

	JMBS	Index
Number of debt issues	586	928
Weighed average maturity (years)	8.16	24.33
Effective duration (years)	6.25	5.89
Yield to worst (%)	5.05	4.68
30 day SEC yield (%)	4.98 (with/without waivers)	—

FOR MORE INFORMATION, PLEASE VISIT **JANUSHENDERSON.COM**

Janus Henderson INVESTORS

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.

OBJECTIVE: Janus Henderson Mortgage-Backed Securities ETF (JMBS) seeks a high level of total return consisting of income and capital appreciation.

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

Investors must consider whether any product is appropriate based on that investor's specific investment objectives, financial situation, time horizon and risk tolerance.

U.S. Treasury securities are direct debt obligations issued by the U.S. Government. With government bonds, the investor is a creditor of the government. Treasury Bills and U.S. Government Bonds are guaranteed by the full faith and credit of the United States government, are generally considered to be free of credit risk and typically carry lower yields than other securities.

Investing involves risk, including the possible loss of principal and fluctuation of value. There is no assurance the stated objective(s) will be met.

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.

Mortgage-backed securities (MBS) may be more sensitive to interest rate changes. They are subject to extension risk, where borrowers extend the duration of their mortgages as interest rates rise, and prepayment risk, where borrowers pay off their mortgages earlier as interest rates fall. These risks may reduce returns.

Increased portfolio turnover may result in higher expenses and potentially higher net taxable gains or losses.

Concentrated investments in a single sector, industry or region will be more susceptible to factors affecting that group and may be more volatile than less concentrated investments or the market as a whole.

Actively managed portfolios may fail to produce the intended results. No investment strategy can ensure a profit or eliminate the risk of loss.

Diversification neither assures a profit nor eliminates the risk of experiencing investment losses.

Derivatives can be more volatile and sensitive to economic or market changes than other investments, which could result in losses exceeding the original investment and magnified by leverage.

The Fund will typically enter into **"to be announced" or "TBA" commitments** when purchasing MBS, which allows the Fund to agree to pay for certain yet-to-be issued securities at a future date and which may have a leveraging effect on the Fund. Similar to its use of leverage with respect to TBAs, the Fund may enter into **reverse repurchase agreement** transactions and use the cash made available from these transactions to make additional investments in mortgage-related instruments or other fixed-income securities.

As of 12/31/23, Mortgage-Backed Securities ETF Morningstar Ratings™ in the Intermediate Government category: 4 stars out of 220 funds and 5 stars out of 209 funds, for the 3-, and 5-year periods, respectively.

The Morningstar Rating™ for funds, or "star rating", is calculated for funds with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics, and may not indicate positive performance. Ratings may vary by share class. **Past performance is no guarantee of future results.**

Ratings and/or rankings may be based, in part, on the performance of a predecessor fund or share class and are calculated by Morningstar using a methodology that differs from that used by Janus Henderson. Methodology differences may have a material effect on the return and therefore the rating/ranking. A fee was paid for the use of this data.

Alpha compares risk-adjusted performance relative to an index. Positive alpha means outperformance on a risk-adjusted basis. **Correlation** measures the degree to which two variables move in relation to each other. A value of 1.0 implies movement in parallel, -1.0 implies movement in opposite directions, and 0.0 implies no relationship. **Yield to worst (YTW)** is the lowest yield a bond can achieve provided the issuer does not default and accounts for any applicable call feature (ie, the issuer can call the bond back at a date specified in advance). At a portfolio level, this statistic represents the weighted average YTW for all the underlying issues. **Duration** measures a bond price's sensitivity to changes in interest rates. The longer a bond's duration, the higher its sensitivity to changes in interest rates and vice versa. **Bloomberg U.S. Mortgage Backed Securities (MBS) Index** tracks the performance of U.S. fixed-rate agency mortgage backed pass-through securities. **Bloomberg U.S. Aggregate Bond Index (U.S. Agg Bond)** is a broad-based measure of the investment grade, US dollar-denominated, fixed-rate taxable bond market. **Bloomberg Global Aggregate Bond Index (Global Agg Bond)** is a broad-based measure of the global investment grade fixed-rate debt markets. **S&P 500® Index** reflects U.S. large-cap equity performance and represents broad U.S. equity market performance. **Bloomberg U.S. Corporate High Yield Bond Index (High Yield)** measures the US dollar-denominated, high yield, fixed-rate corporate bond market. **Bloomberg U.S. Corporate Bond Index (U.S. Corp Bond)** measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate bond market. **S&P/LSTA Leveraged Loan Index (Leveraged Loans)** measures the performance of the U.S. leveraged loan market based upon market weightings, spreads and interest payments. **Bloomberg Emerging Markets Hard Currency Aggregate Index (Emerging Market Bond)** measures the US dollar-denominated, emerging markets sovereign, quasi-sovereign, and corporate debt markets. **Bloomberg US Treasury Index (Treasuries)** measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded.

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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