

MID CAP GROWTH MANAGED ACCOUNT

At a glance

Performance

The Portfolio returned 9.80% (gross) and the Russell Midcap® Growth Index returned 14.55%.

Contributors/detractors

Stock selection in the information technology sector detracted from relative performance. Lack of exposure to energy stocks contributed to relative performance.

Outlook

We remain committed to a disciplined, risk-aware investment approach that considers fundamentals and relative valuations.

Portfolio management



Brian Demain, CFA



Philip Cody Wheaton, CFA

Investment environment

- Stocks ended the quarter higher as expectations shifted from fears of additional interest rate hikes to hopes that moderating inflation might persuade the Federal Reserve (Fed) to reduce rates in 2024. Economic activity remained resilient despite higher interest rates, raising hopes for a "soft landing."
- The quarter saw a return to more speculative investing, which rewarded a narrow group of stocks with higher and higher valuations.

Portfolio review

The portfolio's relative performance in the information technology sector was hindered by our lack of exposure to several high-valuation stocks that were strong contributors to index returns. We continue to approach such stocks with caution, as we believe it is overly optimistic to expect these companies to deliver the sustained rapid earnings growth over many years needed to justify such valuations. While this dampened our relative performance, we stand by our balanced approach that pursues growth while seeking to manage downside risks, including valuation risk.

Among portfolio holdings, ON Semiconductor was a relative detractor, as the stock gave back some of its strong year-to-date performance. ON Semiconductor supplies analog and power semiconductors to the electric vehicle (EV) and other end markets. While it reported strong third-quarter results, it lowered fourth-quarter guidance after one of its large EV

customers reduced orders for silicon carbide chips. Despite near-term uncertainty for the EV market, we remain excited about the company's opportunities in silicon carbide chips, which are gaining traction in the EV market due to their ability to extend battery life. ON Semiconductor is one of a small handful of trusted suppliers of silicon carbide, leveraging a technological advantage that is difficult for other companies to replicate. We held onto the stock.

Rentokil Initial, another relative detractor, became the largest pest control provider in the U.S. through its recent acquisition of Terminix. Rentokil disappointed investors by reporting slightly weaker revenue growth and guidance. While it attributed these results to macroeconomic headwinds, investors worried they reflect issues with the Terminix integration. We acknowledge these concerns but believe they are overstated. We have continued to see compelling risk/reward for Rentokil, given its track record of strong revenue growth in an attractive industry that historically has been less sensitive to economic pressures.

GoDaddy was a top positive contributor. The company's core business of licensing website domain names has provided stable revenue growth and a platform for selling value-added services, such as website design and digital payments support. Due to its past investments in building out its suite of business capabilities, we believe it may be positioned for accelerating earnings growth as it capitalizes on small business creation.

Ryanair Holdings was another top performer. This Ireland-based budget airline benefits from several competitive

advantages relative to other European airlines. These include its relatively debt-free balance sheet, efficient cost structure, less unionized labor force, and a more modern fleet of aircraft that have delivered better load factors and fuel efficiency. Ryanair has continued to add routes and gain market share, as it has capitalized on the struggles of more financially challenged competitors that cut capacity during the COVID-19 pandemic. It reported strong third-quarter results and guidance, reflecting both higher fares and disciplined cost management. It also announced its first regular dividend.

Manager outlook

We remain cautiously optimistic on the outlook for 2024, even if we see potential risks. The recent stock market rally was fueled by hopes for a “Goldilocks” scenario, in which growth slows just enough to curb inflation but not enough to risk recession. Yet this outcome is far from assured. We remain concerned about pockets of weakness in the U.S. economy, including increased strain on consumer budgets. We also see economic risks overseas, especially in China. And geopolitical developments could have reverberations for

economic growth and inflation. Moreover, we remain concerned about elevated valuations in parts of the mid-cap market. For these reasons, we see the potential for increased equity market volatility if the economy slows by more than expected or if the Fed takes a more hawkish approach than investors anticipate. At the same time, we would caution against too much negativity. Even if the economy slips into recession, we are not expecting a supply side-driven economic dislocation, as we saw in 2020, nor a wider financial crisis, like in 2008. Rather, we are more likely to see a relatively short and shallow business downturn that well-managed, well-funded companies should be able to successfully navigate. We also believe our portfolio is well positioned for this environment due to our focus on companies with strong balance sheets, sustainable competitive advantages, and healthy earnings trajectories. We continue to favor companies with low debt levels and strong free cash flow, which reduces their need for outside funding. We believe this disciplined approach is the best way to manage near-term uncertainty while providing long-term investment returns.

Mid Cap Growth Managed Account (as of 12/31/23)

Performance - USD (%)

Returns	Cumulative			Annualized			
	4Q23	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception (01/01/06)
Composite (pure gross*)	9.80	18.40	18.40	5.27	13.93	12.48	11.53
Composite (net)	9.01	14.99	14.99	2.20	10.63	9.22	8.30
Russell Midcap® Growth Index	14.55	25.87	25.87	1.31	13.82	10.57	9.78

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.

Representative Portfolio

Top Contributors (%)	Average Weight	Relative Contribution	Top Detractors (%)	Average Weight	Relative Contribution
Godaddy Inc	2.73	0.57	On Semiconductor Cor	3.19	-0.93
Ryanair Hldgs Plc	1.48	0.30	Revvity Inc	2.45	-0.44
Teleflex Inc	2.29	0.27	Rentokil Initial Plc	0.88	-0.41
Kla Corp	1.32	0.19	Liberty Media Corp-Liberty For	2.93	-0.37
Lamar Advertising Co Ne	1.70	0.19	Ceridian Hcm Hldg Inc	2.16	-0.33

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.

Top Holdings (%)	Rep Acct
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
Total	30.99

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INVESTORS

Definitions

Volatility measures risk using the dispersion of returns for a given investment.

Free cash flow (FCF) yield is a financial ratio that measures how much cash flow a company has in case of its liquidation or other obligations by comparing the free cash flow per share with the market price per share and indicates the level of cash flow the company will earn against its share market value.

10-Year Treasury Yield is the interest rate on U.S. Treasury bonds that will mature 10 years from the date of purchase.

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. The opinions are as of 12/31/23, 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.

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.

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.

Holdings are subject to change without notice.

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 does not represent actual performance.

There is no assurance the stated objective(s) will be met.

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

Discussion is based on performance gross of fees and expenses.

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.

Growth stocks are subject to increased risk of loss and price volatility and may not realize their perceived growth potential.

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

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.

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

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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