

SMALL CAP VALUE FUND

A: JDSAX C: JCSCX I: JSCOX N: JDSNX R: JDSRX S: JISCX T: JSCVX

At a glance

Performance

The Fund returned 6.19% and the Russell 2000® Value Index returned 2.90%.

Contributors/detractors

Stock selection led to broad-based outperformance, especially in the financials and industrials sectors. Stock selection in the consumer discretionary sector detracted.

Outlook

We believe the portfolio remains well positioned for both long-term investment opportunities and defending against market volatility.

Portfolio management



Justin Tugman, CFA



Craig Kempler, CFA

Investment environment

- Stocks rallied as a healthy job market and resilient consumer spending supported economic growth despite an unstable geopolitical environment. Inflation moderated but not as quickly as investors wanted. This dimmed hopes for aggressive interest rate cuts in 2024. The Federal Reserve (Fed) held rates steady but signaled the potential for rate cuts later in the year.
- We were pleased to see a return to fundamentals in the small-cap value market, as higher-quality companies with lower debt levels and higher returns on equity outperformed. Within the Russell 2000® Value Index, cyclical sectors such as energy and financials outperformed. More interest rate sensitive and highly levered sectors, such as communications services, real estate, and utilities, underperformed.

Portfolio review

A renewed focus on fundamentals and quality worked to our benefit in stock selection, especially in the industrials sector. Top contributors included Comfort Systems, a provider of commercial contract heating and ventilation services that delivered better-than-expected financial performance and guidance. Masonite International, a supplier of doors for residential and commercial markets, also contributed due to a takeover offer driving the stock higher. Given the sector's

outperformance and less attractive reward-to-risk ratios, we trimmed our industrials exposure during the quarter.

Relative detractors included healthcare company Embecta, a supplier of medical devices and consumables used to treat diabetes. Medical device makers have faced concerns that new glucagon-like peptide-1 (GLP-1) drugs may lead to a paradigm shift in addressing obesity-related illnesses, which could negatively impact demand for Embecta's products. We trimmed the position to manage these risks, which we believe have meaningfully intensified.

Industrial holding AerSale, which sells and leases aftermarket aircraft, engines, and related components, also detracted. The stock faced headwinds due to inventory issues, deferred sales, and delayed product launches. We believe AerSale is addressing the underlying inventory issues and could benefit from continued capacity constraints throughout the airline industry. Under Armour was another relative detractor, despite delivering solid financial performance. Investors were disappointed that the relatively new CEO was replaced by the company's founder.

We continue to be opportunistic, using volatility to our advantage as we identify new investment opportunities with attractive valuations. Companies at the lower end of our market capitalization range have attractive reward-to-risk ratios and cheaper valuations relative to large caps. For this reason, we continued adding exposure to these smaller market cap names. The portfolio ended the quarter overweight in the consumer staples, energy, industrials,

information technology, and materials sectors. It was underweight in communication services, consumer discretionary, financials, health care, real estate, and utilities.

Manager outlook

We are reassured to see relatively favorable economic fundamentals, including low unemployment, favorable economic growth, and signs of a bottoming in manufacturing activity. At the same time, we have noted pockets of weakness, including signs that financial pressures may be starting to impact both high- and low-end consumer spending. Additionally, inflation has not retreated as quickly as expected and remains well above Fed targets. Heading into the first quarter, we cautioned that investment markets were likely overly optimistic in pricing in six Fed rate cuts for 2024. Over the past three months, investors have reduced their forecasts to three rate cuts. Given such dynamics, it is hard not to see the current rally as at least partly fueled by euphoria rather than fundamentals.

However, we see reasons for optimism, including a renewed focus on fundamentals and inexpensive valuations in the

small-cap value market. We also note that historically speaking, the interval between the last Fed rate hike and the first Fed rate cut has been a period of solid equity market performance. The track record of market performance once the Fed starts cutting rates is not as positive, as such action often comes in response to other market stressors. Given the uncertainties in this environment, we remain committed to our disciplined investment process, where we continue to invest albeit judiciously. We believe the current environment may provide us with many opportunities to identify well-managed and attractively valued companies with proven earnings growth, strong free cash flow, and low debt levels that can help them navigate any potential economic challenges.

Small Cap Value Fund (as of 03/31/24)

Performance - USD (%)

Returns	Cumulative			Annualized		
	1Q24	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Class I Shares	6.19	6.19	19.35	4.90	6.89	7.12
Class T Shares	6.15	6.15	19.25	4.79	6.78	7.01
Class N Shares	6.21	6.21	19.54	5.04	7.04	7.27
Class A Shares @ NAV	6.08	6.08	18.97	4.61	6.57	6.78
Class A Shares @ MOP	-0.02	-0.02	12.13	2.56	5.32	6.15
Russell 2000® Value Index	2.90	2.90	18.75	2.22	8.16	6.87

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.

Maximum Offering Price (MOP) returns include the maximum sales charge of 5.75%. Net Asset Value (NAV) returns exclude this charge, which would have reduced returns.

Expense Ratios (% as of most recent prospectus)

Class I: Gross 0.74, Net 0.74 Class T: Gross 0.82, Net 0.82 Class N: Gross 0.57, Net 0.57 Class A: Gross 1.14, Net 1.10

Net expense ratios reflect the expense waiver, if any, contractually agreed to for at least a one-year period commencing on October 27, 2023. This contractual waiver may be terminated or modified only at the discretion of the Board of Trustees.

Not all Funds and Share classes may be available. Please consult your financial professional.

Portfolio

Top Contributors (%)	Average Weight	Relative Contribution	Top Detractors (%)	Average Weight	Relative Contribution
Comfort Sys Usa Inc	1.42	0.62	Aersale Corporation	0.66	-0.40
Owens & Minor Inc Ne	1.71	0.58	Embeta Corp	0.91	-0.33
Masonite Intl Corp New	1.13	0.45	Under Armour Inc	1.06	-0.24
Eagle Materials Inc	1.45	0.40	Ameris Bancorp	2.16	-0.24
Kirby Expl Co.	1.96	0.34	United Cmnty Bks Blairs	1.69	-0.19

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 (%)	Fund
Chord Energy Corp	3.16
STAG Industrial Inc	2.23
Piper Sandler Cos	2.21
Kirby Corp	2.15
Commercial Metals Co	2.09
Ameris Bancorp	2.06
Axis Capital Holdings Ltd	1.90
Owens & Minor Inc	1.88
Hillenbrand Inc	1.86
Academy Sports & Outdoors Inc	1.82
Total	21.36

FOR MORE INFORMATION PLEASE VISIT JANUSHENDERSON.COM

Janus Henderson
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.

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.

Performance for Class T Shares that includes periods prior to 4/21/03 reflects the performance of one or more share classes of a predecessor fund. See the Fund's prospectus for further details.

Performance for Class N Shares that includes periods prior to 5/31/12 reflects the performance of one or more share classes of the Fund or a predecessor fund. See the Fund's prospectus for further details.

Returns include reinvestment of dividends and capital gains.

Discussion is based on the performance of Class I Shares.

This Fund has a performance-based management fee that may adjust up or down based on the Fund's performance.

Closed to certain new investors.

The opinions are as of 03/31/24, 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.

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.

Real estate securities, including Real Estate Investment Trusts (REITs), are sensitive to changes in real estate values and rental income, property taxes, interest rates, tax and regulatory requirements, supply and demand, and the management skill and creditworthiness of the company. Additionally REITs could fail to qualify for certain tax-benefits or registration exemptions which could produce adverse economic consequences.

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.

Value stocks can continue to be undervalued by the market for long periods of time and may not appreciate to the extent expected.

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.

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 2000® Value Index reflects the performance of U.S. small-cap equities with lower price-to-book ratios and lower forecasted growth values.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

Mutual funds distributed by Janus Henderson Distributors US LLC.

Janus Henderson is a trademark of Janus Henderson Group plc or one of its subsidiaries. © Janus Henderson Group plc.