Janus Henderson INVESTORS

MARKET GPS

INVESTMENT OUTLOOK MID-YEAR 2025

Market GPS shares the thinking of our Investment and Portfolio Construction & Strategy teams, offering insights to help navigate the investment landscape and prepare for the route ahead.

WHAT'S INSIDE:

- **MACRO OVERVIEW**
- **PORTFOLIO TRENDS**
  - Equities
  - Fixed Income
  - Alternatives

Macro overview: Market turbulence, but also opportunities

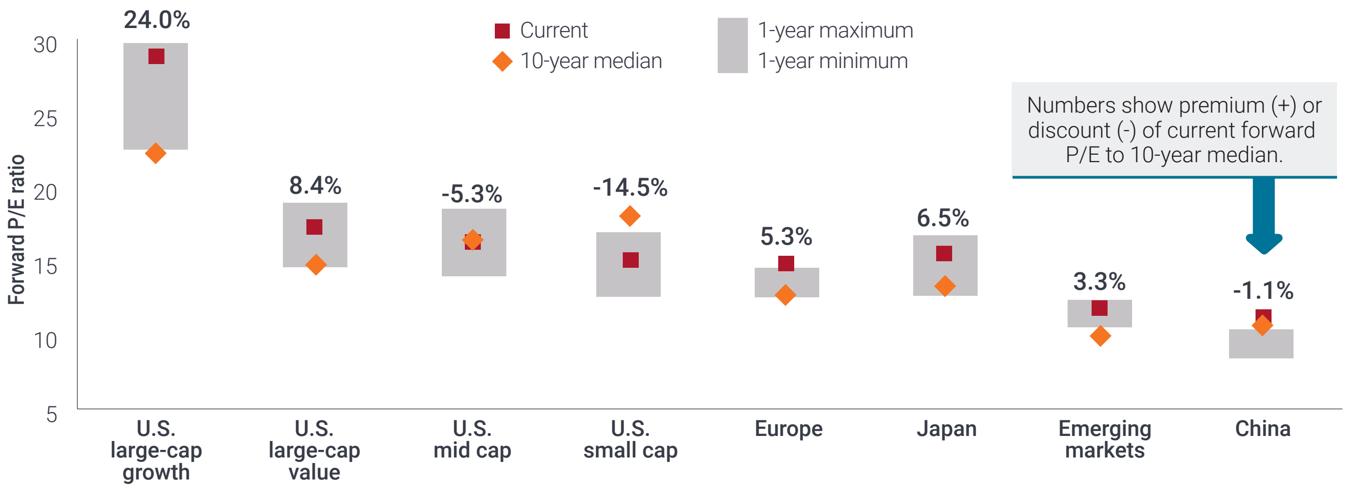
The nature of the U.S. tariff rollout and ongoing global geopolitical realignment means market turbulence is likely to continue. Only with an easing of tensions and greater visibility into what a new global trade regime might look like – and, importantly, how it will impact the corporate sector – do we expect volatile conditions to ease.

What does this mean for investors? While adding incremental risk to portfolios may seem like a tall order in the current environment, bouts of volatility can lead to price dislocations that active managers can capitalize on. In the first half of 2025, volatility and rapid drawdowns in major indices meant high-quality companies were temporarily discounted by macro uncertainty. Additional buying opportunities could present themselves if the path to a new global economic framework proves protracted, resulting in more market turbulence. Ultimately, any economic paradigm shift may enhance the prospects for the asset classes and regions that were out of favor while a concentrated group of U.S. technology names led markets.

Our **Market GPS Mid-Year Investment Outlook** identifies actionable takeaways based on the macro backdrop and highlights six portfolio positioning trends for consideration.

Equity entry points

After a turbulent few months, many equities categories now trade close to their historical averages. Large-cap U.S. growth stocks, leveraged to powerful tech themes, have more attractive entry points compared to the past two years.



Source: Bloomberg, Janus Henderson Investors, as of 31 May 2025. P/E ratios based on 12-month blended forward earnings. Equity categories based on Russell 1000 Growth Index, Russell 1000 Value Index, S&P Midcap 400 Index, S&P Small Cap 600 Index, MSCI Europe Index, MSCI Japan Index, MSCI Emerging Markets Index, MSCI China Index.

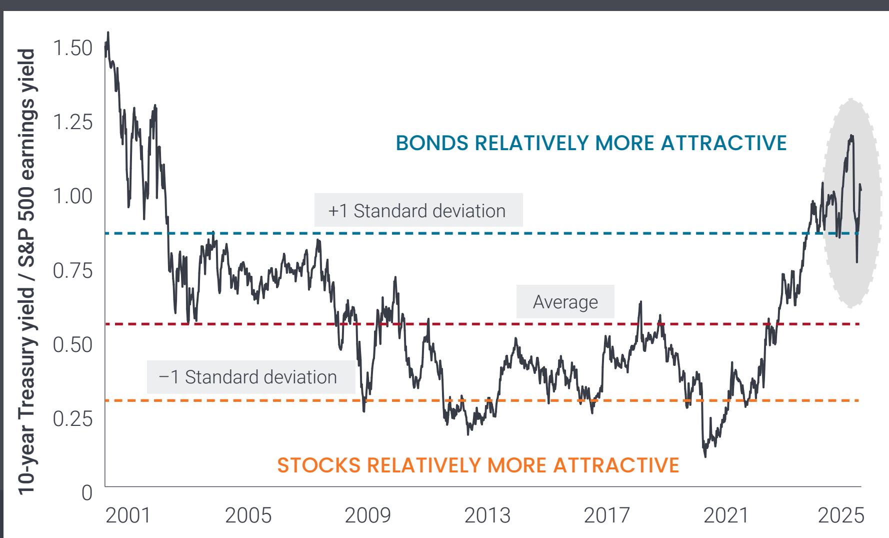
Within **equities,** geopolitics and trade rifts may spur reforms across Europe that could catalyze earnings growth. Globally, domestically focused small- and mid-cap companies may benefit from a reorientation of trade to nearshoring and onshoring. Many of these market segments are trading on favorable valuations relative to larger-cap U.S. peers. Meanwhile, an uncertain policy path calls for caution, quality, and selectivity, and large, high-quality American technology companies could merit increased allocations until macro risk subsides.

Macro overview (CONTINUED)

With lingering tariff uncertainty potentially affecting inflation and economic growth, fixed income presents a diverse landscape for which an active multi-sector approach is well suited. As we await geopolitical clarity, bond investors may prioritize the defensive aspects of interest-rate sensitive instruments and higher-quality issuance over the near term. Credit sectors less exposed to trade and cyclicality appear well positioned to weather current volatility. Securitized credit offers attractive relative value, with collateralized loans providing duration diversification and agency mortgages acting as safe havens while offering higher yields than sovereigns.

Attractiveness of fixed income

With U.S. 10-year Treasury yields and S&P 500® Index earnings yields near parity, and accounting for persistent geopolitical uncertainty, select sovereigns and investment-grade credits can be an attractive counterbalance for equities.



Source: Bloomberg, as of 31 May 2025.

Elsewhere, recent spread and duration volatility has showcased the benefits of **private assets,** specifically private credit and asset-backed lending, within a broader allocation.

With little sign of relief from geopolitical turbulence, **investors may choose to focus on higher-quality opportunities and lean into actively positioned portfolios.** The following six themes highlight investable opportunities based on insight from our investment teams and Portfolio Construction & Strategy experts.

EQUITIES

- **Proactive positioning:** Maximizing volatility-induced entry points
- **Global mindset:** Accessing opportunities outside of the U.S.
- **Small but strong:** Tapping into compelling long-term growth potential

FIXED INCOME

- **Diversification in action:** Consistency of a multi-sector approach
- **Seeking resilience:** Defensive potential of high-quality securitized debt

ALTERNATIVES

- **Private credit:** Portfolio allocation benefits

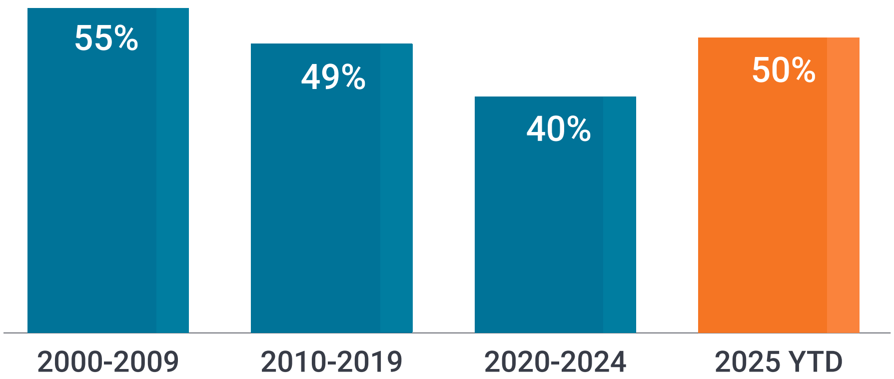
Proactive positioning: Maximizing volatility-induced entry points

Periods of economic transition have historically widened dispersion of stock returns, and 2025 has been no exception. Though the year began with economic optimism, uncertainty around tariffs and their impact on inflation and growth has heightened volatility across sectors.

For active investors, this volatility and broadening leadership creates **opportunities to strategically reposition into high-quality companies temporarily discounted by macro uncertainty.**

Whether it be tariffs, taxes, deregulation, or other unexpected developments, policy has been unpredictable and market moving. In the first half of 2025, temporary peak-to-trough drawdowns of 24% and 19% for the NASDAQ Composite and S&P 500, respectively, proved to be valuable buying opportunities for investors that were underweight the highest-quality companies within these indices. With policy likely remaining unpredictable, volatility should continue to create entry points for investors taking a selective approach, both in the U.S. and also more widely.

Broadening market: A shift away from the trend of fewer stocks driving returns
Percentage of S&P 500 stocks outperforming the index over the calendar year



Source: Bloomberg, as of 31 May 2025.
Past performance does not predict future results.

Investor considerations

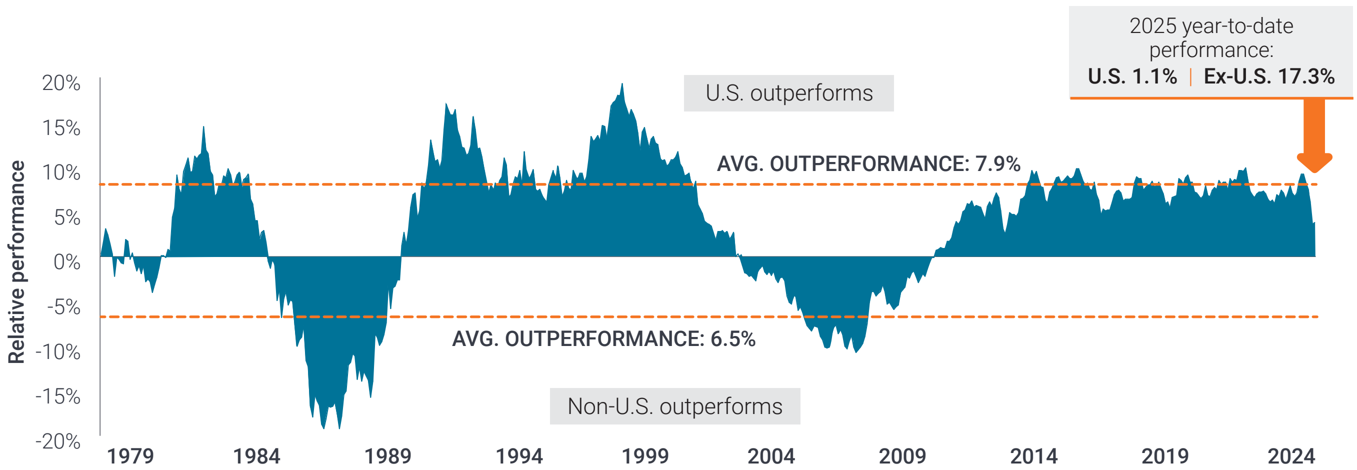
- After years of narrow mega-cap dominance, **the first half of 2025 has seen a clear broadening trend.** Against this backdrop, selectivity is key, with a focus on fundamentals potentially helping determine which mega caps retain leadership and which overlooked companies in the broader 500 emerge as winners. Within the mega-cap space, we believe it is important to target firms with durable competitive advantages, pricing power, and exposure to long-term secular themes.
- The **spread between the most and least expensive stocks remains wide.** It is possible to actively exploit these valuation gaps, providing diversification to passive allocations, particularly if macro uncertainty stabilizes. To home in on less expensive quality opportunities, investors should focus on companies with strong fundamentals such as intellectual property, high margins to absorb cost pressures, and management teams with the ability to navigate shifting trade policies.
- **Short-term volatility creates entry points for high-quality businesses trading at discounts.** While multiple expansion has recently driven stock appreciation, companies creating their own growth trajectory could be better positioned in the environment ahead. Businesses that continue investing during volatility may also be poised to gain significant market share when conditions normalize.

Global mindset: Accessing opportunities outside of the U.S.

Since 1980, U.S. and non-U.S. stocks have consistently taken turns leading the global equity market, with U.S. equities most recently on top, outperforming for the last 14 years. It's a run that smashed the long-term average (eight years) and contributed to stretched valuations in the U.S. Now, as the Trump administration injects volatility into markets, **U.S. stocks are getting a stress test.** The S&P 500 Index has generally been under more pressure so far in 2025, while non-U.S. developed markets broadly fared better.

Could this trend signal a flip in the global equity cycle? While U.S. markets should continue to benefit from secular themes such as artificial intelligence (AI) and medical innovation, reforms taking place in other economies could lead to new, dominant growth drivers outside the U.S.

Non-U.S. stocks may be due to lead the global equity cycle
S&P 500 vs. MSCI EAFE 5-year monthly rolling returns



Source: Bloomberg, from 31 December 1979 to 31 May 2025. Data are monthly and show rolling five-year annualized performance difference between the S&P 500 Index (U.S) and the MSCI EAFE Index (Non-U.S.). Year-to-date performance: Bloomberg, percentage return, to 31 May 2025.
Past performance cannot guarantee future results.

Investor considerations

- **Growth drivers vary by region.** In Japan, corporate reforms have resulted in operational improvements while decades of economic stagnation in the country may finally be ending. Meanwhile, geopolitical realignments are propelling European nations to ramp up spending on defense, which could create a multiyear tailwind for the region's industrial complex. Non-U.S. equities are deeply discounted on a relative basis, providing another potential catalyst for a cycle shift.
- However, equity home bias runs rampant, and **many portfolios may not be positioned for global broadening.** While European and UK clients are underweight the U.S. compared to the world index by 26% and 27%, respectively, U.S. investors have a 11% overweight to their home country.[1]
- **Having a meaningful allocation to non-U.S. stocks within an equity portfolio could help avoid recency bias and provide sector diversification.** While the tech sector dominates the U.S. market, outside the U.S., energy, industrials, and financials are among the sector heavyweights. These are important cyclical exposures that will provide differentiated returns if the broadening trend continues.

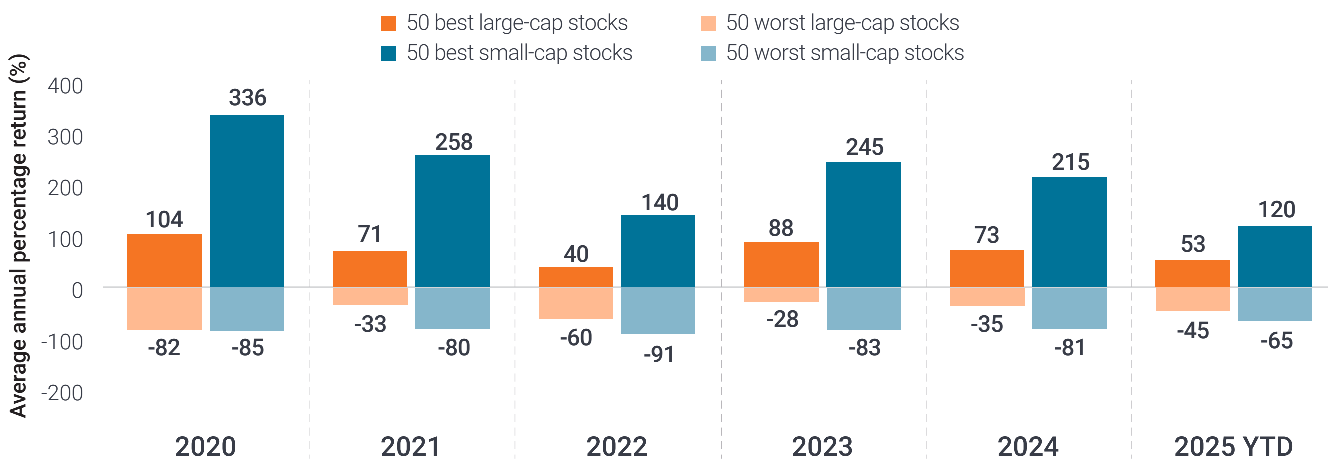
[1]Janus Henderson Edge, Morningstar, Portfolio Construction and Strategy. Global equities measured by MSCI All Country World Index, as of 31 May 2025. MSCI ACWI numbers are the average percentages over a 6-month period from 30 November 2024 to 31 May 2025.

Small but strong: Tapping into compelling long-term growth potential

Investing in small- and mid-cap stocks offers potentially higher returns but also brings risks. This has been on display through this year's tariff tantrum. The generally cyclical nature of smaller companies, as well as their heightened sensitivity to tariffs, were key drivers of the sell-off.

On a positive note, the sell-off presented the opportunity for investors moving into small and midcaps to be well rewarded by gaining early exposure to the highest-quality segments of this universe at historic discounts. As short-term volatility gives way to medium-term resolution, **the same cyclicality and tariff sensitivity that pressured the sector this year have the potential to become meaningful upside catalysts.**

More opportunities to select higher-performing stocks
Analysis of the 50 best- and worst-performing large- and small-cap stocks highlights the significant potential for upside via active stock picking in the small-cap sector.



Source: Bloomberg, Janus Henderson analysis, as of 31 May 2025. Large cap = MSCI World Large Cap Index. Small cap = MSCI World Small Cap Index.
Past performance does not predict future results.

Investor considerations

- Although large-cap stocks have generally led market performance, the analysis above shows that, in every year since 2020, **selectively investing in the highest-performing small-cap stocks has consistently offered greater returns** compared to the top performers among large caps.
- Looking ahead, attractive valuations, a global trend of interest rate cuts, and potential policy proposals such as deregulation and tax reform could benefit small-cap stocks. Moreover, **the global small cap index has double the weighting of the large cap index to the industrials and materials sectors,** both of which may benefit from onshoring of supply chains related to policy uncertainty.
- While small caps offer notable opportunities, their sensitivity to economic fluctuations necessitates an active approach. Passive allocations expose investors to non-profitable companies, increasing the risk of potential cyclical downturns. **Focusing on high-quality and fundamentally strong companies may provide a more secure path** through the market cycle.

Diversification in action: Consistency of a multi-sector approach

To date in 2025, corporate spread activity has been extreme, with U.S. investment-grade corporates starting the year at their tightest valuations since the 1990s, widening from 80 basis points (bps) to 119 bps by early April and tightening back to 88 bps by the end of May. These rapid spread fluctuations, coupled with elevated rate volatility, highlight the challenges in identifying the most advantageous fixed income sectors within a single year, let alone year after year. We believe a **multi-sector approach underpinned by nimble, active, and broad-based fixed income management** is critical to successfully navigating volatile and unpredictable markets over the long term.

Multi-sector appeal

Consistency of returns versus other fixed income sectors (annual returns 2020-2025)

2020	2021	2022	2023	2024	YTD 2025 (as of 5/31/25)
IG 9.89	High Yield 5.28	AAA CLO 1.05	High Yield 13.44	High Yield 8.19	CMBS 3.29
Treasury 8.00	**Multisector Category 3.24**	CMBS -10.20	EM Debt 11.09	AAA CLO 7.06	EM Debt 3.15
U.S. Agg 7.51	AAA CLO 1.40	High Yield -11.19	**Multisector Category 10.33**	**Multisector Category 6.96**	High Yield 2.68
High Yield 7.11	CMBS -0.33	Global Agg -11.22	Euro Agg 9.61	EM Debt 6.54	Treasury 2.51
CMBS 6.76	MBS -1.04	MBS -11.81	AAA CLO 8.68	CMBS 5.89	US Agg 2.45
Global Agg 5.58	IG -1.04	**Multisector Category -11.93**	IG 8.52	Euro Agg 4.31	MBS 2.41
Multisector Category 5.46	Global Agg -1.39	Treasury -12.46	Global Agg 7.15	Global Agg 3.40	**Multisector Category 2.39**
Euro Agg 5.37	US Agg -1.54	US Agg -13.01	US Agg 5.53	IG 2.13	IG 2.26
EM Debt 5.26	EM Debt -1.80	Euro Agg -15.27	MBS 5.05	US Agg 1.25	AAA CLO 2.14
MBS 3.87	Euro Agg -2.07	IG -15.76	CMBS 4.71	MBS 1.20	Global Agg 1.83
AAA CLO 2.54	Treasury -2.32	EM Debt -17.78	Treasury 4.05	Treasury 0.58	Euro Agg 1.70

Source: Source: Bloomberg, Morningstar, as of 31 May 2025. Asset class descriptions and indices used to represent asset classes as per disclosures on page 11. **Past performance does not predict future results.**

Investor considerations

- Fixed income investors are **confronted with a multitude of decisions** relating to duration management, sector selection, and credit quality exposure. These choices are further complicated by rapid market fluctuations that often occur too quickly for the typical investor to react to in a timely manner.
- Driven by investor demand for more consistency – and greater flexibility than what traditional core bond managers may offer – the **multi-sector category has emerged as one of the fastest growing fixed income allocations.**
- As most of the funds in the multi-sector category are actively managed under varying investment philosophies, there is a high degree of risk/return dispersion among the peer group. We believe it is crucial for investors to perform **careful due diligence when selecting a multi-sector manager,** paying particular attention to the manager's mandate, track record, and positioning.

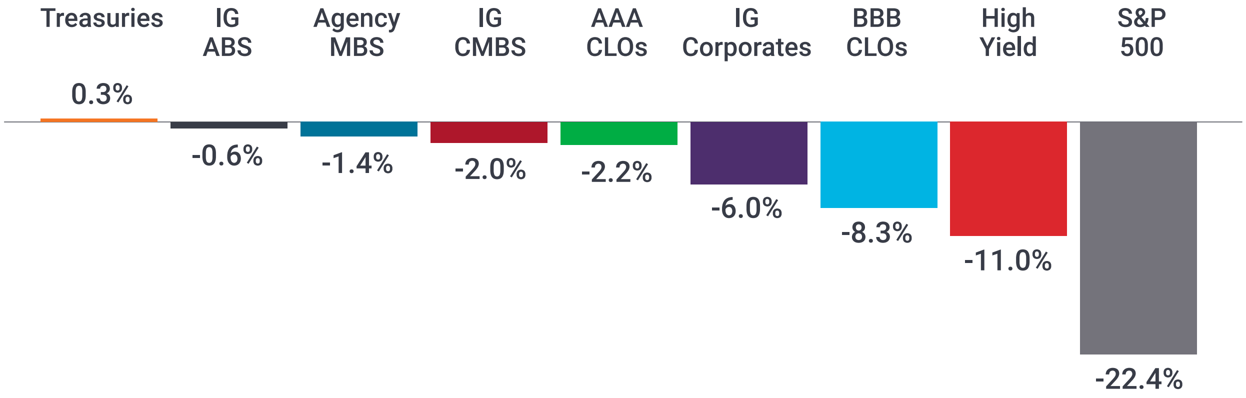
Seeking resilience: Defensive potential of high-quality securitized debt

For investors who are new to securitized fixed income, recent volatility may have provided the first opportunity to witness how securitized sectors might respond when equity markets pull back.

Tariff-induced volatility in April precipitated a swift equity sell-off that saw the S&P 500 fall nearly 19% from its February high. Most investment-grade securitized sectors were slightly positive to flat over the same period, underscoring their defensive potential.

U.S. securitized debt has, on average, performed better than corporate bonds through the five most recent corrections and bear markets. Within U.S. fixed income, only Treasuries have outperformed securitized sectors through such periods going back to 2015.

U.S. securitized debt: Strength in the face of adversity
Average peak-to-trough return of the five most recent equity market corrections/bear markets, with corresponding returns for various fixed income sectors



Source: Bloomberg, J.P. Morgan, as of 31 May 2025. Asset class descriptions and indices used to represent asset classes as per disclosures on page 11. Returns represent the average peak-to-trough return for the five most recent corrections and bear markets of the S&P 500, with corresponding returns for fixed income sectors over the same drawdown period. **Past performance does not predict future returns.**

Investor considerations

- In our view, the performance of securitized sectors during bouts of volatility is due to the **high credit quality, low correlation to equities, and low duration** within asset-backed securities (ABS), commercial mortgage-backed securities (CMBS), and collateralized loan obligations (CLOs), while agency MBS have benefited from their perceived status as a safe-haven asset.
- Although recent market volatility has been unsettling for some investors, sizeable moves in interest rates and spread markets in 2025 have **presented attractive relative value and rotational opportunities** for active fixed income managers. Spread widening has broadly improved valuations, while securitized sectors continue to trade cheap on a relative basis.
- We believe volatility is likely to persist for the foreseeable future, and an appropriate allocation to securitized sectors is critical for navigating ongoing economic uncertainty. Because **securitized exposure is typically not accessible through traditional benchmark indices,** investors may need to tactically allocate to securitized sectors to increase their exposure.

Private credit: Portfolio allocation benefits

Interest in private credit has grown significantly over the past decade. The global private credit market now exceeds US$2 trillion in assets under management, with some suggesting the addressable market size could be more than US$40 trillion.[2] This growth has come primarily in the direct lending space as traditional banks pulled back from certain lending activities, creating a vacuum that private credit has stepped in to fill. Meanwhile, a growing group of investors has led to a larger pool of capital for private credit strategies to deploy.

While direct lending has driven most of the growth, a recent slowdown in private equity deals and a higher rate environment have led to capital being deployed elsewhere in search of diversification. **Asset-backed lending ("ABL") is one segment that has seen greater interest.** ABL's defining features are its reliance on tangible or financial assets as collateral, which translates to limited loss potential and an ability to offer cash flows, regardless of broad market conditions.

ABL vs. direct lending: Complementary private credit strategies

Two components of private credit portfolios that serve distinct purposes and offer different benefits to investors

	ASSET-BACKED LENDING	DIRECT LENDING
Underlying	**Collateral:** Loans secured by specific tangible or financial assets (receivables, inventory, real estate) whose value helps mitigate losses as they can be liquidated if needed.	**Cashflow:** The company's cash flows or enterprise value supports loan repayment, making it more dependent on the borrower's operational success.
Liquidity and duration	**Shorter:** Loans typically shorter duration (<4 years) and backed by assets that either self-liquidate over time or can be readily sold to third parties. Collateral can be monetized to preserve value in downside scenarios.	**Longer:** Loans typically longer duration and reliant on market conditions for refinancing or change-of-control transactions to achieve repayment.
Risk mitigation	**Structural:** Offers structural provisions (first-loss equity subordination, dynamic borrowing bases, robust covenants) that typically provide warning signs of potential collateral deterioration.	**Pricing:** Risk often accounted for at origination, with limited opportunities for lenders to adjust during loan term. Recovery in downside scenarios depends on enterprise value or a potential sale.
Lender profile	**Sole lender:** Loans typically provided by sole lenders, enabling one party to structure and control decision-making, which aids in managing risk.	**Multiple lenders:** Loans predominantly syndicated to multiple investors.

Investor implications

- Within the expanding private credit market, ABL has emerged as a **compelling strategy for investors seeking a diversified return stream.** However, investors often associate private credit with direct lending and may be unfamiliar with ABL's distinct purposes and benefits. While direct lending relies on a borrower's cash flow and enterprise value, ABL focuses on the liquidation value of collateral assets like receivables, inventory, and real estate, potentially offering a more secure form of lending with lower loss severity in default scenarios.
- As investors continue to seek opportunities in less liquid assets, **ABL offers a diversifier to traditional direct lending exposure,** especially in uncertain economic climates where outcomes could become bifurcated.
- Given its ability to provide shorter-duration loans and lower correlation to equities compared with direct lending, ABL can offer **strong diversification within a multi-asset portfolio,** reducing overall risk and volatility.

[2]Source: Apollo Analysts Estimates, as of February 2025.

Portfolio Construction and Strategy

Janus Henderson's **Global Portfolio Construction and Strategy Team** has analyzed more than **25,000 model portfolios** based on consultations with **6,500 financial professionals.**

The team's goal is to help investment professionals make sense of what's happening in the market, understand the implications for portfolio construction, and create and adjust portfolios for future success.

Expert perspective

Leveraging Janus Henderson Edge™ proprietary analytics platform, the team offers custom insights and risk modeling to help analyze portfolios for unintended risks and opportunities.

Genuine partnership

Dedicated strategists work with clients to keep portfolios on track through consultative strategy calls and tailored solutions.

Practical insights

The team's thinking is published regularly, providing research-led, actionable insights to better inform asset allocation decisions.

For more information on any of the themes covered in our outlook, please contact your Janus Henderson representative or visit **janushenderson.com.**

Definitions and indices

Diversification in action: Consistency of a multi-sector approach indices used to represent asset classes: AAA CLOs = J.P. Morgan AAA CLO Index, CMBS = ICE BofA US Fixed Rate CMBS, EM Debt = J.P. Morgan EMBI Global Diversified Index, Euro Agg = Bloomberg Euro Aggregate Bond Index (USD hedged), IG (Investment Grade Corporates) = Bloomberg US Corporate Index, Global Agg = Bloomberg Global Aggregate Bond Index (USD hedged), High Yield (High Yield) = Bloomberg US Corporate High Yield Index, MBS = Bloomberg U.S. Securitized MBS Index, Multisector = Morningstar US Multisector Category, Treasury (U.S. Treasuries) = Bloomberg U.S. Treasury Index, US Agg = Bloomberg US Aggregate Bond Index.

Seeking resilience: Defensive potential of high-quality securitized debt indices used to represent asst classes: U.S. Treasuries = Bloomberg U.S. Treasuries Index, IG ABS = Bloomberg US Aggregate Asset-Backed Securities Index, Agency MBS = Bloomberg U.S. Mortgage-Backed Securities Index, IG CMBS = Bloomberg Investment Grade Commercial Mortgage-Backed Securities Index, AAA CLOs = J.P. Morgan AAA CLO Index, IG corporates = Bloomberg U.S. Corporate Bond Index, BBB CLOs = J.P. Morgan BBB CLO Index, High yield = Bloomberg U.S. Corporate High Yield Bond Index, S&P 500 = S&P 500 Index.

DEFINITIONS

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

Agency mortgage-backed securities (MBS) A security which is secured (or 'backed') by a collection of mortgages. Investors receive periodic payments derived from the underlying mortgages, similar to the coupon on bonds.

Asset-backed securities (ABS) A financial security that is 'backed' (or collateralised) with existing assets (such as loans, credit card debts or leases), usually ones that generate some form of income (cash flow) over time.

Collateralized loan obligations (CLOs) A bundle of generally lower quality leveraged loans to companies that are grouped together into a single security, which generates income (debt payments) from the underlying loans.

Commercial mortgage-backed securities (CMBS) Fixed-income securities backed by a pool of commercial mortgage loans.

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.

Credit spread is the difference in yield between securities with similar maturity but different credit quality. Widening spreads generally indicate deteriorating creditworthiness of corporate borrowers, and narrowing indicate improving.

Cyclical stocks Companies that sell discretionary consumer items (such as cars), or industries highly sensitive to changes in the economy (eg. mining).

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.

Fiscal policy Describes government policy relating to setting tax rates and spending levels.

Fundamentals Information that contributes to the valuation of a security, such as a company's earnings or the evaluation of its management team, as well as wider economic factors.

Secular themes Long-term investment themes with strong growth potential, such as climate change, AI, clean energy, or changing demographics.

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

INDICES

Bloomberg Euro Aggregate Bond Index includes fixed-rate, investment-grade Euro denominated bonds.

Bloomberg US Commercial Mortgage-Backed Securities Investment Grade Index measures the market of US Agency and US Non-Agency conduit and fusion CMBS deals with a minimum current deal size of $300mn.

Bloomberg US Aggregate Asset-Backed Securities Index measures the investment grade, US dollar-denominated, fixed-rate taxable bond market

Bloomberg US Corporate Bond Index measures the investment grade, U.S. dollar-denominated, fixed-rate, taxable corporate bond market.

Bloomberg US Corporate High Yield Bond Index measures the U.S. dollar-denominated, high yield, fixed-rate corporate bond market.

Bloomberg US Treasuries Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury.

Bloomberg US Mortgage Backed Securities (MBS) Index measures the performance of U.S. fixed-rate agency mortgage backed pass-through securities.

ICE BofA US Fixed Rate CMBS Index tracks the performance of U.S. dollar denominated investment grade fixed rate commercial mortgage backed securities publicly issued in the U.S. domestic market.

J.P. Morgan AAA CLO Index tracks the market for AAA-rated U.S.-dollar denominated broadly-syndicated arbitrage CLOs.

J.P. Morgan BBB CLO Index tracks the market for BBB-rated U.S.-dollar denominated broadly-syndicated arbitrage CLOs.

J.P. Morgan Emerging Market Bond Index (EMBI) Global Diversified Index tracks liquid, US Dollar emerging market fixed and floating-rate debt instruments issued by sovereign and quasi-sovereign entities.

Morningstar Multisector Category Multisector bond portfolios seek income by diversifying their assets among several fixed-income sectors, usually U.S. government obligations, U.S. corporate bonds, foreign bonds, and high-yield U.S. debt securities. These portfolios typically hold 35% to 65% of bond assets in securities that are not rated or are rated by a major agency such as Standard & Poor's or Moody's at the level of BB (considered speculative for taxable bonds) and below.

MSCI All Country World Index℠ reflects the equity market performance of global developed and emerging markets.

MSCI China Index captures large and mid-cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs).

MSCI Emerging Markets Index℠ reflects the equity market performance of emerging markets.

MSCI Europe Index℠ reflects the equity market performance of developed markets in Europe.

MSCI EAFE Index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada.

MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market.

MSCI World Large Cap Index captures large cap securities exhibiting overall growth style characteristics across 23 Developed.

MSCI World Small Cap Index captures small cap representation across 23 Developed Markets (DM) countries.

Nasdaq Composite is a stock market index that includes almost all stocks listed on the Nasdaq stock exchange.

Russell 1000® Growth Index measures the performance of the large- cap growth segment of the US equity universe.

Russell 1000® Value Index measures the performance of the large- cap value segment of the US equity universe.

S&P 500® Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.

S&P Midcap 400 Index measures the performance of the mid-range sector of the U.S. stock market.

S&P Small Cap 600 Index measures the performance of selected U.S. stocks with a small market capitalization.

Janus Henderson INVESTORS

Important information

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

Alternative investments include, but are not limited to, commodities, real estate, currencies, hedging strategies, futures, structured products, and other securities intended to be less correlated to the market. They are typically subject to increased risk and are not suitable for all investors.

Asset-backed lending involves loans secured by assets, where the loan value is based on the value of the collateral offered. Asset backed lending carries risks such as collateral depreciation, borrower default, and potential liquidity constraints during market downturns.

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

Energy industries can be significantly affected by fluctuations in energy prices and supply and demand of fuels, conservation, the success of exploration projects, and tax and other government regulations.

Equity securities are subject to risks including market risk. Returns will fluctuate in response to issuer, political and economic developments.

Financials industries can be significantly affected by extensive government regulation, subject to relatively rapid change due to increasingly blurred distinctions between service segments, and significantly affected by availability and cost of capital funds, changes in interest rates, the rate of corporate and consumer debt defaults, and price competition.

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.

Foreign securities are subject to additional risks including currency fluctuations, political and economic uncertainty, increased volatility, lower liquidity and differing financial and information reporting standards, all of which are magnified in emerging markets.

Private credit refers to direct lending or debt financing outside of traditional banking, typically involving non-publicly traded companies, and comes with increased risk including limited liquidity, reliance on the borrower's financial health, and less regulatory oversight compared to traditional bank lending.

Securitized products, such as mortgage- and asset-backed securities, are more sensitive to interest rate changes, have extension and prepayment risk, and are subject to more credit, valuation and liquidity risk than other fixed-income securities.

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.

Technology industries can be significantly affected by obsolescence of existing technology, short product cycles, falling prices and profits, competition from new market entrants, and general economic conditions. A concentrated investment in a single industry could be more volatile than the performance of less concentrated investments and the market as a whole.

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