

# Global Diversified Risk Premia 8%

as of 9/30/19

## Investment Philosophy

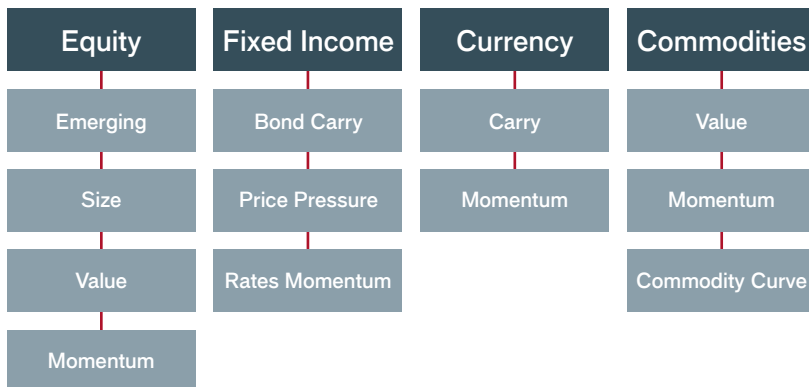
We believe investors are compensated for bearing risks, not for investing in asset classes. We seek investment success by systematically capturing a diversified collection of risk premia with low correlation to traditional assets.

## Investment Approach

The strategy seeks to provide positive **absolute returns** with true diversification by offering **low correlation** to stocks and bonds. We invest in a portfolio of traditional and nontraditional investable risk premia derived from equity, fixed income, currency and commodity asset classes. By targeting a broad collection of **statistically independent** sources of return, we believe we are in a position to create a more robust portfolio that provides, over time, a generally more stable source of return with a **targeted volatility** of 7% to 9%, significantly less than the long-term volatility of stocks.

## Targeting Optimal Risk Premia

Robust investable risk premia exist within liquid asset classes that are separate and distinct from a risk/reward/correlation standpoint.



Actual results may vary, and the information should not be considered or relied upon as a performance guarantee.

Various account minimums or other eligibility qualifications apply depending on the investment strategy, vehicle or investor jurisdiction.

## Portfolio Management



**John Fujiwara**

- Portfolio Manager
- 32 years of financial industry experience

## Strategy Characteristics

Investment Style **Diversified risk premia**

Benchmark **3-Month USD LIBOR**

Target Volatility **7% – 9%**

Derivatives **Up to 100% of non-cash exposures**

## Features of Selected Premia

### Well known

Premia is well known to academics and/or practitioners as a robust source of return

### Well documented

Premia has been thoroughly researched by multiple sources

### Economic intuition

There is a sound economic rationale for why the premium is driven by risk, and thus should persist

### Liquid

The premium can be harvested via liquid investment instruments and strategies

### Scalable

Liquid instruments used to harvest premium are deep enough to accommodate institutional investment

### Statistically Independent

Portfolio's risk premia should be as statistically independent as possible from other well-documented risk premia

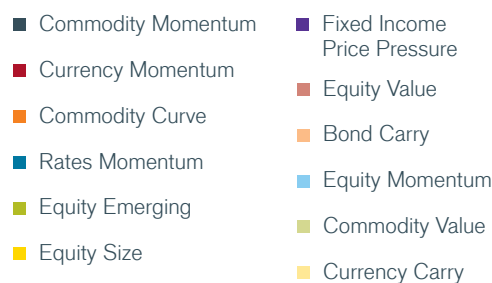
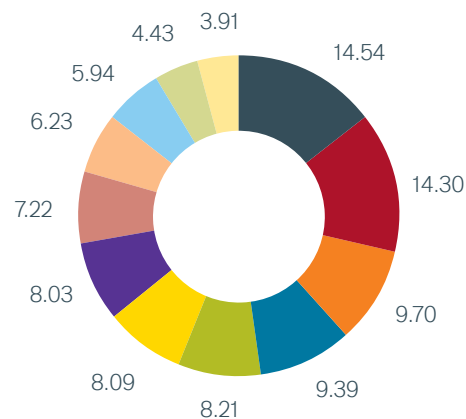
# Janus Henderson Global Diversified Risk Premia 8% (as of 9/30/19)

Performance (%)	3Q19	1 yr	3 yr	5 yr	Since Inception (7/1/13)
Composite (gross)	-1.13	-2.13	1.46	2.77	2.88
Composite (net)	-1.29	-2.76	0.80	2.11	2.21
3-Month USD LIBOR	0.62	2.64	1.81	1.24	1.04
Difference (gross vs. index)	-1.75	-4.77	-0.35	+1.53	+1.84

Performance Analysis – Contribution by Premia			
3Q19 (6/30/19 – 9/30/19)	Contribution (%)	Since Inception* (7/1/13 – 9/30/19)	Contribution (%)
Rates Momentum	1.35	Commodity Curve	1.58
Commodity Value	0.58	Commodity Value	1.40
Equity Momentum	0.35	Rates Momentum	0.98
Bond Carry	0.12	Equity Momentum	0.51
Equity Value	0.11	Currency Momentum	0.25
Commodity Momentum	0.07	Bond Carry	0.09
Currency Momentum	-0.16	Equity Size	-0.21
Currency Carry	-0.39	Currency Carry	-0.32
Equity Size	-0.57	Commodity Momentum	-0.58
Fixed Income Price Pressure	-0.63	Equity Value	-0.60
Commodity Curve	-1.01	Fixed Income Price Pressure	-0.63
Equity Emerging	-1.24	Equity Emerging	-1.06

\*Contribution for equity momentum, fixed income price pressure and bond calculated from 7/1/14, 8/1/19 and 9/1/19, respectively. Contribution annualized for periods greater than one year. Inactive risk premia strategies suppressed.

## Capital Allocation to Risk Premia (%)



## Risk/Reward (Composite – Gross)

	3 yr	Since Inception (7/1/13)
Standard Deviation	5.52	6.52
Sharpe Ratio	0.03	0.34
Sortino Ratio	0.04	0.49

For more information, please visit [janushenderson.com](http://janushenderson.com).

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**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. Composite returns are net of transaction costs and gross of non-reclaimable withholding taxes (if any and unless otherwise noted), and reflect the reinvestment of dividends and other earnings.

The gross performance results presented do not reflect the deduction of investment advisory fees, and returns will be reduced by such advisory fees and other contractual expenses as described in the individual contract and Form ADV Part 2A.

Net performance results do not reflect the deduction of investment advisory fees actually charged to the accounts in the composite but they do reflect the deduction of model investment advisory fees based on the maximum fee rate in effect for the respective time period, adjusted for performance-based fees where applicable. Actual advisory fees may vary among clients invested in the strategy shown and may be higher or lower than model advisory fees. Returns for each client will be reduced by such fees and expenses as negotiated in any client contract as discussed 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.

C-0919-26478 01-30-20

Global Diversified Risk Premia 8% Composite, benchmarked to 3-Month USD LIBOR, includes portfolios that seek absolute return with low correlation to stocks and bonds while targeting annualized volatility of 7-9%. Portfolios seek to generate returns by identifying and isolating diverse sources of potential return drivers, or risk premia, and combining these into a liquid portfolio. The Portfolio managers allocate according to risk across various premia that exist within traditional equity, fixed income, commodity, and currency asset classes. The composite was created in July 2013.

There is no assurance that the investment process will consistently lead to successful investing.

Capital allocation represents amount allocated to each risk premium per the model portfolio and will differ from actual notional exposure due to use of leverage.

Risk premia contribution is based on a model portfolio, and may differ from actual contribution. It is calculated using an internal, manual process, and reflects the deduction of trading costs, fees and expenses. Risk premia contribution is intended to demonstrate the impact of each risk premium strategy within the portfolio.

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