


**OVERALL MORNINGSTAR RATINGS BY CLASS**

**KEY FACTS**

Ticker:	JENHX
CUSIP:	479164881
Launch Date:	12/30/2005
Expense Ratio:	0.35%
Minimum Investment:	\$1,000,000

**FUND PORTFOLIO CHARACTERISTICS**

Fund Benchmark  
S&P 500 Index

Average Credit Quality:	A+
Effective Duration:	2.08 years
Weighted Average Life:	2.29 years
Portfolio Yield:	4.47%
Portfolio Turnover:	24.39% (12-mo.)
Number of Holdings	108

**ANNUALIZED PERFORMANCE**

	JENHX	Benchmark
1 YEAR:	26.99%	29.88%
3 YEAR:	7.77%	11.49%
5 YEAR:	12.91%	15.05%
10 YEAR:	11.88%	12.96%

**FUND DESCRIPTION**

Johnson Enhanced Return Fund aims to outperform the S&P 500 Index with low tracking error and comparable volatility. The Fund seeks to accomplish this by providing investment exposure to the large cap equity market through the use of S&P 500 index futures, combined with alpha generating short duration investment-grade fixed income securities.

**FUND HIGHLIGHTS**

- Blend of S&P 500 Futures Contracts and high quality Fixed Income
- Approximately 5% of portfolio held on margin/95% invested in high quality short duration bonds
- Proprietary quality yield approach
- Fixed Income component is 100% Investment Grade
- Diversification by Sector, Issuer and Maturity
- No derivatives, no high yield, no foreign currency exposure

**INVESTMENT STRATEGY**
**Replicate the S&P 500 Index**

- Long positions in S&P 500 Index futures to match fund NAV
- Futures returns will track the index, minus an implied financing cost
- Approximately 5% of portfolio maintained on margin

**Generate Alpha with Fixed Income**

- Remaining fund assets invested in short duration investment-grade bonds
- Bond returns in excess of futures' financing cost generate alpha
- No high yield, no currency, no derivatives

**INVESTMENT PHILOSOPHY**

The Fund's portfolio management team's philosophy is built on the belief that fixed income plays two crucial roles within a portfolio. First and foremost, we believe fixed income should serve as the anchor of a portfolio – providing stability and protection especially during periods of market volatility. Second, fixed income should be a consistent and reliable source of compounding income. Therefore, the team focuses exclusively on quality securities and only invests in dollar denominated, investment grade rated securities— no derivatives, no currency exposure, and no high-yield.

The team seeks to build portfolios that maximize yield and total return in normal environments, without sacrificing reliable downside protection during periods of economic and market stress. To accomplish this the Fund is often positioned overweight corporate bonds relative to its benchmark as a way to maximize current income. In order to help limit the Fund's overall spread sensitivity, the Fund generally strives for a shorter spread duration than the index. The Fund's focus on intermediate maturity corporates also provides additional opportunities for both yield curve and credit curve roll return. The team's disciplined credit process further eliminates volatile sectors and issuers which helps mitigate volatility, especially during higher risk periods. Balancing the Fund's tilt toward high-quality intermediate corporate bonds with longer duration government bonds provides an additional hedge to the portfolio and further provides stability to relative performance. While the Fund seeks to provide downside protection, it may not always be able to do so.

Unique to the industry, this Quality Yield approach aims to provide a high degree of both outperformance and consistency during strong and weak environments. When yield spreads are tightening in the market and credit performs well, we believe the portfolio's overweight to the sector may help performance. When spreads are widening and corporate bonds lag in the market, we believe the portfolio's quality emphasis and shorter duration exposure should lead to solid attribution from security selection.

**CALENDAR YEAR PERFORMANCE**

	1st QTR 2024	2023	2022	2021	2020	2019	2018	2017
JENHX	9.24%	24.91%	-23.56%	26.51%	19.38%	33.80%	-6.06%	21.39%
BENCHMARK	10.56%	26.29%	-18.11%	28.71%	18.40%	31.49%	-4.38%	21.83%

## APPROACH, COMBINATION OF ACTIVE AND INDEX MANAGEMENT

### Benefits of Active Management

- Returns that are able to outperform the index
- Ability to adapt to changing market conditions

### Benefits of Index Management

- Benchmark correlation
- Lower volatility, lower fees

	ACTIVE	PASSIVE	JOHNSON ENHANCED
ALPHA	-1.39%	-0.21%	-1.07%
BETA	1.01	1.00	1.05
TRACKING ERROR	5.97%	0.05%	1.66%
STANDARD DEVIATION	16.21%	15.16%	15.97%
BATTING AVERAGE	0.46%	0.21%	0.48%
UPSIDE CAPTURE	98.08%	99.66%	100.85%
DOWNSIDE CAPTURE	102.44%	100.33%	105.82%
SHARPE RATIO	0.64	0.75	0.66
INFORMATION RATIO	-0.27	-2.74	-0.65

Table Source: eVestment. Trailing 10 years as of 03/31/2024. Active is defined as the median of the eVestment Large Cap Equity pooled vehicles. Passive is the median of the eVestment Passive S&P 500 Equity pooled vehicles Universe. All comparisons are net-of-fees.

Table Glossary: **Alpha**-excess returns generated for a given level of risk; **Beta**-a measure of volatility or systematic risk of a security or portfolio in comparison to the market as a whole; **Tracking Error**-the annualized standard deviation of excess return to the benchmark; **Standard Deviation**-Standard deviation of return measures the average deviations of a return series from its mean, and is often used as a measure of risk. A large standard deviation implies that there have been large swings in the return series of the manager. Measure of total risk; **Upside Capture**- measures the percentage of market gains captured by a manager when markets are up. Ratio over 100 indicates fund generally outperformed the benchmark during periods of positive returns for the benchmark; **Downside Capture**-measures the percentage of market losses endured by a manager when markets are down. Ratio of less than 100 indicates that a fund has lost less than its benchmark in periods of benchmark loss; **Sharpe Ratio**-a risk-adjusted measure of return which uses standard deviation to represent risk.  $(\text{Average Portfolio Return} - \text{Risk Free Rate}) / \text{Standard Deviation}$ ; **Information Ratio**-a measure of risk-adjusted returns of a portfolio vs. a benchmark. It is the summation of the annualized excess returns divided by the annualized standard deviation of excess returns. The Information Ratio measures the consistency with which a manager beats a benchmark.

The data represented herein reflects past performance and is not a guarantee of future results. The return and principal value of your investment will fluctuate and be more or less than their original cost at the time of redemption. Average quality is indicative of the average quality of the securities in the Fund and not the Fund itself. Ratings are based on quality ratings provided by Moody's and Standard & Poor's. For more information, please carefully read the most recent prospectus dated September 15, 2023. To obtain a prospectus for the Fund, please contact Johnson Mutual Funds at 513-661-3100 or 800-541-0170.

Shares in the Fund may fluctuate, sometimes significantly, based on interest rates, market conditions, credit quality and other factors. In a rising interest rate environment, the value of an income fund is likely to fall. Generally, bond values will decline as interest rates rise. The market's behavior is unpredictable and there can be no guarantee that the Fund will achieve its goal. The Fund's performance could be affected if borrowers pay back principal on certain debt securities before or after the market anticipates such payments, shortening or lengthening their duration, and could magnify the effect of the rate increase on such security's price. To the extent the Fund invests more heavily in particular bond market sectors, its performance will be especially sensitive to developments that significantly affect those sectors. When issued/delayed-delivery securities can have a leverage-like effect on the Fund, which may increase fluctuations in the Fund's share price and may cause the Fund to liquidate positions when it may not be advantageous to do so to satisfy its purchase obligations. The Fund may be slightly under-invested or slightly over-invested compared to the underlying S&P 500 equity index, which could cause the Fund to be slightly less or more volatile than the underlying index, and the Fund's returns from the futures contracts may not mirror the underlying index.

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## FIXED INCOME

### PORTFOLIO MANAGEMENT TEAM:

Jason Jackman, CFA

- Chief Executive Officer, Principal
- 31 Years Industry Experience

Michael Leising, CFA

- Chief Investment Officer - Fixed Income & Portfolio Manager, Principal
- 26 Years Industry Experience

Brandon Zureick, CFA

- Managing Director & Portfolio Manager, Principal
- 16 Years Industry Experience

David Theobald, CFA

- Senior Portfolio Manager, Principal
- 17 Years Industry Experience

Ryan Martin, CFA

- Portfolio Manager, Principal
- 11 Years Industry Experience