



JANUS

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**As an “offshore adviser”, with its principal office and place of business outside of the United States, Janus Capital Singapore Pte. Limited (“Janus Singapore”) is permitted, and has chosen, to rely on the Advisers Act regime commonly referred to as “Regulation Lite” with respect to its non-U.S. clients. In accordance with Regulation Lite, as set out in various SEC no-action letters, Janus Singapore is not subject to many of the substantive provisions and restrictions of the Advisers Act with respect to its dealing with non-U.S. funds or clients.**

This Brochure provides information about Janus Singapore’s qualifications and business practices. If you have any questions about the contents of this Brochure, please contact us at (65) 6511.8490. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”), any U.S. state securities authority or any non-U.S. regulatory authority.

Janus Singapore is an investment adviser registered with the SEC. Registration of an investment adviser does not imply any level of skill or training. Additional information about Janus Singapore is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2 – Material Changes

This Brochure replaces the one previously provided to you. We revised and expanded certain information to help you better understand our firm and the investment products we offer, the business issues we face, the risks associated with investing and with our investment process and our efforts to ensure clients are treated fairly. We do not consider these changes to be material.

The changes primarily apply to *Item 4 – Advisory Business*, *Item 5 – Fees and Compensation*, *Item 7 – Types of Clients*, *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (Risks)*, *Item 10 – Other Financial Industry Activities and Affiliations* (Other Investment Advisers, Broker-dealers and Other Pooled Vehicles), *Item 12 – Brokerage Practices* (Client Commission Practices, Trade Aggregation and Allocation Policy, IPO/Limited Offering Allocations, ADRs and Error Correction Policy).

Further, we updated any out-of-date information and have made other changes throughout the document in the spirit of providing information clearly and concisely.



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<sup>1</sup> The SEC requires advisers to use a certain format and certain headings for this Brochure. To the extent that an item does not apply to Janus Singapore's business, we will indicate it is not applicable.



#### Item 4 – Advisory Business

Janus Singapore registered with the SEC in 2011 as an investment adviser and is headquartered in Singapore. Janus Singapore intends to further globalize the investment strategies offered by one of its affiliates, Janus Capital Management LLC ("Janus Capital"), by expanding its research and investment management capabilities in Asia. In support of this objective, Janus Singapore is the investment management hub for an Asia-based investment team and offers Asian and other non-U.S. equity investment strategies described in *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss*.

Janus Singapore's investment team is led by a portfolio manager based in Singapore and with oversight by Janus Capital's Chief Investment Officer of Equities and Asset Allocation ("Chief Investment Officer") based in Denver. Janus Singapore also provides insight and research on Asia and other non-U.S. equity securities to Janus Capital's investment team.

Janus Singapore is wholly-owned, indirectly, by Janus Capital Group Inc., a U.S. publicly held company, ("Janus Capital Group"). Janus Capital Group is responsible for Janus Singapore's and Janus Capital's strategic direction. Janus Capital is registered with the SEC as an investment adviser. Please see *Item 10 – Other Financial Industry Activities and Affiliations* and Janus Capital's Form ADV for more information about this adviser.

As of December 31, 2014, Janus Singapore had \$177,664,834 in assets under management on a discretionary basis and no assets on a non-discretionary basis. The SEC has adopted a uniform method for advisers to calculate assets under management for regulatory purposes which it refers to as an adviser's "regulatory assets under management." Regulatory assets under management are generally an adviser's gross assets, i.e., assets under management without deduction for outstanding indebtedness or other accrued but unpaid liabilities. Janus Singapore reports its regulatory assets under management in Item 5 of Part 1 of Form ADV, which you can find at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Janus Singapore is regulated by the Monetary Authority of Singapore ("MAS") and since 2007, has been conducting business as a registered securities dealer. In 2011, Janus Singapore's Capital Market Services' license was extended to include fund management activities. Additionally, in 2011, Janus Singapore was approved by the Central Bank of Ireland to manage Irish-authorized funds, such as Undertakings for Collective Investments in Transferable Securities ("UCITS") funds.



Janus Singapore offers discretionary investment management services, as an investment adviser or sub-adviser, to U.S. and non-U.S. institutional clients. Janus Singapore offers its investment management services through the following types of products:

- investment companies ("U.S. Mutual Funds") registered under the Investment Company Act of 1940, as amended (the "1940 Act"),
- UCITS funds and other non-U.S. domiciled funds, trusts or similar entities ("non-U.S. Funds"),
- institutional separate accounts ("Separate Accounts"), and
- other proprietary accounts.

In this Brochure we refer to U.S. Mutual Funds and non-U.S. Funds collectively as "Funds" and those sponsored by Janus Capital or one of its affiliates collectively as "Janus-sponsored Funds".

When Janus Singapore serves as investment adviser, it enters into a written investment management agreement with each of its advisory clients. Investors in Funds, whether Janus-sponsored or not, do not enter into investment management agreements with Janus Capital or Janus Singapore thus are not Janus Singapore's advisory clients. With respect to any Fund, this Brochure is qualified in its entirety by the Fund's offering memorandum, operating agreement, prospectus, statement of additional information or similar disclosure and governing documents (collectively, the "offering documents").

Investment management agreements include information related to each client's management fees, investment strategy, investment guidelines, termination rights and proxy voting. Clients can generally terminate their contract with Janus Singapore at the end of any month following 30 or 60 days written notice. Upon termination, clients are billed only for the pro-rata portion of the management period. Clients do not pay a termination fee.

When Janus Singapore serves as sub-adviser for U.S. clients, it enters into a sub-advisory agreement with Janus Capital or an unaffiliated investment adviser. These sub-advisory agreements typically include information related to Janus Singapore's sub-advisory fee, strategy, investment guidelines, termination rights and proxy voting. The adviser enters into an investment management agreement with the end client.

Janus Singapore partners with clients to tailor investment services to clients' specific needs and works with them to formulate appropriate and agreed-upon investment guidelines. Generally, clients may



impose restrictions on investing in certain issuers, types (e.g., excluding tobacco companies from a portfolio) or quantities of securities, investment instruments, asset classes, geographic regions or sectors. Janus Singapore will work with clients to determine the feasibility of monitoring proposed restrictions and limitations. For example, Janus Singapore will assess the scope of socially responsible restriction requests to determine if a third party provider, such as MSCI Inc., can provide an acceptable restricted list. Clients who restrict their investment portfolios may experience potentially worse performance results than clients with unrestricted portfolios even for clients with similar objectives. Janus Singapore reserves the right to reject or terminate any client's account that seeks restrictions which Janus Singapore is unable to implement or which may fundamentally alter the investment objective of the strategy selected by the client. Investors who participate in pooled investment vehicles, such as Funds, may generally not tailor investment guidelines for these products.

#### **Item 5 – Fees and Compensation**

Janus Singapore's standard fee schedules vary from product to product based on a variety of factors, including but not limited to the portfolio manager, strategy, investment vehicle, degree of servicing required, market-place conditions and other factors Janus Singapore deems relevant. To the extent fees are negotiable, clients may pay more or less than other clients for the same management services.

Janus Singapore's management fees are typically calculated as a percentage of the market value of a client's assets under management in accordance with its contractual agreements. Fee breakpoints may be available for certain strategies and product types. Janus Singapore's standard fee schedules, which are subject to change and may be negotiated, are described in Appendix A. Existing clients may have different fee arrangements from those described in Appendix A. Janus Singapore does not deduct fees from client accounts; rather Janus Singapore invoices clients on a monthly, quarterly or semi-annual basis in arrears for investment management fees. In any partial billing period, Janus Singapore pro-rates fees based on the number of days an account is open. Clients who negotiate performance-based fees typically pay a lower base management fee than clients without performance-based fees. See *Item 6 – Performance-Based Fees and Side-By-Side Management* for more information about performance-based fees.

Janus Singapore may, in its sole discretion, charge lower management fees or waive account minimums based on certain criteria including product type, investment strategy, client type, client domicile, services



provided, the client's historical relationship with the firm, number of related investment accounts, account composition or size, anticipated future earning capacity, current and anticipated future assets under management, marketplace considerations, early adoption of an investment strategy or investment in a particular vehicle, client's operational or investment limitations or restrictions, level of client servicing required and other factors Janus Singapore deems relevant. Janus Singapore may also charge lower management fees or waive management fees or account minimums for employees, affiliates or relatives of these persons. Assets from related accounts in similar investment vehicles may be aggregated for fee calculation purposes.

Janus Capital and Janus Singapore (collectively, the "Advisers") may be limited in their ability to negotiate fees due, in part, to existing client contracts, which require equivalent pricing. Under the terms of these agreements, the Advisers are generally required to charge the same fee schedule to similarly-situated clients. The Advisers generally consider clients to be similarly-situated if they are domiciled in the same country, are in the same investment vehicle managed as a component of the same investment composite, are of the same client type, require a similar level of client servicing and have a similar account size among other factors the Advisers deem relevant.

To the extent fees are negotiable, certain clients may pay more or less than other clients for the same management services. The Advisers may also charge lower management fees pursuant to other consulting or referral arrangements in which broker-dealers, investment advisers, trust companies and other providers of financial services typically provide clients with services that complement or supplement the Advisers' services.

In addition to Janus Singapore's investment management fee, clients may incur operating and transaction fees, costs and expenses associated with maintaining their accounts imposed by custodians, brokers, futures commission merchants, prime brokers and other third-parties. Examples of these charges include but are not limited to: stamp duty, custodial fees, margin, deferred sales charges, "mark-ups" and "mark-downs" on trades, odd-lot differentials, transfer taxes, handling charges, exchange fees (including foreign currency exchange fees), interest to cover short positions, wire transfer fees, electronic fund fees, conversion fees for American Depositary Receipts ("ADRs") and other fees and taxes on brokerage accounts and securities transactions. Janus Singapore does not receive any portion of these commissions, fees or costs. See, however, *Item 12 – Brokerage Practices* for more information about commission credits. See also *Item 12 – Brokerage Practices* for more information about conversion fees



for ADRs. To the extent Janus Singapore acts as a sub-adviser, Janus Singapore will receive a portion of the management fee the end-clients pay to the adviser; these clients do not pay any fees, commissions or expenses directly to Janus Singapore.

Investors in the Funds pay expenses in addition to investment management fees. These expenses generally include administration, organizational, research and investment expenses, such as brokerage commissions, legal, line of credit, director, accounting, audit and other professional fees and expenses. These expenses are typically incorporated in the fund's share price or are allocated based on an investor's pro-rata portion of the investment vehicle. For additional detail on these fees and expenses, please refer to a Fund's offering documents.

Except as described below, clients generally receive invoices on a monthly, quarterly or semi-annual basis in arrears for investment management fees. To the extent any client pays fees in advance, all accounts that terminate before the end of a billing period receive a refund for the pro-rata portion of the fee attributable to the remaining time in the billing period after the effective date of the termination of the account. In any partial billing period, fees are pro-rated based on the number of days in which the account is open.

Janus Singapore may invest client assets in Funds that charge fees described in the Funds' offering documents. Client assets invested in such Funds may pay both the Janus Singapore investment management fee and the Funds' fees and expenses. To the extent Janus Singapore invests clients' assets in Janus-sponsored Funds, Janus Singapore generally will not include those assets for purposes of calculating or charging the client's management fee. Neither Janus Singapore nor any of its related persons generally receives additional advisory compensation on client assets that are invested in Janus-sponsored Funds.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Janus Singapore may accept performance-based fee arrangements. Performance-based fees for U.S. clients are structured to comply with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act") and, for accounts subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), relevant Department of Labor advisory opinions regarding the circumstances in which an investment manager may receive performance-based compensation. Accordingly,





performance-based fees are charged only to “qualified clients” as that term is defined under Rule 205-3 of the Advisers Act. Performance-based fees for Separate Accounts typically consist of a base management fee plus an adjustment based on investment performance compared to an established benchmark index over a specified period of time. Performance-based fees paid by Janus-sponsored Funds typically consist of a base management fee plus or minus a performance fee adjustment as determined by the relative investment performance of a Fund to a specified benchmark index over a specified period of time.

Janus Singapore intends to manage accounts with performance-based fees in the same locations, using the same systems and staffed with the same investment and support personnel, as accounts which do not have performance-based fees. Depending on the performance of accounts with performance-based fees, Janus Singapore may obtain significantly higher fees from accounts with performance-based fee structures than those of other accounts which do not have performance-based fee structures. These factors could create conflicts of interest because Janus Singapore, portfolio managers and other investment personnel may have incentives to favor the performance-based fee accounts over others. Janus Singapore believes that it has reasonable controls in place to mitigate potential conflicts of interest. These controls include trade allocation procedures that govern allocation of securities, including limited offerings and average pricing of executed trades among similar accounts, and analysis of performance achieved by accounts managed in a similar strategy. Janus Singapore’s procedures generally require accounts with similar investment strategies to be managed in a similar fashion, subject to a variety of exceptions, such as, particular investment restrictions or policies applicable only to certain accounts, differences in cash flows and account sizes and similar factors. See *Item 12 – Brokerage Practices* for additional information about our trade allocation procedures and for a discussion of potential conflicts related to our security valuation practices and procedures. See also *Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading* for more information about Janus Singapore’s side-by-side management practices.

## **Item 7 – Types of Clients**

Janus Singapore offers investment management services, as an investment adviser or sub-adviser, to institutional clients including pension, profit-sharing and Taft-Hartley plans, foundations, charitable organizations, endowments, U.S. and non-U.S. federal, state or local government entities, sovereign-



wealth funds, pooled investment vehicles including U.S. Mutual Funds and UCITS funds, banks or thrift institutions and other U.S. and non-U.S. institutions.

For new accounts, the Advisers generally require:

- \$25 million to establish a new Separate Account and
- \$50 million to establish an unaffiliated Fund relationship.

These requirements may be waived based on certain criteria as described in *Item 5 – Fees and Compensation* and, in their sole discretion, reserve the right to decline any account. Janus Capital or Janus Singapore, as applicable, also reserve the right to close any account which falls below the minimum requirements to establish an account due to client activity or as a result of market movement. Smaller-sized accounts may not receive or be able to fully implement the investment recommendations for a particular strategy depending on the price of securities and the size of the accounts.

As an “offshore adviser”, with its principal office and place of business outside of the United States, Janus Singapore is permitted, and has chosen, to rely on the Advisers Act regime commonly referred to as “Regulation Lite” with respect to its non-U.S. clients. In accordance with Regulation Lite, as set out in various SEC no-action letters, Janus Singapore is not subject to many of the substantive provisions and restrictions of the Advisers Act with respect to its dealing with non-U.S. Funds or clients.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Janus Singapore’s investment team focuses on a fundamental, bottom-up, stock-picking investment strategy with active sector and country allocation and risk management overlay. Janus Singapore seeks long-term growth of capital with an emphasis on developed and emerging Asian and other non-U.S. economies. Janus Singapore seeks companies where the portfolio manager has a differentiated view from the market. Janus Singapore invests principally in common stocks of companies of any size, from larger, well-established companies to smaller, emerging growth companies.

Janus Singapore seeks to add value versus benchmarks by actively pursuing alpha generation through intensive fundamental research. Janus Singapore strives to find companies possessing the firm’s key investment criteria (as described below) through proprietary research that emphasizes contact with a company’s management team, competitors, suppliers and consumers, as well as in-depth and ongoing



financial modeling. This process is critical in the firm's ability to uncover rapidly growing companies, along with those possessing misunderstood fundamentals and price dislocations.

Janus Singapore generally favors businesses that its research reveals have sustainable above-average earnings growth potential and outstanding free-cash flow generation, recurring revenue, profit margins and attractive valuations. Additionally, Janus Singapore looks for companies that it believes have exceptional management teams and dominant industry franchises that possess various catalysts for growth. A higher weighting in a given portfolio indicates confidence that the research has uncovered significant value in a company that others may have overlooked or have high potential for long-term value creation.

## **Risks**

The following is a summary of the material risks for strategies offered by Janus Singapore. This Brochure is not intended to address every potential risk of every strategy Janus Singapore offers. Investors in Funds may find additional information about risks in the Funds' offering documents.

Investing in securities involves risk of loss that clients should be prepared to bear. There are inherent risks associated with investing in financial markets. For Janus Singapore's clients, these risks include that returns may vary and clients could lose the entire amount of their investments or recover only a small portion of their investments if their portfolio suffers substantial losses. The value of a client's portfolio may decrease if the value of one or more companies in the portfolio decreases or if a portfolio manager's belief about a company's intrinsic worth is incorrect. Further, regardless of how well individual companies perform, the value of a client's portfolio could also decrease if there are deteriorating economic or market conditions.

Janus Singapore concentrates on investing in equity securities, including common stocks. Common stocks tend to be more volatile than many other investment choices. In addition, securities of companies perceived to be growth companies also may be more volatile than other stocks and may involve special risks. The price of a growth security may be impacted if the company does not realize its anticipated potential or if there is a shift in the market to favor other types of securities.

By concentrating in equity investments, a client's portfolio will be subject to the risks of the equity markets on the particular securities in which its assets are invested, such as sensitivity to regulatory changes,



minimal barriers to entry and sensitivity to overall market swings, and may be more susceptible to risks associated with a single economic, political or regulatory circumstance or event than a more diversified portfolio might be. The overall negative impact of adverse movements in the value of the securities in the equity markets on a client's portfolio may be considerably greater than if the portfolio did not concentrate its investments to such an extent.

Janus Singapore's clients may have significant direct or indirect exposure to Asian markets which can be more volatile than the U.S. or other non-U.S. markets. Investments in Asian securities, including those of Asian governments, may be less liquid and involve greater risks than investing in U.S. or other non-U.S. securities because a strategy's performance may depend on factors other than the performance of a particular company. As a result, a client's returns may be affected to a large degree by fluctuations in currency exchange rates or adverse social, political or economic conditions in a particular country in Asia and with respect to certain countries, the possibility of expropriation, nationalization or confiscatory taxation or limitations on the removal of a client's funds or other assets. A market swing in one or more countries in Asia may have a greater effect on the portfolio's performance than it would in a more geographically diversified global portfolio. Delays may be encountered in settling securities transactions in certain non-U.S. markets and a client invested in these strategies will incur costs in converting non-U.S. currencies into U.S. dollars or other non-U.S. currencies. Custody charges are generally higher for non-U.S. securities. In addition, in transactions on non-U.S. stock exchanges, brokers' commissions are frequently fixed and are often higher than in the United States, where commissions are negotiated. Non-U.S. and emerging market risks, including but not limited to economic and/or political crises, price controls, forced mergers of companies, expropriation or confiscatory taxation, imposition or enforcement of foreign ownership limits, seizure, nationalization, sanctions, and restrictions on repatriation of assets may be heightened to the extent clients invest in Chinese local market equity securities.

The risks of investing in non-U.S. markets are heightened when investing in emerging markets (including frontier markets). Emerging markets securities are exposed to a number of additional risks, which may result from less government supervision and regulation of business and industry practices (including the potential lack of strict finance and accounting controls and standards), stock exchanges, brokers, and listed companies, making these investments potentially more volatile in price and less liquid than investments in developed markets, resulting in greater risk to investors. In addition, investments may be denominated in foreign currencies and therefore, changes in the value of a country's currency compared to the U.S. dollar may affect the value of the investments. To the extent a client invests a significant



portion of its portfolio in the securities of issuers in, or companies of, a single country or region, the portfolio is more likely to be impacted by events or conditions affecting that country or region which could have a negative impact on its performance. Some of the risks of investing directly in non-U.S. and emerging market securities may be reduced when a client invests indirectly in non-U.S. securities through various other investment vehicles including derivatives, which may have their own specialized risks. The risks of investing in emerging market countries are magnified in frontier market countries because frontier market countries generally have smaller economies and less developed capital markets than traditional emerging markets.

Janus Singapore may employ investment techniques and instruments, such as trading in futures, options, swaps and other derivative instruments (by taking long and/or short positions) for efficient portfolio management (e.g., reduction of risk, reduction of costs, generation of additional capital or income) or for investment purposes. Janus Singapore may also use a variety of currency hedging techniques, including the use of forward currency contracts, to manage currency risk. Janus Singapore may also invest in derivatives, such as swaps, to gain access to non-U.S. markets specifically where direct investment may be restricted or unavailable. Derivatives, which are instruments that have a value derived from an underlying asset, such as stocks, bonds, commodities, currencies, interest rates, or market indices, can be highly volatile and involve risks in addition to the risks of the underlying referenced securities. Gains or losses from a derivative can be substantially greater than the derivative's original cost, and can therefore subject the portfolio to the effects of leverage. If the value of a derivative does not correlate well with the particular market or other asset class to which the derivative is intended to provide exposure, the derivative may not provide the anticipated effect. Derivatives can be less liquid (and more difficult to value) than other types of investments and entail the risk that the counterparty will default on its payment obligations.

To the extent Janus Singapore uses short positions, Janus Singapore will generally maintain prime brokerage arrangements to facilitate these transactions. Prime brokerage accounts may be charged interest until a short position is covered and the account will incur a loss if the market value of the security rises prior to closing out a short position. The potential loss from a short sale is theoretically unlimited. Proceeds of a short sale may be retained by the prime broker, to the extent necessary to meet the margin requirements, until the short position is closed out.



Transactions involving a counterparty are subject to the risk that the counterparty will not fulfill its obligation because of the counterparty's financial condition, market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to a client's account. A client may be unable to recover its investment from the counterparty or may obtain a limited or delayed recovery.

Janus Singapore's strategies may also invest, directly or indirectly, in various commodity-linked investments that provide exposure to the commodities markets. Such exposure may result in greater volatility than investments in traditional securities. The value of a given commodity-linked derivative investment typically is based upon the price movements of a physical commodity (such as heating oil, livestock, or agricultural products), a commodity futures contract or commodity index, or some other readily measurable economic variable. The value of commodity-linked derivative instruments may therefore be affected by changes in overall market movements, volatility of the underlying benchmark, changes in interest rates, or other factors affecting a particular industry or commodity such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.

Janus Singapore has adopted a business continuation program to maintain critical functions in the event of a partial or total building outage affecting our offices or a technical problem affecting applications, data centers or networks. The recovery strategies are designed to limit the impact on clients from any business interruption or disaster. Nevertheless, Janus Singapore's ability to conduct business may be curtailed by a disruption in the infrastructure that supports operations and the regions in which offices are located. In addition, our asset management activities may be adversely impacted if certain service providers to Janus Singapore or our clients fail to perform.

Janus Singapore, like other investment advisers, relies on digital and network technologies (collectively, "cyber networks") to conduct many aspects of its business. Such cyber networks might at times be at risk of cyber-attacks that could potentially seek unauthorized access for purposes such as misappropriating sensitive information, corrupting data, or causing operational disruption. Cyber-attacks could include efforts to electronically circumvent network security or overwhelm websites or intelligence gathering functions aimed at obtaining information necessary to gain access. Janus Singapore maintains an information technology security policy and certain technical and physical safeguards intended to protect its operations and the confidentiality of its internal data. Nevertheless, cyber incidents could occur, and



might result in disruption of operations or unauthorized access to sensitive information about Janus Singapore or its clients.

## **Item 9 – Disciplinary Information**

Not applicable.

## **Item 10 – Other Financial Industry Activities and Affiliations**

### ***Other Investment Advisers, Broker-dealers and Other Pooled Vehicles***

Janus Singapore has material relationships with the following affiliated investment advisers and/or broker-dealers:

- Janus Capital,
- Janus Distributors LLC (“Janus Distributors”),
- Janus Capital International Limited (“Janus Capital International”),
- Janus Capital Asia Limited (“Janus Capital Asia”),
- INTECH Investment Management LLC (“INTECH”), and
- Perkins Investment Management LLC (“Perkins”).

Janus Singapore may act as a sub-adviser to Separate Accounts, Janus-sponsored Funds, unaffiliated Funds and proprietary accounts advised by Janus Capital. Janus Singapore also acts as a trade execution agent for Janus Capital and Perkins and supports certain sales and marketing activities in Singapore for Janus Capital and its affiliates, including INTECH and Perkins. Janus Capital provides certain services to Janus Singapore, which may include but are not limited to, operational support and administrative, compliance, legal, marketing, trading and accounting services and Janus Capital may receive compensation for such servicing activities. See Janus Capital’s Form ADV for more information about this adviser.

As discussed in *Item 4 – Advisory Business*, in 2011, Janus Singapore was approved by the Central Bank of Ireland to serve as an investment adviser to UCITS funds. Janus Singapore acts as a sub-adviser for Janus Capital International’s sponsored Funds. From time to time, Janus Singapore may also act as sub-adviser to Separate Account clients advised by Janus Capital International. Janus Capital International is an England and Wales company regulated by the Financial Conduct Authority, a United Kingdom





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regulatory agency. Janus Capital International serves as an investment adviser to certain non-U.S. clients, including sponsored non-U.S. Funds and it may also conduct ancillary marketing activities for Janus Singapore.

Janus Singapore is affiliated with two broker-dealers, Janus Capital Asia and Janus Distributors. Janus Capital Asia is a Hong Kong private company and a licensed entity with the Hong Kong Securities and Futures Commission for dealing in securities and advising on securities in Hong Kong. Using parallel concepts under U.S. regulation, Janus Capital Asia would be considered a broker-dealer.

Janus Distributors is registered as a limited purpose broker-dealer with the Financial Industry Regulatory Authority ("FINRA"). Janus Distributors' primary function is distributing shares of Janus- sponsored U.S. Funds. Janus Singapore does not execute transactions for any of its clients through Janus Distributors. Certain persons listed in Schedule A of Janus Singapore's Part 1 of Form ADV are registered representatives of Janus Distributors and hold FINRA licenses, but do not receive any compensation from Janus Distributors.

Janus Capital, Janus Capital Asia and Janus Capital International may pay certain employees involved in the sale of Janus Singapore's products based on a percentage of revenue which may vary by investment strategy or the distribution channel through which an investment strategy is sold. Receiving (or the prospect of receiving) compensation may provide an incentive for employees to favor sales of strategies that generate a higher rate of revenue and for which they receive a higher compensation rate.

There are inherent conflicts of interest when a related person provides services to an adviser and its clients, in that such arrangements may not be conducted at "arm's length" and that Janus Singapore may have an incentive to favor a related person over an independent third party. Janus Singapore, however, does not recommend non-affiliated investment advisers to clients or prospective clients. See *Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading* for a discussion of Janus Singapore's policies and procedures, which are designed to minimize conflicts of interest.

### ***Investment Companies and Other Pooled Investment Vehicles***

Janus Singapore furnishes investment advice, as investment adviser or sub-adviser, trade execution and certain administrative, legal, compliance and accounting services, depending on the vehicle, to Janus-





sponsored Funds. These pooled vehicles may compensate Janus for its costs in providing these services. Detailed information on the services and fees can be found in the Funds' offering documents.

### ***Conflicts Related to Our Affiliations and Other Legal Restrictions***

Janus Singapore may be restricted by law, regulation, or contract as to how much of a particular security it may invest in on behalf of a client, and as to the timing of a purchase or sale. These restrictions may apply as a result of Janus Singapore's affiliation with Janus Capital, INTECH, Perkins, and Janus Capital International. For example, Janus Singapore's holdings of a security on behalf of its clients may, under some SEC or state regulations, be aggregated with the holdings of that security by its affiliates. These holdings on an aggregate basis could exceed certain regulatory reporting thresholds unless Janus Singapore, as well as its affiliates, monitors and restricts additional purchases or reduces ownership.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### ***Code of Ethics***

Janus is committed to the highest principles of ethical behavior and standards. Potential conflicts of interest may exist if an investment adviser or its employees invest in the same securities that the adviser recommends to its clients. To address this conflict and others, Janus Singapore has adopted Janus Capital's Ethics Rules ("[Ethics Rules](#)"), which include the Personal Trading Policy, Gift and Entertainment Policy and Outside Business Activity Policy. The Ethics Rules apply to all Janus Singapore employees and Janus-sponsored Fund officers and trustees (collectively referred to as Janus Singapore personnel) and are designed to ensure Janus Singapore's business be conducted in accordance with the highest ethical and legal standards, and in such a manner as to avoid any actual or perceived conflict of interest. Specifically, the Ethics Rules are designed to ensure Janus Singapore's personnel:

- place the interests of Janus Singapore's clients first;
- comply with legal regulations;
- act with the highest degree of ethical standards;
- avoid or, where applicable, disclose conflicts of interest; and
- safeguard material non-public information regarding Janus Singapore and its clients.

The Ethics Rules set out basic principles to guide Janus Singapore personnel and in certain cases, family members. Under the Ethics Rules, Janus Singapore personnel may not:

- purchase securities in an initial public offering;



- profit, or cause others to profit, based on knowledge of completed or contemplated client transactions;
- engage in fraudulent conduct in connection with the trading of securities in a client account;
- personally benefit by causing a client to act, or fail to act, in making investment decisions; or
- conduct personal trades with an individual trader who also trades securities on behalf of Janus and its clients.

The Ethics Rules are available to clients and prospective clients upon request. All potential deviations from or violations of the Ethics Rules are presented to Janus Capital's Ethics Committee, which consists of members of its senior management. The Ethics Committee may impose any sanctions it deems appropriate, including without limitation any one or combination of the following: a letter of censure, surrender of profits, withholding compensation, suspension of personal trading privileges or termination of employment. Employees are required to report any violations or potential violations of the Ethics Rules and to annually certify their compliance with the Ethics Rules.

### ***Personal Trading***

Under the Ethics Rules, Janus Singapore personnel are required to conduct their personal investment activities in a manner that Janus Singapore believes is not detrimental to its advisory clients. As discussed above, Janus Singapore personnel must conduct all personal trading in such a manner as to avoid any actual or potential conflict of interest or any abuse of their position of trust and responsibility.

The Personal Trading Policy requires Janus Singapore personnel deemed to have access to current trading information to pre-clear certain personal securities transactions. Requests for these transactions will be denied when, among other reasons, the proposed transaction would be, or appears to be, in conflict with a client's portfolio. Even when transactions are permitted under the Personal Trading Policy, Janus Singapore personnel may be required to surrender their profits from personal trading. For example, if an employee realizes a profit in the purchase and sale of a security within certain time frames, the employee may be required to surrender the profits. In addition to pre-clearing certain personal securities transactions, the Personal Trading Policy subjects Janus Singapore personnel to various trading restrictions and reporting obligations.



### ***Interest in Client Transactions***

Potential conflicts of interest may exist if an investment adviser or a related person buys or sells for client accounts securities in which the adviser or a related person has a material financial interest. Under limited circumstances, investment personnel may buy or sell securities for a client where Janus Singapore or the individual has a material interest in the security or issuer of the security. A material interest could include owning a security, holding an office, directorship or significant contract, or any other interest or relationship which is likely to affect the person's judgment. In these cases, Janus Singapore or the investment personnel could benefit from the success of a client's investments because of its interest in the security or issuer of the security. As part of the Ethics Rules, Janus Singapore maintains procedures to mitigate these potential conflicts.

### ***Participation in Client Transactions and Related Conflicts***

Potential conflicts of interest may also exist when an investment adviser or a related person buys or sells securities for clients' portfolios at or about the same time it buys or sells securities for its proprietary accounts. In addition, potential conflicts of interest may exist any time an investment adviser manages accounts for more than one client.

Investment decisions for each account are made independently from those for any other account that is, or may in the future become, managed by Janus Singapore or its affiliates. Janus Singapore may give advice and take actions in the performance of its duties to accounts that differ from the advice given, or the timing or nature of actions taken, with respect to other accounts that may invest in some of the same securities.

To address these potential conflicts, Janus Singapore maintains policies and procedures to disclose, mitigate and, where possible, eliminate any perceived conflicts of interest when it buys or sells securities on behalf of more than one of its clients or its proprietary accounts. In addition, Janus Singapore's proprietary accounts are subject to the same trading policies and procedures as its client accounts. See *Item 12 – Brokerage Practices* for additional information about conflicts of interest and Janus Singapore's trading policies. Janus Singapore believes its core responsibility in managing all accounts over which it has discretionary authority is to ensure that all benefits arising from its management of a client's account belong to the client.



## ***Investment Personnel***

Portfolio managers and/or other investment personnel may manage Funds, Separate Accounts or other investment vehicles with similar strategies. Certain of these products may have a greater impact on their compensation than others. This could create potential conflicts of interest as portfolio managers and/or investment personnel may have an incentive to favor products with a greater impact on their compensation. Portfolio managers and other investment personnel (or members of their families) may also personally invest in some, but not all, of Janus Singapore's products. Personal investments may vary from product to product and investment personnel may choose not to invest in all products they manage. With regards to certain Funds, investment personnel may own a significant portion of a Fund. These investments may create a potential conflict of interest as investment personnel may have an incentive to favor the products in which they have a personal interest.

Investment personnel may have more than one role for a client's account or product. For example, certain portfolio managers may have additional roles, including roles as research analysts and certain analysts may have roles as co-portfolio managers. Investment personnel with multiple roles may receive compensation for these additional roles which could create potential conflicts of interest as these individuals may have an incentive to favor certain accounts over others.

Janus Singapore believes that potential conflicts may be mitigated to a certain extent by policies and procedures that have been put in place to address these issues. These controls include dual role (portfolio manager/research analyst) trading procedures that govern certain activities of investment personnel with multiple roles and trade allocation procedures that govern allocation of securities, including limited offerings and average pricing of executed trades, among similar accounts. See *Item 12 – Brokerage Practices* for additional information about trade allocation procedures.

## ***Material Non-Public Information***

Janus Singapore has adopted Janus Capital's Insider Trading Policy that establishes procedures to prevent the misuse of material non-public information by Janus Capital, Janus Singapore, and all Janus Singapore personnel. The policy provides that if Janus Capital, Janus Singapore or any of their related persons obtain material non-public information concerning an issuer of securities, Janus Singapore will generally be prohibited from communicating such information to clients or otherwise using such information for clients' or personal benefit. As a result, clients could realize a positive or negative impact to overall performance.



### ***Side-by-Side Management***

The Advisers manage long and short portfolios. The simultaneous management of long and short portfolios creates potential conflicts of interest including, the risk that short sale activity could adversely affect the market value of long positions (and vice versa), the risk arising from sequential orders in long and short positions, and the risks associated with receiving opposing orders at the same time. When Janus Singapore uses Janus Capital's trading desk to execute trades, Janus Capital's long and short portfolios will be traded on the same trading desk as transactions for Janus Singapore's long-only clients. The Advisers maintain procedures that they believe are reasonably designed to mitigate these conflicts. Among other things, the procedures prohibit a portfolio manager from executing a short sale for a client's account when another client's account managed by the same portfolio manager holds the security long. The procedures also require certain approvals in other situations that raise potential conflicts of interest, and periodic monitoring of long and short trading activity in client and proprietary accounts.

### ***Charitable Contributions***

From time to time, clients or certain financial intermediaries may approach Janus Capital to request that it makes contributions to certain charitable organizations. Because Janus Capital's contribution may result in the financial intermediary or its employees or representatives recommending the Advisers' products to their underlying clients, the solicitation or contribution raises potential conflicts of interest. As a result, Janus Capital maintains procedures that generally limit the dollar amount and frequency of these types of charitable contributions. As part of these procedures, Janus Capital has implemented a review and approval process and requires all contributions be made directly to the charitable organization (normally 501(c)(3) organizations exempt from U.S. federal income taxes under the Internal Revenue Code or charitable organizations not subject to U.S. law) rather than to the client or a financial intermediary to help prevent potential abuses of charitable contributions.

### ***Political Activities***

Corporate and employees' political contributions to U.S. or non-U.S. government officials, if not prohibited by law or regulation, may raise potential conflicts of interest. As a result, the Advisers maintain policies and procedures which generally limit the amount of contributions to political candidates or elected officials. Employees may not make political contributions on behalf of Janus Singapore or any of its affiliates or use corporate assets without approval. Employees, and in certain cases their spouses and minor children, must obtain approval from Janus Capital's Compliance department before making



personal political contributions or engaging in political activities. Contributions which may impact Janus Singapore's or any of its affiliate's ability to obtain or maintain business will not be approved.

### ***Our Approach to Other Potential Conflicts***

Various parts of this Brochure discuss potential conflicts of interest that arise from our asset management business model. We disclose these conflicts due to the fiduciary relationship we have with our investment advisory clients. As a fiduciary, Janus Singapore owes its investment advisory clients a duty of loyalty. This includes the duty to address, or at minimum disclose, conflicts of interest that may exist between different clients; between the firm and clients; or between our employees and our clients. We will take steps to mitigate, or at least disclose, potential conflicts when they arise. Conflicts that we cannot avoid (or chose not to avoid) are mitigated through written policies that we believe protect the interests of our clients as a whole. In these cases – which include issues such as personal trading and client entertainment – regulators have generally prescribed detailed rules or principles for investment firms to follow. We believe that we handle these conflicts appropriately by complying with these rules and using robust compliance practices. These interactions are not static; our business is continually evolving and changes in the firm's activities can lead to new potential conflicts. We review our policies and procedures on an ongoing basis to evaluate their effectiveness and update them as appropriate.

### **Item 12 – Brokerage Practices**

Janus Singapore, Janus Capital and Janus Capital International have the ability to execute equity trades for their clients from various global offices. Fixed income trades may be executed by Janus Capital and Janus Capital International. Each of Janus Capital, Janus Singapore and Janus Capital International maintain the same brokerage policies (as described herein) and collectively operate as one trading desk. Administration of certain policies is delegated to Janus Capital.

The Advisers generally select broker-dealers for clients as part of their discretionary advisory responsibilities. Clients may, in limited circumstances select their own broker-dealers subject to the Advisers' Directed Brokerage Policy described below. Janus Capital's Brokerage Review Committee periodically reviews the quality of execution that the Advisers receive from broker-dealers and continuously evaluates traditional brokers and other venues for execution capabilities. The Advisers do not consider a broker-dealer's sale of Janus-sponsored Funds or gifts and entertainment received from registered representatives of broker-dealers when choosing a broker-dealer to effect transactions.



The Advisers have a duty to seek to obtain “best execution” for its clients’ portfolio transactions. More specifically, the Advisers seek the best net prices and negotiate commissions based on a number of factors, including but not limited to:

- the Advisers’ knowledge of currently available negotiated commission rates or prices of securities currently available and other current transaction costs,
- the nature, size and type of the security being traded and the character of the markets for which the security will be purchased or sold,
- the activity, existing and expected, in the market for the particular security and the desired timing of the trade,
- the ability of a broker-dealer to maintain confidentiality, including trade anonymity,
- the quality of the execution, clearance, and settlement services of a broker-dealer,
- the financial stability of the broker-dealer and the existence of actual or apparent operational problems of the broker-dealer,
- the ability of a broker-dealer to provide rebates of commissions to a third party service provider or to a client to pay account expenses, and
- the research services provided by a broker-dealer.

In recognition of the value, quality and availability of the above factors, the Advisers may execute transactions with a broker-dealer for a higher commission than another broker-dealer would have charged if the Advisers determine, in good faith, that the commission is reasonable in relation to the value of the brokerage and/or research services provided by that particular broker-dealer. In determining the reasonableness of a commission, the Advisers may view the value of the services provided either in terms of that particular transaction or the value of the services provided to the Advisers as they relate to the overall responsibilities of the Advisers as investment advisers.

### ***Client Commission Practices***

The Advisers may receive research and other services (other than execution) from broker-dealers and third parties in connection with client securities transactions. These services may include but are not limited to:

- investment research reports,
- access to analysts,
- trading analytics,



- reports or databases containing corporate, fundamental, and technical analyses,
- access to corporate management (non-UK),
- access to industry experts,
- electronic interfaces, software and various reports in connection with short sale activity,
- portfolio modeling strategies,
- economic research services, such as publications, chart services, and advice from economists concerning macroeconomics information, and analytical investment information about particular corporations, and
- brokerage services, including brokerage to effect securities transactions.

The Advisers may obtain the above research and services in the following manners, all of which are subject to the Advisers' duty to seek best execution.

#### Client Commission Agreements

Janus Capital may enter into client commission agreements with certain broker-dealers. These agreements may allow Janus Capital to instruct broker-dealers to pool commissions generated from equity security orders executed at that broker-dealer, and then periodically direct the broker-dealer to pay itself for proprietary research or pay third parties for research created or developed by those third parties. Client transactions are not directed to these broker-dealers in anticipation of receiving any research or brokerage services from such broker-dealers.

Clients have the discretion to elect not to participate in client commission agreements. More specifically, clients may prohibit the Advisers from generating commission credits on transactions in their accounts. Clients desiring to prohibit the Advisers from generating commission credits on transactions in their accounts should consider that they will generally pay the same commission rates as accounts that are not prohibited from generating credits.

#### Executing Transactions

The Advisers may receive statistical, research and other factual information or services from broker-dealers that they would otherwise have to pay for with cash, or use their own resources to produce, for no consideration other than the brokerage or underwriting commissions that they obtain from the Advisers' execution of trades with the broker-dealers.





### Step-Out Transactions

The Advisers may use step-out transactions in order to receive research products and services. In a step-out transaction, the Advisers direct a trade to a broker-dealer instructing the broker-dealer to execute the transaction, but "step-out" a portion of the transaction in favor of another broker-dealer that provides the research products or services. The second broker-dealer may clear and settle and receive commissions for the portion of the transaction sent to it.

### New Issue Designations

The Advisers may use new issue designations in return for research products and services. In a new issue designation, the Advisers direct purchase orders to a broker-dealer that is a selling group member or underwriter of an equity or fixed income new issue offering. The Advisers then direct that broker-dealer to designate a portion of the broker-dealer's commission on the new issue purchase to a second broker-dealer(s) that provides such products and/or services.

### Prime Broker Arrangements

To the extent Janus Singapore uses short sales, the Advisers will maintain prime brokerage arrangements to facilitate short sale transactions. A prime broker may provide services and products to the Advisers in connection with the short selling facilities and related services the prime broker provides. The Advisers typically use technology and personalized client services but additional services such as capital introduction, business consulting services and portfolio analytics may also be available from prime brokers.

The Advisers may have an incentive to use broker-dealers who offer the above services to effect transactions instead of other broker-dealers who do not provide such services, but who may execute transactions at a lower price. The Advisers do not guarantee any brokers the placement of a pre-determined amount of securities transactions in return for the research or brokerage services they provide. The Advisers do, however, have an internal procedure for allocating transactions in a manner consistent with its execution policy to brokers that it has identified as providing research or brokerage services.

In order for client commissions to be used to pay for these services, the Advisers determine that the services are permitted research or brokerage services under Section 28(e) of the Securities and Exchange Act of 1934, as amended ("Section 28(e)"). Additionally, all broker-dealers and all vendors of



research and/or brokerage services paid with client commissions will be approved pursuant to the Advisers' policies and procedures. In instances when the above services may include components not eligible under Section 28(e), the Advisers make a reasonable allocation of the cost of the research and/or brokerage services according to their use and all non-eligible research and/or brokerage services are separately invoiced and paid for with cash from the Advisers and not with client commissions.

During the most recent fiscal year Janus Capital acquired the following types of brokerage and research products and services with client commissions:

- traditional research reports,
- specific sector analysis and market data,
- company financial data,
- opportunities to have discussions with third-party research analysts and to meet with corporate executives (non-UK),
- access to industry experts,
- brokerage services, including brokerage to effect securities transactions, and
- trading execution services.

Research received from broker-dealers is supplemental to Janus Singapore's own research efforts. The brokerage and research products and services furnished by broker-dealers may be used in servicing any or all of Janus Singapore's clients and may not necessarily be used by the Advisers in connection with the accounts that actually paid commissions, nor in proportion to the amount of commissions paid by accounts, to the broker-dealer providing the products and services.

### ***Directed Brokerage Policy***

As discussed above, the Advisers have a duty to seek best execution on all trades. Generally, to the extent that clients request, and subject to the Advisers' duty to seek best execution, the Advisers may direct a client's transactions to a particular broker-dealer as part of a commission recapture program or otherwise. The Advisers may also direct a client's transaction to a category of broker-dealers such as minority- or women-owned firms pursuant to a client's request (and subject to the Advisers' duty to seek best execution). The Advisers do not guarantee or represent that they will direct any transaction (including any commissions) to any particular broker-dealer nor do they guarantee or represent that they will meet any specific targets or participation levels for direction of a client's transactions. The Advisers generally will only direct brokerage commissions pursuant to "step-out" transactions. The Advisers



generally will not direct trades for fixed income, derivative and program trades or for any strategy or account that the Advisers deem to be unsuitable for directing trades.

Clients desiring to instruct the Advisers to direct their transactions to a particular broker-dealer should consider whether the commissions, execution, clearance and settlement capabilities, and fees for custodial or other services (as applicable) that will be provided to the client by its selected broker-dealer will be comparable to those otherwise obtainable by the Advisers. Such clients may lose the possible advantages, benefits and savings on execution that the Advisers may be able to obtain for full discretionary accounts. For example, for full discretionary accounts, the Advisers may be able to reduce transaction costs by aggregating orders for several clients as a single transaction. All, or a portion of a client-directed transaction may not be able to be included in these aggregated orders and thus, not benefit from any transaction cost savings. In addition, such clients may not be able to participate in an allocation of shares of a new issue if those shares are sold by a broker-dealer not selected by the client. Further, clients that direct transactions to broker-dealers that are not on the Advisers' approved broker list may also be subject to additional credit and/or settlement risk and may receive prices less favorable than the Advisers are able to obtain. If a client requests or instructs the Advisers to direct a portion of the securities transactions for its account to a specified broker-dealer, the Advisers may recommend other broker-dealers to such client based upon the factors it considers when seeking best execution.

### ***Trade Aggregation and Allocation Policy***

Janus Singapore makes investment decisions for each of its clients, including proprietary accounts, independently from those of any other account that is or may become managed by Janus Singapore or its affiliates. Because Janus Singapore will generally invest in similar strategies for clients, numerous clients could have similar investment objectives and thus, similar portfolios. As a result, Janus Singapore may be trading the same security for multiple clients at the same time. Janus Capital or its affiliates may also be purchasing or selling the same security for its clients at the same time as Janus Singapore. In order to obtain efficiencies that may be available for larger transactions, the Advisers expect to frequently aggregate orders for their clients for execution, including affiliates' proprietary accounts. Prior to aggregating client orders, however, Janus Singapore determines that the investment is eligible and appropriate for each participating account.

In addition to, or instead of, aggregating orders of accounts that would be trading the same security at the same time, the Advisers may average the price of the transactions of these accounts and allocate trades



to each account in accordance with the Advisers' allocation procedures. Pursuant to these procedures, the Advisers seek to allocate the opportunity to purchase or sell a security or other investment among accounts on an equitable basis by taking into consideration certain factors. These factors include, but are not limited to: size of the portfolio, concentration of holdings, investment objectives and guidelines, position weightings, duration targets, consistency of portfolio characteristics across similar accounts, purchase costs, issuer restrictions and cash availability. The Advisers, however, cannot assure equality of allocations among all of their accounts, nor can they assure that the opportunity to purchase or sell a security or other investment will be proportionally allocated among accounts according to any particular or predetermined standards or criteria.

There are instances when circumstances specific to individual clients will limit the Advisers' ability to aggregate or allocate trades. For example, if a client requests directed brokerage, the Advisers may not be able to aggregate or allocate these trades. Additionally, there may be times when there is limited supply or demand for a particular security or investment. In these instances a client may not be able to realize the efficiencies which might exist for larger transactions. In some cases, trade aggregation and/or allocation may adversely affect the price paid or received by an account or the size of the position obtained or liquidated for an account, which could cause performance divergence from similar accounts. In other cases an account's ability to participate in volume transactions may produce better executions and prices for the account. The Advisers may adjust allocations to eliminate fractional shares or odd lots, or to account for minimum trade size requirements and have the discretion to deviate from their allocation procedures in certain circumstances.

### ***IPO/Limited Offering Allocations***

Clients may from time to time participate in an initial public offering (an "IPO"), or other types of limited offerings, if the portfolio manager believes that the offering is an appropriate investment based on the portfolio's investment restrictions, risk profile, asset composition and/or cash levels. Clients must be eligible to receive allocations of IPOs pursuant to relevant FINRA regulations. In the event that Janus Singapore reasonably determines that a client is not eligible to receive IPO allocations pursuant to these regulations or does not have reasonable assurances that the client is eligible to receive allocations, Janus Singapore may prohibit the client's account from receiving any allocations of an available offering. The Advisers' IPO/limited offering allocation procedures generally require all shares to be allocated on a pro-rata basis to all participating eligible accounts based on the total assets of each account. In certain circumstances, Janus Singapore may deviate from a pro-rata allocation to account for allocation sizes



that are deemed by investment personnel to be de minimis for certain eligible accounts or to address situations specific to individual accounts (e.g., cash limitations, position weightings, etc.). The Advisers cannot assure, in all instances, participation in IPOs or limited offerings by all eligible accounts. In the event an eligible account does not participate in an offering, the Advisers do not reimburse for opportunity costs.

### ***Cross Trades***

In its discretion, the Advisers may, but are not required to, engage in “cross trades”, whereby the Advisers cause one of their clients to sell a security and another of their clients to purchase the same security at or about the same time, provided such transaction is in the best interests of both accounts and is consistent with the Advisers’ best execution obligations. Cross trades may be used in an effort to obtain best execution because cross trades can potentially reduce transaction costs and increase execution efficiency. Cross trades present potential conflicts of interest. For example, there is a risk that the price of a security bought or sold in a cross trade may not be as favorable as it might have been had the trade been executed in the open market. Additionally, there is a potential conflict of interest when a cross trade involves a client account on one side of the transaction and an account in which the Advisers have substantial ownership or a controlling interest (such as a newly-formed sponsored Fund) or an account in which the Advisers receive a higher management fee on the other side of the transaction.

To address these potential conflicts, the Advisers maintain policies and procedures, which require that all cross trades are made at an independent current market price and are consistent with Section 206 of the Advisers Act. In addition, if one of the parties to the cross trade is a registered investment company, the transaction must comply with procedures adopted under Rule 17a-7 under the 1940 Act. The Advisers do not permit cross trades with accounts subject to ERISA. While the Advisers typically only execute cross trades among their proprietary U.S. Mutual Funds and non-U.S. Funds, the Advisers may execute cross trades among such Funds and/or other accounts managed by the Advisers.

### ***Security Valuation***

Equity securities are generally valued on the basis of market quotations. Fixed-income securities are generally valued in accordance with an evaluated bid price supplied by a pricing service. The evaluated bid price supplied by the pricing service is an evaluation that reflects such factors as security prices, yields, maturities, and ratings. Certain short-term instruments maturing within 60 days or less are valued at amortized cost, which approximates market value. If a market quotation or evaluated price is not



readily available or is deemed unreliable, or if an event that is expected to affect the value of a portfolio security occurs after the close of the principal exchange or market on which that security is traded, and before the close of the New York Stock Exchange, the fair value of a security will be determined in good faith under policies and procedures established by and under the supervision of Janus Capital's Global Pricing Committee (the "Pricing Committee"). Although the Advisers are not generally the pricing agents for clients (other than for sponsored U.S. Mutual Funds where Janus Capital is the pricing agent and certain other funds or accounts as identified in the relevant agreement or offering documents) the Advisers, upon request, may provide a fair value price to a client's pricing agent, solely for informational purposes, for a security in cases where market quotations or evaluated prices are not readily available or deemed unreliable due to significant events or other factors. In these instances, the client's pricing agent makes the ultimate determination of the security's value. Because the Advisers may be compensated based on the value of assets held in an account or based on the performance of the account, the Advisers may have a potential incentive to set a high valuation for a security, although, the Advisers do not intend to use valuations that are higher than fair value and believe that this potential conflict may be mitigated to a certain extent by its valuation policy and procedures.

There may be differences in prices for the same security held by the Advisers' clients because the Advisers' provided price (for the situations described above) may not be accepted by the relevant pricing agent. In addition, certain clients, such as the Janus-sponsored Funds, may utilize a third party valuation model to value equity securities of non-U.S. issuers to adjust for stale pricing which may occur between the close of the non-U.S. exchanges and the New York Stock Exchange. These pricing models may not be used by the relevant pricing agent.

Benchmark indexes generally do not use fair value pricing and use national and regional indices to value securities using unadjusted closing prices in local markets. In addition, the value of assets denominated in non-U.S. currencies is converted into U.S. dollars using exchange rates deemed appropriate by the Advisers, which may also vary from the exchange rates used for calculation on any given index.

#### **ADRs**

In certain circumstances, Janus Singapore may invest client assets in ADRs. When doing so, depending upon the existence and/or liquidity of the ADR and other factors, these trades may be executed in the U.S. or in a non-U.S. market. When trades are executed in non-U.S. markets, non-U.S. securities will be acquired and broker-dealers or other securities intermediaries will convert these non-U.S. securities into



U.S. ADRs (denominated in U.S. dollars). Broker-dealers or other securities intermediaries may charge commissions, conversion and/or other fees for converting the securities into ADRs, all of which will be included, (i.e. “netted”) into the price of the securities. These conversion fees may be negotiable, may vary, and typically are paid by the clients.

Additionally, the Advisers may convert a non-U.S. security to an ADR that would be considered highly illiquid when traded in the U.S. This may make it difficult to liquidate a position when clients close an account, transfer the assets to another firm, request a withdrawal or other transaction that requires the security be traded domestically versus in the foreign security market. The liquidity, or lack thereof, of the converted ADRs in the U.S. market could result in a transaction price that differs substantially from the transaction price that could be obtained if that same security was transacted in the non-U.S. market.

#### ***Error Correction Policy***

Errors can result from a variety of situations involving portfolio management (e.g. inadvertent violation of investment restrictions) and trading (e.g., miscommunication of information, such as wrong number of shares, wrong price, wrong account, calling the transaction a buy rather than a sell and vice versa, etc.). It is the Advisers’ policy that errors are identified, evaluated, and corrected as expeditiously as possible.

The Advisers may utilize a trade error account to correct errors only if the error is corrected prior to settlement. Profits and losses in such error account can be netted against each other on an annual basis. Any remaining surplus at the end of the year is donated to charity. Correcting an error after settlement with an error account would result in the Advisers taking transactions into their own account as principal. Such transactions require pre-trade disclosure and written consent from U.S. clients under the Advisers Act and are prohibited with respect to accounts subject to ERISA. As a result, if an error is discovered after settlement, the error is typically corrected in the client’s account. Generally, any error corrected within the client’s account(s) that results in a gain accrues to the benefit of a client’s account while any error that results in a loss will be reimbursed by the Advisers to the client’s account.

When correcting post-settlement errors the Advisers will use their best efforts in their calculation to make the client whole and may apply reasonable discretion in applying de minimis levels for purposes of calculating reimbursement owed. In order to determine the market price of the intended order, the Advisers may take into consideration certain factors, including but not limited to, the market environment, size of the order, market impact, liquidity, volume, etc.





It is the Advisers' general practice not to calculate any opportunity costs as part of the trade error correction process. However, in certain extraordinary circumstances, to the extent practical and appropriate, and solely in the Advisers' judgment, the Advisers may attempt to estimate opportunity costs. To the extent the Advisers believe reimbursement of opportunity costs is appropriate, the Advisers will pay interest based on the prevailing federal funds rate. In certain limited circumstances, the Advisers may, at its discretion, calculate opportunity costs using alternative methods.

If multiple trade errors in one client account are discovered simultaneously, some of which resulted in profits, and some of which resulted in losses, the resulting profits and losses may be netted against each other to calculate the extent of the client's loss. Gains and losses will not be netted across client accounts.

In certain circumstances, the Advisers may consult with affected clients to discuss an appropriate resolution for correcting an error.

### **Item 13 – Review of Accounts**

Portfolio managers have primary responsibility for reviewing client accounts. On a continuing basis, each portfolio manager evaluates from many viewpoints accounts for which he or she has responsibility, including the percentage that is invested in a type of security generally or in a particular security, diversification of holdings among industries and, in general, the makeup of the portfolios. The review process is further augmented by regular quarterly meetings between the portfolio manager, the appropriate Chief Investment Officer and the Chief Investment Risk Officer. Additionally, the accounts are periodically reviewed by Janus Capital's Investment Risk Committee which is chaired by Janus Capital's Chief Investment Risk Officer and includes the Chief Investment Officers and the Director of Research. Sponsored Funds are also reviewed on a periodic basis by the Funds' Boards of Directors or Trustees, as applicable. Janus Capital's Compliance Department also performs ongoing reviews of all accounts for compliance with investment policies and restrictions.

The frequency and nature of reports prepared for clients varies depending on each client's requirements and interests. Clients generally receive monthly or quarterly written reports showing portfolio activities and performance on a current and year-to-date basis. These written reports typically disclose all holdings in the client's account, including cash, together with cumulative year-to-date information about dividends





and interest realized by the account. Janus Singapore may furnish certain account transaction and portfolio holdings to institutional clients and their service providers on a more frequent basis. Depending on the type of account, portfolio management may also provide oral presentations about the account's performance on a periodic basis. Janus Singapore will also provide clients, upon request, other information regarding their portfolio within the parameters of its compliance policies.

Janus Singapore may also furnish certain portfolio holdings to potential clients and other interested third parties (e.g., consultants) provided that Janus Singapore determines there is a legitimate business purpose to provide the information, the recipient executes a confidentiality agreement and Janus Singapore's Chief Compliance Officer or his delegate approves the disclosure.

Clients may also receive statements from custodians or other service providers. As discussed in *Item 15 – Custody*, Janus Singapore encourages all clients to carefully review all statements received and compare their official custodial records to the account statements provided by Janus Singapore.

#### **Item 14 – Client Referrals and Other Compensation**

Janus Capital maintains an internal bonus compensation plan which rewards its employees for new client account relationships they developed to the extent permitted by law. Janus Capital may also enter into arrangements through which it makes payments to financial intermediaries for the distribution of shares of Janus sponsored Funds.

Janus Singapore does not currently maintain any direct referral arrangements; however, Janus Capital may enter into referral arrangements described below. Because Janus Singapore may act as a sub-adviser to Janus Capital's clients, it may benefit from any referral arrangements entered into by Janus Capital.

Janus Capital may enter into arrangements whereby from time to time it compensates, either directly or indirectly, unaffiliated persons, including pension consultants, for client referrals and/or service. Under these arrangement(s), Janus Capital may pay a percentage of the investment management fee it receives from referred clients to such unaffiliated persons. This fee may vary according to each agreement. Clients referred by unaffiliated persons will not be charged more than similarly situated clients who were not referred; however, the presence of these arrangements may affect Janus Capital's



willingness to negotiate from its standard fee schedule and as a result may affect the overall fees paid by referred clients. Referral arrangements are entered into in accordance with Advisers Act Rule 206(4)-3 (the “Cash Solicitation” rule).

Further, from time to time, Janus Capital may have arrangements in place to purchase services, publications, general consulting advice, conference attendance or limited advisory services from pension consultants. Generally, these consultants do not solicit clients on behalf of Janus Capital or its affiliates, but may recommend Janus Singapore or an affiliated investment adviser to their clients. To the extent Janus Capital enters into a referral arrangement with pension consultants, the arrangement will be made in accordance with the Cash Solicitation Rule as discussed above. The Advisers may participate in and support conferences, seminars, training sessions, due diligence events or meetings (“conferences”) hosted by clients and certain financial intermediaries to provide business building techniques and education on the investment products and services available through the Advisers and their affiliated investment advisers. The Advisers usually pay a fee to the client or intermediary for Janus Capital to attend such conferences and its attendance may result in the intermediaries recommending the Advisers’ and their affiliated investment advisers’ products. The Advisers also sponsor select conferences where the audience may include prospective U.S. and non-U.S. institutional investors, including but not limited to, public pension funds, endowments and foundations, union organizations and consultants. Since the sponsorship fees the Advisers pay may be higher than other participant fees, such fees may indirectly subsidize participant expenses or participation in certain activities. Clients or certain financial intermediaries may also approach the Advisers to request charitable contributions. The Advisers may also be required by contract to provide training regarding investment products and services to certain clients and large shareholders of Janus Capital Group on a periodic basis. The Advisers usually pay some of the expenses associated with this type of training. See *Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading* for more information about our policies and procedures to minimize conflicts of interest.

### **Item 15 – Custody**

Janus Singapore does not have custody or possession of client assets. Nevertheless, Janus Singapore encourages all clients to carefully review statements received from custodians or other third parties and compare their official custodial records to the account statements provided by Janus Singapore. Statements received from Janus Singapore may vary from the custodial statements based on accounting



procedures, reporting dates or valuation methodologies for certain securities. See *Item 13 – Review of Accounts* for more information about Janus Singapore’s account statements.

## **Item 16 – Investment Discretion**

Pursuant to written investment management agreements, clients may grant Janus Singapore discretionary authority which includes the ability to determine the type and amount of securities to be purchased or sold. In all of such cases, Janus Singapore exercises discretion in a manner consistent with the stated investment objectives for the particular client account. In some cases, Janus Singapore provides advice on a non-discretionary basis.

Janus Singapore may be limited in the type or quantity of securities purchased or held due to certain regulatory or internal compliance restrictions. Clients’ investment guidelines and restrictions must be provided in writing to, and agreed upon by, Janus Singapore and are the means by which Janus manages clients’ portfolios. Please refer to *Item 4 – Advisory Business* for additional information on clients’ ability to tailor investment guidelines.

## **Item 17 – Voting Client Securities**

Janus Singapore maintains proxy voting policies identical to Janus Capital’s Proxy Voting Guidelines and delegates administration of its proxy voting to Janus Capital. Clients may direct Janus Singapore to vote proxies or may retain the ability to vote proxies themselves. To the extent clients retain the ability to vote proxies themselves, clients will not receive information about their proxies from Janus Singapore. Instead, clients should receive proxies from their custodian, transfer agent or other third-party service providers such as their proxy service provider. If clients direct Janus Singapore to vote proxies on their behalf, the following policies and procedures apply.

The Advisers seek to vote proxies in the best interest of their clients. The Advisers will not accept direction as to how to vote individual proxies for which they have voting responsibility from any other person or organization (other than the research and information provided by Institutional Shareholder Services Inc. (“ISS”)). Subject to specific provisions in a client’s investment management agreement related to exception voting, the Advisers only accept direction from a client to vote proxies for that client’s account pursuant to the Advisers’ Proxy Voting Guidelines (the “Guidelines”) or ISS’s recommendations,



including recommendations under its Proxy Voter Services program. In addition, a client may instruct the Advisers in its investment management agreement to vote all proxies in accordance with the ISS Taft-Hartley voting guidelines (the "Taft-Hartley Guidelines").

The Janus U.S. Mutual Funds participate in a securities lending program under which shares of an issuer may be on loan while that issuer is conducting a proxy solicitation. Generally, if shares of an issuer were on loan during a proxy solicitation, the U.S. Mutual Fund could not vote the shares. Portfolio managers have discretion to instruct the lending agent to pull back the lent shares before proxy record dates and vote proxies if time permits.

### ***ERISA Plan Policy***

On behalf of U.S. client accounts subject to ERISA, the Advisers seek to discharge their fiduciary duties by voting proxies solely in the best interest of the participants and beneficiaries of such plans. The Advisers recognize that the exercise of voting rights on securities held by ERISA plans for which the Advisers have voting responsibility is a fiduciary duty that must be exercised with care, skill, prudence and diligence. In voting proxies for ERISA accounts, the Advisers will exercise their fiduciary responsibility to vote all proxies for shares for which it has investment discretion as investment manager unless the power to vote such shares has been retained by the appointing fiduciary as set forth in the documents in which the named fiduciary has appointed Janus Singapore as investment manager or sub-adviser.

### ***Conflicts of Interest***

Janus Capital's proxy voting committee (the "Committee") is responsible for monitoring and resolving possible material conflicts with respect to the Advisers' proxy voting matters. Because the Guidelines are pre-determined and designed to be in the best interests of shareholders, application of the Guidelines to vote client proxies should, in most cases, adequately address any possible conflicts of interest. Similarly, for clients who have instructed the Advisers to vote proxies in accordance with the Taft-Hartley Guidelines, these guidelines are pre-determined by ISS. As a result, application of the Taft-Hartley Guidelines to vote client proxies should, in most cases, adequately address any possible conflicts of interest. On a quarterly basis, the Committee reviews records of votes that were cast inconsistently with the Guidelines and the related rationale for such votes. Additionally, and in instances where a portfolio manager has discretion to vote different than the Guidelines and proposes to vote a proxy inconsistent with the Guidelines and a potential conflict of interest is identified, the Committee reviews the proxy votes



to determine whether the portfolio manager's voting rationale appears reasonable and no material conflict exists. A conflict of interest may exist, for example, if either of the Advisers has a business relationship with (or is actively soliciting business from) either the company soliciting the proxy or a third party that has a material interest in the outcome of a proxy vote or that is actively lobbying for a particular outcome of a proxy vote. In addition, any portfolio manager with knowledge of a personal conflict of interest (i.e., a family member in a company's management) relating to a particular referral item shall disclose that conflict to the Committee and may be required to recuse himself or herself from the proxy voting process. Issues raising possible conflicts of interest may be referred to the Committee for resolution. If the Committee does not agree that the portfolio manager's rationale is reasonable, the Committee will refer the matter to the Janus Capital's Chief Investment Officer to vote the proxy. If a matter is referred to Janus Capital's Chief Investment Officer the decision made and basis for the decision will be documented by the Committee.

#### ***Reporting and Record Retention***

Upon request, on an annual basis, the Advisers provide their clients with the proxy voting record for that client's account. On an annual basis, Janus Capital provides its proxy voting record for its Janus-sponsored Funds for the one-year period ending on June 30th at [www.janus.com/proxyvoting](http://www.janus.com/proxyvoting). Janus Capital, on Janus Singapore's behalf, retains proxy statements received regarding client securities, records of votes cast on behalf of clients, records of client requests for proxy voting information and all documents prepared by the Advisers regarding votes cast in contradiction to the Guidelines. In addition, any document prepared by the Advisers that is material to a proxy voting decision will be kept, such as the Guidelines, the Committee materials and other internal research relating to voting decisions. Proxy statements received from issuers are either available on the SEC's EDGAR database or are kept by a third party voting service and are available on request. All proxy voting materials and supporting documentation are retained for a minimum of six years.

Clients may obtain a complete copy of the Advisers' Proxy Voting Procedures and Guidelines upon request or by visiting [www.janus.com/proxyvoting](http://www.janus.com/proxyvoting).

#### **Item 18 – Financial Information**

Not applicable.



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### **Additional Supplementary Information**

#### ***Class Actions and Inadvertent Receipt of Funds***

While Janus Capital files for recoveries on behalf of the various Janus-sponsored Funds and proprietary accounts on behalf of Janus Singapore, neither Adviser is generally able to advise or act on behalf of their clients in legal proceedings, including class actions or bankruptcies, involving securities purchased or held in clients' accounts. Occasionally the Advisers may receive checks on behalf of clients from administrators distributing funds in settlement of class action lawsuits and regulatory actions. In these instances, the Advisers will promptly forward the check to the client. Typically, the amounts of such checks are relatively small.



## Appendix A

Our standard pricing schedules for institutional separate accounts, described in *Item 4 - Advisory Business* are listed below. As further described in *Item 5 - Fees and Compensation*, investment management fees are typically calculated as a percentage of assets and fee schedules may be negotiated and thus, vary between clients for a variety of reasons.

<b>Institutional Separate Accounts</b>		
<b>International and Regional Equity</b>		
	First \$100 million	65
	Next \$100 million	55
	Next \$100 million	52
	Next \$200 million	50
	Over \$500 million	45
<b>Alternatives</b>		
	All Assets	65