

Perkins Investment Management LLC

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This Brochure provides information about Perkins Investment Management LLC's ("Perkins") qualifications and business practices for Perkins' advisory clients. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC"), any state securities authority or non-U.S. regulatory authority. If you have any questions about the contents of this Brochure, please contact us at 312-922-0355. Additional information about Perkins is also available on the SEC's website at www.adviserinfo.sec.gov.

Perkins is an investment adviser registered with the SEC. Registration of an investment adviser does not imply any level of skill or training.

Item 2 – Material Changes

This Brochure replaces the one previously provided to you. We revised certain information to help you better understand our firm and our efforts to ensure clients are treated fairly. The changes primarily apply to *Item 4 – Advisory Business*, *Item 5 – Fees and Compensation*, *Item 10 – Other Financial Industry Activities and Affiliations*, *Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*, *Item 12 – Brokerage Practices*, and *Item 17 – Voting Client Securities*.. Items 4, 5 and 10 have been amended to provide updated information about Perkins' sub-advisory and affiliate relationships. Items 11 and 17 have been revised to reflect policy updates. Item 12 has been updated with changes to certain brokerage practices and oversight structures.

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Item 4 – Advisory Business

Perkins serves as sub-adviser to a wide variety of individual and institutional clients for Janus Capital Management LLC (“JCM”) and Janus Capital International Limited (“JCIL”). JCM also serves as a sub-adviser to certain Perkins’ accounts. As sub-adviser, Perkins typically has responsibility for investing and managing clients’ cash and other assets on a discretionary basis. Perkins also provides non-discretionary investment advisory services on an advisory and sub-advisory basis. Perkins’ investment decisions are not subject to further review or alteration by JCM or JCIL. Perkins provides advisory services through the following types of products:

- individual and institutional accounts (“Separate Accounts”) for JCM and JCIL;
- wrap fee programs (“Wrap Fee Programs”) offered by unaffiliated investment advisers or broker-dealers (“Sponsors”) for JCM;
- U.S. mutual funds, registered under the Investment Company Act of 1940, as amended (the “1940 Act”) sponsored by JCM or unaffiliated third parties (“U.S. Mutual Funds”);
- non-U.S. domiciled mutual funds, trusts or similar entities sponsored by JCIL or unaffiliated third parties (“non-U.S. Funds”);
- private investment funds, offered pursuant to Regulation D of the Securities Act of 1933, as amended (“Securities Act”) and excluded from the investment company definition under Section 3(c)(7) of the 1940 Act (“Private Investment Funds”); and
- other proprietary accounts.

In this Brochure, we refer to U.S. Mutual Funds, non-U.S. Funds and Private Investment Funds sponsored by JCM collectively as “JCM-sponsored Funds.”

Perkins enters into sub-advisory agreements with JCM or JCIL. (As noted above, JCM also serves as sub-adviser to certain Perkins’ accounts.) These sub-advisory agreements typically include information related to Perkins’ sub-advisory fee, investment strategy, investment guidelines, termination rights and proxy voting. Clients enter into investment management agreements directly with JCM, JCIL, or Perkins. These investment management agreements include provisions related to each client’s fees, investment strategy, investment guidelines, termination rights, proxy voting and delegation to Perkins as sub-adviser. Clients may generally terminate their agreements with their investment advisers with a written notice, depending on the product vehicle.

Investors in Funds, whether JCM-sponsored or not, do not enter into investment management agreements with JCM or JCIL and thus are not considered Perkins’ 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 document and governing documents (collectively, the “offering documents”).

Perkins is owned by Janus Henderson Group Inc. (“Janus Henderson Group”), a dually-listed publicly-traded company (NYSE:JHG and ASX:JHG), through its subsidiary JCM.

JCM is an investment adviser registered with the SEC. JCIL is an England and Wales investment advisory company regulated by the Financial Conduct Authority, a United Kingdom regulatory agency. For more information about JCM and JCIL, see *Item 10 – Other Financial Industry Activities and Affiliations* and JCM’s Form ADV.

Perkins, in its current structure or as the registered adviser it succeeded from, has provided investment management services since 1980 and has been registered with the SEC since 1984. As of December 31, 2019, Perkins had \$8,711,494,864 in assets under management on a 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) and may be calculated differently than the assets we manage for our clients. Perkins reports its regulatory assets under management in Item 5 of Part 1 of Form ADV which you can find at www.adviserinfo.sec.gov.

Perkins employs a value-oriented investment approach (primarily long-only equities) across all of the strategies that it manages. Perkins will almost always tailor its investment advisory services to the individual needs of its clients and works with clients to formulate appropriate and agreed upon investment guidelines. Perkins reserves the right to reject any client that seeks restrictions that Perkins is unable to implement or which may fundamentally alter the investment objectives of the strategy selected by the client. Perkins has operational and compliance systems in place to ensure the guidelines are adhered to. Clients who restrict their investment portfolios may experience potentially worse performance results than clients with unrestricted portfolios, even for clients with similar objectives. Investors who participate in pooled investment vehicles such as the Funds may generally not tailor investment guidelines.

Wrap Fee Programs

JCM and Perkins (collectively, the "Advisers") participate in three different types of Wrap Fee Programs:

- "Single Contract Programs" in which JCM enters into a contract with a Sponsor to provide discretionary advisory services to the Sponsor's clients;
- "Dual Contract Programs" in which JCM enters into a contract directly with the client to provide discretionary advisory services and the client enters into a separate contract with the Sponsor, custodian and other service providers; and
- "Model Programs" in which JCM, on Perkins' behalf, provides a model portfolio to the Sponsor or overlay manager who typically retains the ultimate authority to execute investment transactions. In most Model Programs, the Advisers treat the Sponsor or overlay manager as its client. As of December 31, 2019, Perkins provided model portfolios to Sponsors or overlay managers with respect to \$3,182,226,692. As discussed below, Perkins generally does not have investment discretion or trading authority for these assets. As such, these assets are generally not included in Perkins' assets under management provided above.

If JCM enters into a Wrap Fee Program, JCM may contract with Perkins to offer Perkins' investment strategies to Sponsors' clients.

In JCM's Single and Dual Contract Programs, Sponsors introduce clients to the Advisers and generally provide clients a package of services which may include any or all of the following: discretionary investment management, trade execution, account custody, performance monitoring and manager evaluation. Sponsors receive a fee ("Wrap Fee") from clients for providing this package of services and

JCM receives a portion of the Wrap Fee from the Sponsor for its investment management services. JCM pays a portion of the Wrap Fee it receives to Perkins for its sub-advisory services.

Sponsors typically:

- assist clients in defining their investment objectives based on information provided by the clients;
- determine whether the given Wrap Fee Program is suitable for each client;
- aid in the selection and monitoring of investment advisers (whether the Advisers or another adviser) to manage accounts (or a portion of account assets); and
- periodically contact clients to ascertain whether there have been any changes in clients' financial circumstances or objectives that warrant changes in the arrangement or the manner in which clients' assets are managed.

Sponsors generally channel client information through JCM and the Advisers rely on Sponsors to forward current and accurate client information on a timely basis to assist in the Advisers' day-to-day management of clients' accounts. Single and Dual Contract Program clients may also contact JCM directly concerning their accounts.

Under the typical Model Program, JCM provides Sponsors or overlay managers with initial model portfolios generated by Perkins at the inception of the arrangement and then provides updates to the model portfolio at intervals agreed to by JCM and the Sponsor. In these programs, Sponsors or overlay managers have investment discretion to accept, reject or modify Perkins' trade recommendations and apply them to their clients' accounts. As a result, Perkins generally does not consider these assets as discretionary assets. Investors in Model Programs do not have direct access to the Advisers.

Clients investing in Wrap Fee Programs generally may invest in Perkins' strategies with lower account minimums than other account types; however, Wrap Fee Programs may not be suitable for some clients. Suitability depends on a number of factors, including the applicable Wrap Fee, account size, anticipated account trading activity, the client's financial needs, circumstances and objectives and the value of the various services provided. Clients should consult with their Sponsor to determine whether investing through a Wrap Fee Program is suitable for their circumstances. The Adviser's suitability responsibility for clients selecting Perkins strategies is limited to ensuring that investments chosen for an account are appropriate in light of the investment strategy selected by a client or the Sponsor.

Smaller Wrap Fee Program accounts may not receive or be able to fully implement all of Perkins' investment recommendations for a particular strategy depending on the price of securities and the size of the account. Perkins may also be restricted from investing in certain securities due to operational constraints or limitations set by the Sponsor.

Clients investing in Wrap Fee Programs should receive a brochure from the Sponsor detailing all aspects of the Wrap Fee Program prior to selecting a Perkins strategy. Clients should review program documentation carefully and discuss with their financial adviser whether these programs, and Perkins' strategies, are appropriate for their investment needs and circumstances.

Item 5 – Fees and Compensation

As sub-adviser to funds and accounts managed by JCM and JCIL, Perkins receives its sub-advisory fees directly from JCM and JCIL, respectively. (In the case of certain accounts that JCM sub-advises for Perkins, the client pays fees directly to Perkins, and Perkins shares approximately 50% of the fee it receives with JCM.)

Perkins' share of fees charged to the JCM-advised accounts generally represents approximately 50% of the fees received by JCM. JCIL pays Perkins .45% on the Strategic Value Fund's assets under management and 50% of the fees collected on the other JCIL-advised assets. JCM and JCIL negotiate the fees they charge their clients in consultation with Perkins. Fees charged by JCM are described in the adviser's Brochure.

The Advisers' standard fee schedules vary from product to product based on a variety of factors, including but not limited to, strategy, investment vehicle, degree of servicing required, market-place conditions and other factors the Advisers deem relevant. Qualified clients may opt for a performance based fee structure. See *Item 6 – Performance-Based Fees and Side-By-Side Management* for more information about performance-based fees.

Investment management fees are typically calculated as a percentage of the market value of a client's assets under management in accordance with the client's contractual agreement. Fee breakpoints may be available for certain strategies and product types. The Advisers' standard fee schedules, which are subject to change and may be negotiated, are based on the market value of a client's asset under management and are described in Appendix A. The Advisers' existing clients may have different fee arrangements from those described in Appendix A.

The Advisers, in their sole discretion, may 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, market-place 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 the Advisers deem relevant. The Advisers, in their sole discretion, may also waive or charge lower management fees and waive account minimums for employees, including portfolio managers, affiliates or relatives of such persons. The Advisers may enter into "side letter" agreements with certain investors in Private Investment Funds to provide more favorable investment terms to these investors than those described in a fund's offering documents. These terms may include waiver or reduction in management fees and/or performance fees or allocations, special rights to make future investments or withdrawals and supplemental reporting. Assets from related accounts in similar investment vehicles may be aggregated for fee calculation purposes according to the Advisers' policies and procedures.

The Advisers are 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 may be required to notify and offer the same fee arrangement to a client if JCM enters into a more favorable fee arrangement with a similarly situated client. 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 that 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 for accounts managed through Wrap Fee Programs or 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.

Clients pay investment management fees to their primary adviser, Perkins, JCM or JCIL. In addition to investment management fees, clients may incur operating and transaction fees, costs and expenses associated with maintaining their accounts imposed by custodians, brokers, prime brokers, futures commission merchants and other third-parties. Examples of these charges include but are not limited to 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 Depository Receipts ("ADRs") and other fees and taxes on brokerage accounts and securities transactions. Neither JCM, JCIL nor Perkins receives any portion of these commissions, fees or costs. See, however, Item 12 – Brokerage Practices for more information about commission credits and conversion fees for ADRs. To the extent JCM acts as a sub-adviser, JCM 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 JCM. JCM may, in its discretion, elect to reimburse certain third-party fees or charges (including but not limited to overdraft fees) for certain accounts in specified circumstances.

In Single Contract and Model Programs, Sponsors' clients receive and pay for a package of services. Each of these programs varies and generally includes one or more of the following fees: program fee, custodial fee, trading expenses and an investment management fee. Fees for these bundled programs may vary. Clients in these programs pay fees to their Sponsors and the Sponsors pay JCM a portion of its fee for the Advisers' services. In Dual Contract Programs, a client's fee is typically "unbundled," meaning a client pays JCM's fee directly to JCM and other program fees to their Sponsors. As described above, JCM pays Perkins a portion of its fee for Perkins' services. Clients who participate in Wrap Fee Programs should be aware that services similar or comparable to those provided to them as a participant in a Wrap Fee Program may be available at a lower aggregate cost elsewhere, separately or on an unbundled basis.

In certain circumstances, Single and Dual Contract Program clients may be charged fees, commissions or expenses in addition to their bundled fee. For example, if a Sponsor or another broker-dealer executes a trade as a principal, the client will pay "mark-ups" and "mark-downs" on these trades. Sponsors typically receive no commissions from trades effected on an agency basis and as a result, may have an incentive to effect trades as principal in order to obtain "mark ups" and "mark-downs." Single and Dual Contract Program clients also may pay commissions if JCM "trades away" or uses "step-out" transactions in trading on behalf of the client's account and for offering concessions and related fees for purchases of unit investment trusts, mutual funds and other public offerings of securities. See *Item 12 – Brokerage Practices* for more information about Wrap Fee Program trading issues and a discussion of trade away practices and step-out transactions.

Investors in the Funds pay fund operating expenses in addition to investment management fees. These expenses generally include administrative, 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.

Perkins does not advise JCM-advised clients to invest in U.S. Mutual Funds.

Except as described below, clients generally receive invoices on a monthly or quarterly basis in arrears for investment management fees. Clients invested in Dual Contract Programs, however, typically pay investment management fees in advance on a quarterly basis. JCM also receives payment in advance on a quarterly basis with respect to certain Single Contract and Model Programs. 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. JCM calculates and refunds the unearned, prepaid fee directly to the client or to the Sponsor on the client's behalf for Dual Contract Program clients. Sponsors calculate and administer refunds of the unearned, prepaid amount to Single Contract Program clients and Model Programs. In any partial billing period, fees are pro-rated based on the number of days in which the account is open.

With specific client authorization, JCM may automatically deduct advisory fees from accounts by directly billing the clients' custodians. The Advisers and their affiliates comply with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended ("Advisers Act") with regard to automatic fee deduction ("Custody Rule").

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

From time to time, clients may negotiate a performance-based fee. Performance-based fees are structured to comply with Rule 205-3 under the Advisers Act and, for ERISA accounts, 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 JCM-sponsored Funds typically consist of a base management fee plus or minus a performance fee adjustment as determined by the relative investment performance of the Fund to a specified benchmark index over a specified period of time.

Accounts with performance-based fees are managed in the same locations, using the same systems and staffed with the same personnel as accounts which do not have performance-based fees. Depending on performance, fees for accounts with performance-based fees may be significantly higher than fees for accounts which do not have performance-based fees. There are inherent conflicts of interest in the side-by-side management of performance-based fee and fixed fee accounts because an adviser may have an incentive to favor a performance-based fee account over a fixed-fee account. The Advisers believe their trade allocation procedures, including procedures for allocating securities, including limited offerings and average pricing of executed trades, and analysis of performance achieved by accounts managed in a similar strategy mitigate such potential conflicts of interest. The 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 the Advisers' 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 the Advisers' side-by-side management practices.

Item 7 – Types of Clients

Perkins provides investment management services to clients which may include from time to time pension and profit-sharing plans, Taft-Hartley plans, foundations, charitable organizations, endowments, state or local government entities, U.S. Mutual Funds and non-U.S. funds, including Undertakings for Collective Investments in Transferable Securities ("UCITS") funds, private investment funds, banks, Model Programs, individuals, high-net worth individuals, guardians and custodians for individuals, trusts, estates, individual retirement accounts, retirement plans for self-employed persons and other U.S. and non-U.S. institutions.

For new accounts, the Advisers generally require:

- \$100,000 to establish a Single Contract Program account,
- \$1 million to establish a Dual Contract Program account,
- \$100,000 to \$20 million to invest in a Private Investment Fund,
- \$10 to \$100million to establish a new Separate Account, and
- \$50 million to establish an unaffiliated Fund relationship.

Perkins may waive or reduce these requirements in its discretion, including based on certain criteria as described in *Item 5 – Fees and Compensation*, and reserves the right to decline any account in its sole discretion. JCM or Perkins, as applicable, also reserves 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.

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

Investing in securities involves risk of loss that clients should be prepared to bear. There are inherent risks associated with investing in securities markets. 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.

Perkins is primarily a long-only equities value investment adviser. Perkins' value-oriented approach is based on the belief that investing in a diversified portfolio of high-quality, yet undervalued stocks can lead to outperformance of a benchmark over time. Perkins believes that by conducting rigorous downside analysis before determining upside potential, Perkins will identify companies with favorable reward-to-risk trade-offs over a full market cycle. Perkins' investment strategies are: small cap value, mid cap value, large cap value, global value, non-U.S. value, all cap value and value plus income. Perkins employs the same methods of analysis on all strategies. Perkins employs a thorough bottom-up method of fundamental analysis. Perkins seeks high-quality companies with strong balance sheets, low debt ratios,

financial flexibility, solid recurring free cash flows and committed and tenured management with significant insider ownership. The portfolios that Perkins manages are designed for long-term investors seeking an equity portfolio, including common stocks. Common stocks tend to be more volatile than many other investment choices.

Risks

The following is a summary of the material risks for each of Perkins' significant investment strategies. This Brochure does not intend to cover every potential risk of every strategy Perkins offers and certain risks described below may only apply to certain strategies. Investors in Funds may find additional information about risks in the Funds' offering documents.

Value Investing Risk

Because different types of stocks tend to shift in and out of favor depending on market and economic conditions, "value" stocks may perform differently than other types of stocks and from the market as a whole, and can continue to be undervalued by the market for long periods of time. It is also possible that a value stock will never appreciate to the extent expected.

Market and Industry Risk

The value of a client's portfolio may decrease if the value of one or more multiple 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. It is important to understand that the value of your investment may fall, sometimes sharply, in response to changes in the market, and you could lose money.

Clients are also subject to industry risk which is the possibility that a group of related securities will decline in price due to industry-specific developments. Companies in the same or similar industries may share common characteristics and are more likely to react similarly to industry-specific market or economic developments. A portfolio's investments in multiple companies within a particular industry increases the client's exposure to industry risk.

Foreign Exposure Risk

A client's portfolio may have significant direct or indirect exposure to non-U.S. markets, including emerging markets, which can be more volatile than the U.S. markets. As a result, its 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. A market swing in one or more countries or regions where the client's portfolio has invested a significant amount of its assets may have a greater effect on the portfolio's performance than it would in a more geographically diversified portfolio. A client's portfolio investments in emerging market countries, including frontier markets, may involve risks greater than, or in addition to, the risks of investing in more developed countries. The risks of investing in non-U.S. markets are heightened when investing in emerging markets. 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.

Derivatives Risk

Perkins 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. Perkins may also use a variety of currency hedging techniques, including the use of forward currency contracts, to manage currency risk. 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.

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.

Investors in pooled vehicles, such as Funds, can find additional information about risks in the offering documents.

Certain Risks Associated with the Use of Technology

JCM 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, JCM'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 JCM or our clients fail to perform.

JCM, 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. JCM 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 JCM or its clients.

Item 9 – Disciplinary Information

Not applicable.

Item 10 – Other Financial Industry Activities and Affiliations

As discussed in *Item 4 – Advisory Business*, Perkins is owned by Janus Henderson Group, through JCM. Perkins' relationships with its affiliates are discussed below.

Broker Dealers

Perkins is affiliated with Janus Distributors LLC, doing business as “Janus Henderson Distributors” (“JHD”), a wholly owned subsidiary of JCM. Janus Henderson Distributors is a limited purpose broker-dealer whose primary function is distributing shares of JCM's Sponsored Funds. Janus Henderson Distributors may also provide distribution services to JCM and its affiliates with respect to Private Investment Funds. Perkins sub-advises JCM-sponsored Funds distributed by JHD, however, Perkins does not execute transactions for any of its clients through JHD. Multiple Perkins' employees are registered representatives of JHD, but do not receive any compensation from JHD.

Other Investment Advisers, Investment Companies or Other Pooled Vehicles

Perkins provides sub-advisory services to various JCM-sponsored U.S. Mutual Funds, Janus Investment Fund, Janus Aspen Series and certain unaffiliated Funds. JCM provides certain services to its affiliated advisers, including Perkins, which include, but are not limited to, administrative, compliance, legal, trading, marketing and accounting services and may receive compensation for these servicing activities. JCM also currently provides sub-advisory services to certain Perkins' accounts.

JCM serves as manager to Private Investment Funds offered solely to “accredited investors” under Regulation D of the Securities Act or “qualified purchasers” under the 1940 Act. JCM's, INTECH's and Perkins' clients may be solicited to invest in these Private Investment Funds. Perkins serves as sub-adviser to one of these Private Investment Funds.

JCIL serves as an investment adviser to certain non-U.S. Funds, including Janus Henderson Capital Funds Plc (“Janus Henderson Capital Funds”), and certain unaffiliated non-U.S. Funds. Janus Henderson Capital Funds is an investment company incorporated in Ireland and established as a UCITS umbrella fund. Janus Selection is an open-ended unit trust established in Ireland which invests its assets in corresponding funds of Janus Henderson Capital Funds. JCIL has appointed Perkins as sub-adviser to certain Janus Henderson Capital Funds, and other unaffiliated non-U.S. Funds with responsibility for investing and managing clients' assets on a discretionary basis and for providing related investment management and administrative services. JCIL may also conduct ancillary marketing activities and other services for Perkins.

Janus Henderson Distributors is a broker-dealer registered with the Financial Industry Regulatory Authority (“FINRA”). Janus Henderson Distributors is a limited purpose broker-dealer

whose primary function is distributing shares of JCM's Sponsored Funds. Janus Henderson Distributors may also provide distribution services to JCM and its affiliates with respect to Private Investment Funds. JCM does not execute transactions for any of its clients through Janus Henderson Distributors. Certain of JCM's management persons are registered, or may have an application pending to register, as registered representatives of Janus Henderson Distributors. They do not receive any compensation from Janus Henderson Distributors. JHIS is a Singapore private limited company with a Capital Markets Services License for fund management, trading in futures contracts and dealing in securities from the Monetary Authority of Singapore. JHIS supports certain sales and marketing activities in Singapore for JCM and its affiliates.

JHIHKL is a Hong Kong private company and a licensed entity with the Hong Kong Securities and Futures Commission. JHIHKL conducts various activities, including advising and dealing in securities in Hong Kong.

There are inherent conflicts of interest when a related person provides certain services to an adviser and its clients, in that such arrangements may not be conducted at "arms length" and the adviser may have an incentive to favor a related person over an independent third party. See Item 11 – Code of Ethics, Participation or Interest in Client Transactions *and Personal Trading* and Item 12 – *Brokerage Practices* for a discussion of policies and procedures, which are designed to mitigate these potential conflicts of interest.

Conflicts Related to Our Affiliations and Other Legal Restrictions

Perkins 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. For example, holdings of a security on behalf of Perkins' 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 Perkins, as well as its affiliates, monitors and restricts additional purchases.

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

Code of Ethics

Perkins is committed to the highest principles of ethical behavior and standards and has adopted JCM's Personal Code of Ethics (the "Personal Code of Ethics"), which include its Personal Account Dealing Policy, Outside Business Activities Policy, Gifts & Entertainment Received Policy and Political Activities Policy. 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. The Personal Code of Ethics apply to all Perkins employees and require that Perkins' 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 Personal Code of Ethics are designed to ensure Perkins' employees:

- place the interests of Perkins' clients first;
- act with the highest degree of ethical standards;
- avoid or, where applicable, disclose actual, potential or apparent conflicts of interest,
- safeguard company and client assets,

- maintain confidentiality of company and client information,
- comply with applicable laws, regulations and rules, and
- deal fairly with clients, vendors and service providers.

The Personal Code of Ethics is available to clients and prospective clients upon request. All potential deviations from or violations of the Personal Code of Ethics are presented to the Ethics Committee. 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 Personal Code of Ethics and to annual certify their compliance with the Personal Code of Ethics.

Personal Trading

Under the Personal Code of Ethics, Perkins employees are required to conduct their personal investment activities in a manner that Perkins believes is not detrimental to its clients. As discussed above, Perkins employees 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 Code of Ethics set out basic principles to guide Perkins employees and in certain cases, family members. Under the Personal Code of Ethics, Perkins employees may not:

- purchase securities in an initial public offering;
- trade on, or cause others to trade on, material nonpublic information,
- profit, or cause others to profit, based on knowledge of completed or contemplated client transactions,
- improperly benefit by causing a client to act, or fail to act, in making investment decisions, or
- engage in fraudulent conduct in connection with the trading of securities in a client account.

Perkins Personnel are required to conduct their personal investment activities in a manner consistent with their fiduciary duties to the company and its clients, including by avoiding any actual, potential or apparent conflict of interest or any abuse of their position of trust. Perkins Personnel are required to disclose and provide statements for all brokerage accounts in which they have beneficial ownership and pre-clear personal transactions in covered securities, including but not limited to stocks, bonds, real estate investment trusts ("REITs") and ETPs. Perkins Personnel generally may not transact in a covered security if it has been actively traded in a client account within a specified number of days and must hold covered securities for a specified period of time. In addition, Perkins Personnel are prohibited from trading in any securities on the restricted list and generally prohibited from participating in any initial public offerings.

Interest in Client Transactions

Potential conflicts of interest may exist if an investment adviser or one of its related persons 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 Perkins, an affiliate or the investment person 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, Perkins, an affiliate 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 Personal Code of Ethics, Perkins 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 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 Perkins or its affiliates. Perkins 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, Perkins 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, Perkins' proprietary accounts are subject to the same trading policies and procedures as its client accounts. See *Item 12 – Brokerage Practices* for information about these policies and procedures. Perkins 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 may manage Funds, Separate Accounts, Wrap Fee 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 Perkins' 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. For example, certain portfolio managers may have roles as research analysts for one or more of the products and receive compensation for these additional roles. These factors could create potential conflicts of interest as investment personnel may have an incentive to favor certain accounts over others.

Perkins' Chief Investment Officer also performs portfolio manager responsibilities. The Chief Investment Officer is responsible for Perkins' investment process and has regular and continuous access to information regarding Perkins and all accounts under its management, as well as knowledge of, and potential impact on, investment strategies and techniques. These factors could create potential conflicts of

interest as there could be an incentive to place the interests of Perkins or its parent company Janus Henderson Group, a publicly-traded company, over the interests of clients.

Perkins believes that these 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 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.

Gifts and Entertainment Received

Perkins Personnel may receive gifts and entertainment on behalf of entities that are eligible investments of client accounts or that are interested in acquiring or maintaining a business relationship with Perkins or related persons. This could create potential conflicts of interest as Perkins Personnel may have an incentive to favor those persons from whom they have received gifts over others in portfolio management, vendor and service provider engagement, trading, security selection or other activities to the detriment of clients. To address these conflicts, Perkins has adopted the Personal Code of Ethics which prohibits the solicitation of gifts and entertainment and imposes strict limits on the amount of gifts and entertainment that may be received.

Outside Business Activities

Perkins Personnel may engage in outside business activities with entities that are eligible investments of client accounts or that are interested in acquiring or maintaining a business relationship with Perkins or related persons. This could create potential conflicts of interest as Perkins Personnel may have an incentive to favor those entities at which they are engaged in outside business activities in portfolio management, vendor and service provider engagement, trading, security selection or other activities to the detriment of clients. To mitigate these concerns, Perkins has adopted the Personal Code of Ethics which requires Perkins Personnel obtain approval for any outside business activities. Perkins may deny any request to participate in an outside business activity which involves investment-related matters or which otherwise presents a potential conflict of interest or other risk. As part of the Personal Code of Ethics, JCM generally prohibits Perkins Personnel from serving on the board of directors of a publicly-traded company.

Material Non-Public Information

Perkins has adopted a Market Conduct Policy that establishes procedures to prevent the misuse of material non-public information by JCM, Perkins and its officers, directors and employees. The policy provides that if JCM or Perkins or any of its related persons obtains material non-public information concerning an issuer of securities, Perkins 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

JCM manages long and short portfolios that are traded on the same trading desk as transactions for long-only clients of the Advisers. 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. The Advisers maintain procedures that it believes 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 such 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 the Advisers to request that we make contributions to certain charitable organizations. Because a 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, Perkins follows JCM's procedures that generally limit the dollar amount and frequency of these types of charitable contributions. As part of these procedures, JCM has implemented an approval and review process and further requires that all contributions are 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 client entity 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, Perkins maintains policies and procedures which generally limit amount of contributions to political candidates or elected officials. Employees may not make political contributions on behalf of Perkins 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 JCM's compliance department before making personal political contributions or engaging in political activities. Contributions which may impact Perkins' or any of its affiliates' 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, Perkins 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 choose 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

The Advisers share discretion over the JCM and JCIL accounts sub-advised by Perkins. As such, the Advisers share best execution, trade allocation and trade rotation policies and procedures. Based on these policies, JCM's trading desk is primarily responsible for selecting executing broker-dealers, since trades for these clients take place on JCM's trading desk, except as described below. JCM's trading desk has the ability to execute fixed income and equity trades from various global offices. JCM and JCIL maintain the same brokerage policies (as described herein) and collectively operate as one trading desk. Administration of certain policies is delegated to JCM.

The Advisers' clients may, in limited circumstances, provide broker preferences pursuant to the Directed Brokerage Policy described below. Broker determination, however, is determined by the Adviser's duty to seek best execution. The Advisers' Best Execution Committee will periodically review the quality of execution that it receives from broker-dealers, and the trading desks will continually evaluate the effectiveness of JCM's executing brokers and trading tools. The Advisers do not consider a broker-dealer's sale of shares of the JCM-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 by seeking the best outcome based on a number of factors, including but not limited to:

- the clear understanding of prices of securities currently available and commission rates and other costs associated with various trading tools, channels and venues,
- the nature, liquidity, 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 and impact, existing and expected, in the market for the particular security and the desired timing or urgency of the trade pursuant to the investment decision,
- any client restrictions associated with brokers or asset types,
- 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,
- principal commitment by the broker-dealer to facilitate the transaction and
- for non-research charge collection agreement ("RCCA") accounts, as described further below, the research services provided by a broker-dealer.

Consistent with their best execution obligation, and as permitted by Section 28(e) of the Securities Exchange Act of 1934, as amended, and subsequent SEC guidance and no-action relief ("Section 28(e)"), for non-RCCA accounts, the Advisers may execute transactions with a broker-dealer for a higher commission than another broker-dealer would have charged for effecting the same transaction 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 such broker-dealer or provided by third parties viewed in terms of either that particular transaction or the overall responsibilities of the Advisers with respect to all client accounts. Accounts that utilize RCCAs are prohibited from using charges for brokerage services

and are subject to additional restrictions on what constitutes eligible research as provided by the Markets in Financial Instruments Directive II (“MiFID II”) and Financial Conduct Authority (“FCA”) regulations.

Client Commission and Research Charge Practices

The Advisers 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 and software,
- 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 (except for RCCA accounts).

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 and RCCAs

JCM has client commission agreements with certain broker-dealers. These agreements allow the Advisers to instruct broker-dealers to pool commissions or research charges, respectively, generated from equity security orders executed at that broker-dealer. RCCAs are utilized for accounts that are subject to MiFID II and instead of using a portion of the commission for research, an additional research charge is added to the execution commission for equity transaction. Pursuant to these agreements, the broker-dealer retains the execution component of the brokerage commission as compensation for execution services and segregates the other portion of the commission (or additional research charge for RCCAs) for research services. Such commissions (and charges) are then used, upon the Adviser’s direction to pay such broker-dealers for proprietary research or third parties for research created or developed by those third parties and provided to JCM as permitted under Section 28(e) and for RCCAs, as also permitted under MiFID II and FCA guidance. Client transactions are not directed to these broker-dealers in anticipation of receiving any research or brokerage services from such broker-dealers.

The research portion of the commission (or additional research charge for RCCAs) is collected until an account’s pro rata portion of the research budget established by the Research Management Committee (“RMC”) for each investment strategy is reached. Typically, it is expected, that such amounts will equal each account’s proportional share of the value of the brokerage services or research used by all account within the strategy, based on the amount of

assets held in each account. Once the budget of an investment strategy is reached, all accounts within such strategy will transact at execution only rates for the remainder of the applicable period. If the costs for external research for an investment strategy exceed the amount collected from accounts within that strategy, the Advisers or their affiliates may adjust the research portion of commissions (or research charge for RCCAs) within such strategy, continue to acquire external research for such accounts using its own resources or cease to purchase external research for such accounts until the next applicable period. If research commissions (or research charges for RCCAs) collected by accounts within an investment strategy exceed the research costs for such investment strategy, the Advisers may rebate the accounts within such strategy their pro rata portion of such excess (subject to de minimis amounts as determined by the Advisers) or (for non-RCCAs only) rollover such amounts to be used for research during the next applicable period.

The RMC oversees the consumption, valuation and appropriate remuneration of third party investment research consumed by the Advisers. Research budgets are set annually by the needs of each investment strategy and are not otherwise linked to the volume or value of transactions executed on behalf of any accounts within that strategy. Each account within a strategy shares its pro rata portion of such strategy's budget. Research budgets may be adjusted by the RMC throughout the calendar year.

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, except to the extent trades are placed with brokers that do not provide research, in which case, a client electing not to participate in client commission agreements would pay an execution only commission rate. Additionally client commissions may still be used to pay for research through the additional methods described below.

Additionally, to the extent Perkins manages a strategy in which the portfolio manager and client is located in EMEA, the Advisers may determine to pay for research for such strategies and/or accounts consistent with the methods available pursuant to MiFID II, including by use of an RCCA or Janus Henderson Group's own resources.

Therefore, clients differ with regard to whether and to what extent they pay for research through commissions and, subject to applicable law, research may be used to service any or all clients, including clients that do not pay commissions to the broker-dealer relating to the client commission agreement. As a result, research may disproportionately benefit some clients over other clients based on the relative amount of commissions paid and in particular those clients that do not pay for research services or do so to a lesser extent, including in connection with the establishment of research budgets (and switching to execution-only rates when research budgets are met).

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 or when it may otherwise be necessary to execute a client investment strategy. In a step-out transaction, JCM directs 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 or is otherwise able to execute the transaction. The second broker-dealer may clear and settle and receive commissions for the portion of the transaction sent to it. For Single and Dual Contract Programs, and to the extent such Programs permit step-out transactions, there may be additional fees or other costs incurred by the Sponsor or the client that are not covered by the Wrap Fee. These additional fees or other costs typically are paid by the Sponsor or the clients. See Wrap Fee Program Brokerage Practices below for more information about step-out transactions.

Sponsorship Transactions

The Advisers may also use broker sponsorship programs in order to pay for research. The Advisers may receive research from a sponsored broker, but choose to execute with an executing agent on behalf of the sponsored broker. The executing agent executes the trade and then sends it to the sponsored broker for settlement. The Adviser pays the sponsored broker the commissions on the trade and the sponsored broker then pays the executing agent a predetermined fee.

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. 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 its 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 the Advisers 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,
- access to industry experts,
- opportunities to have discussions with third-party research analysts and to meet with corporate executives (non-UK),
- brokerage services, including brokerage to effect securities transactions,
- trading execution services, and
- portfolio modeling analytic software.

Research received from broker-dealers is supplemental to the Advisers' own research efforts. The brokerage and research products and services furnished by broker-dealers may be used in servicing any or all of the Advisers' 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, in limited circumstances, clients may suggest a broker preference for the Advisers, to direct a client's transactions as part of a Wrap Fee Program, a commission recapture program or otherwise. Broker selection, however, is always subject to the Advisers' duty to seek best execution. 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 a brokerage commissions pursuant to "sponsorship" 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 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 clients by their selected broker-dealer(s) 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 or help allocate execution fills and prices fairly 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 clients. 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 is 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.

In the case of Single and Dual Contract Programs, the Advisers generally have a duty to seek best execution. Typically the Advisers place trades with Sponsors (or their affiliated broker-dealers) because trading commissions are included in the fee the client pays to the Sponsor. See Wrap Fee Program Brokerage Practices in this section for more information about the Advisers' trading practices for Wrap Fee Programs.

Trade Aggregation and Allocation Policy

Perkins 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 Perkins or its affiliates. Because the Advisers generally invest in similar strategies for clients, numerous clients could have similar investment objectives and thus, similar portfolios. As a result, the Advisers may be trading the same security at the same time for numerous clients. In order to seek efficiencies that may be available for larger transactions or help allocate execution fill and prices fairly, JCM may aggregate the orders for its clients who invest in the Advisers' strategies for execution in circumstances where the Advisers determine that the investment is eligible and appropriate for each participating account. Clients participating in an aggregated trade are generally charged the same price and execution rate (or execution portion of the commission) except where JCM doing otherwise is deemed fair and consistent with applicable law, but instances can occur in which not all clients are charged a research portion (or the same research portion) of the commission in an aggregated trade, including where clients have a different research rate, have already met the research budget established by the RMC or are subject to regulatory or other restrictions on the use of client commissions to pay for research services and may transact at lower commissions or execution only rates.

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, price targets 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 or if a client is invested in a Wrap Fee Program in which the Sponsor executes trades, the Advisers may not be able to aggregate or allocate these or other 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.

Initial Public Offering ("IPO")/Limited Offering Allocations

Clients may from time to time participate in an IPO or other types of limited offerings such as Secondary Offerings of common stock, Private Equity Offerings, or other Private Placement Offerings, if the portfolio manager managing the portfolio 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 the Advisers reasonably determine 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, the Advisers may prohibit the client's account from receiving any allocations of an available offering. In addition, to the extent a Fund, such as a new Fund, has only affiliated shareholders, such as a portfolio manager or an adviser, and the Fund participates in an IPO, those shareholders may be perceived as receiving a benefit and, as a result, may have a conflict with management of the Fund and thus may not be eligible to participate in the offering.

The Advisers' IPO/limited offering allocation procedures generally require all securities purchased in an offering be allocated to each participating portfolio manager based on their initial indications and on a pro rata basis to all participating eligible accounts based on the total assets of each account. When more than one portfolio manager indicates interest in a limited offering, a limit on the allowable bid will be applied. In certain circumstances, the Advisers may deviate from such an allocation to account for allocation sizes that are deemed by investment personnel to be de minimis for certain eligible accounts, to address market conditions or to address situations specific to individual accounts (e.g., cash limitations, position weightings, liquidity profiles of the investment, redemption history of the account, etc.) Perkins 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, Perkins generally does not reimburse for opportunity costs. Deviations from these procedures are permitted provided such deviations are documented and approved in writing by the Chief Investment Officer ("CIO") or his delegate(s). A deviation could occur, for example, in order to allocate additional securities to ensure that accounts receive sufficient securities to satisfy specialized investment objectives or policies. Additionally, for Secondary Offerings of common stock or Private Equity Offerings, additional shares may be allocated to a portfolio manager with a pre-existing position in that security.

Cross Trades

In their 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 trades, prices of like securities, yields, maturities, and ratings. Certain short-term instruments maturing within 60 days or less may be 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, the fair value of a security will be determined in good faith under policies and procedures established by and under the supervision of JCM's Global Pricing Committee. Although the Advisers are not generally the pricing agent for their clients (other than for their sponsored U.S. Mutual Funds and certain other funds or accounts where it agrees to provide such services and as set forth in the relevant agreement or offering documents) the Advisers, in certain cases and upon a client's 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 however the Advisers do not intend to use valuations that are higher than fair value. The Advisers believe that this potential conflict may be mitigated to a certain extent by their 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 JCM-sponsored U.S. Mutual 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.

Trade Rotation Policy

Perkins is primarily responsible for addressing and mitigating the potential conflicts of interest that arise when trades in the same security for various portfolios are sent to the JCM trading desk and executed through multiple Sponsors for Wrap Fee Programs and broker-dealers.

The JCM trading desk selects broker-dealers to execute trades for JCM-advised clients and generally forwards Wrap Fee Program trades to the relevant Sponsor as described further in Wrap Fee Program Brokerage Practices below. If Perkins simultaneously routes orders for execution on the JCM trading desk and at a Sponsor's trading desk, JCM determines if its trade rotation procedures need to be implemented.

When the Advisers act as advisers to Wrap Fee Programs, certain conflicts of interest may arise between the Wrap Fee Programs and also between Wrap Fee Programs and the Advisers' other clients, particularly in relation to trading issues. Conflicts of interest may arise particularly because Sponsors (or their affiliated broker-dealers) generally execute the majority of trades for Wrap Fee Programs and as a result, a Sponsor (or its affiliated broker-dealer) may have access to Perkins' investment recommendations before the Advisers implement the recommendations for their other clients. Conflicts of interest may also arise when the Advisers, in seeking to obtain best execution, or when it steps out a transaction to a broker-dealer or other securities intermediary, or in following directed trading instructions, execute trades in the same security for Wrap Fee Programs through different Sponsors (or their affiliated broker-dealers) and their other accounts through other broker-dealers at or near the same time. Therefore, given the separation of the Wrap Fee Programs' trading functions and JCM's trading for the Advisers' other accounts, the possibility exists that trades for a Wrap Fee Program may be executed before or after trades, and at different prices, for other Wrap Fee Programs and the Advisers' other accounts.

To address the conflicts of interest and trading matters, the Advisers maintain brokerage and trading policies, including policies and procedures for best execution discussed above and trade rotation. The Advisers believe their policies and procedures are consistent with their duties as fiduciaries to treat their clients fairly in a manner that does not systematically favor one client (or group of clients) over another client (or group of clients).

Depending on the market capitalization, or market availability, of certain securities, trade orders may take multiple days to complete and may be executed as part of a rotation. If the Advisers determine that there is not sufficient liquidity in the market to support an entire trade or order, the Advisers will take steps to manage the liquidity profile of the order and minimize its impact on the market. In limited circumstances, this may include rotating trades between their Wrap Fee Program accounts and their other clients. Typically, orders for Wrap Fee Program accounts are rotated between the Sponsors' trading platforms. To the extent the Advisers deem a trade highly illiquid, JCM may split the trade into smaller orders and then rotate in the same manner as trades for illiquid securities would be rotated. Rotating trades may result in a

longer delay in executing trades and/or a materially better or worse price for clients that are traded in later rotations.

As discussed in Item 4 – Advisory Business, the Advisers do not have responsibility or discretion to execute trades for Model Programs. The Advisers provide information on the model portfolios at the times agreed to in the investment management agreement, which could be before or after the Advisers execute trades on behalf of their other accounts. Many Sponsors or overlay managers require the Advisers to provide the model updates as part of their trade rotation procedures.

The Advisers generally have limited information on whether, at what time, and to what extent, the Sponsor or overlay manager executes the Advisers' recommendations. Further, the Advisers generally may or may not wait for Sponsors or overlay managers to confirm execution before continuing their rotation when Model Programs are included in the Advisers' trade rotation. As a result, Sponsors may initiate trading prior to, at the same time as, or after JCM completes trading for the Advisers' other accounts or other Model Programs.

Wrap Fee Program Brokerage Practices

As discussed in Item 4 – Advisory Business, Single and Dual Contract Programs clients often receive a package of services, in exchange for the Wrap Fee that they pay the Sponsor of the program. In addition to the investment management fee, these services often include trade execution from Sponsors (or their affiliated broker-dealers). Typically in these instances both the Advisers and the Sponsor have a duty to seek best execution for these clients' trades.

There may be circumstances when the Advisers, in seeking best execution, execute trades through broker-dealers or other security intermediaries other than the Sponsors (or their affiliated broker-dealers). This practice is often referred to as "trading away" or a "step-out" transaction. The Advisers may trade away when a security is illiquid, when a Sponsor (or its affiliated broker-dealer) lacks the capacity or expertise to effectively execute a trade in a particular type of security or to execute a trade at a favorable price or in a timely manner or under other circumstances. In addition, the Advisers may trade away or use step-out transactions when the Advisers believe trading through the Sponsor (or its affiliated broker-dealer) will adversely impact the same or similar trades the Advisers intend to execute for their other clients. Whenever the Advisers trade away or use step-out transactions from Sponsors (or their affiliated broker-dealers), there may be additional commissions, spreads, transaction charges or other costs incurred by the client that are not covered by the Wrap Fee. The Advisers typically are not responsible for such additional commissions, spreads, charges or costs. These additional commissions, charges or costs typically are paid by the Sponsor or the clients. With respect to Wrap Fee Programs where a client directs trading to the Sponsor, even where another broker-dealer quotes a more favorable price than that quoted by such Sponsor in a given trade, that lower price along with the added commission, may be on balance less favorable to the client than the Sponsor's higher quoted price.

Sponsors may include provisions in their agreements with clients to direct the Advisers to execute all transactions or certain securities (for example, equity securities) through the Sponsor (or its affiliated broker-dealer). In such cases, the Advisers generally require the Sponsor's agreement to permit the Advisers to trade away or use step-out transactions to execute transactions for clients through broker-dealers other than the Sponsor (or its affiliated broker-dealer) in seeking best execution for these clients.

Conflicts of interest can arise between the Advisers' best execution policies and procedures and trading instructions that the Advisers may receive from client agreements. In such cases, the Advisers will act in a manner that they believe is consistent with the best interests of their clients and their best execution policies and procedures.

ADRs

In certain circumstances, Perkins 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, both 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.

For Single and Dual Contract Programs, and to the extent such Programs offer strategies which could include ADRs as potential investments, the Advisers may execute ADR transactions through Sponsors (or their affiliated broker-dealers) or by stepping out such transactions to broker-dealers or other securities intermediaries. To the extent that it does so, there may be additional costs associated with such investments including conversion and foreign exchange fees, ongoing custody or service fees charged by ADR depository banks for inventorying the underlying non-U.S. shares and performing related administrative services, commissions, spreads, transaction charges or other costs incurred by the client that are not covered by the Wrap Fee. The Adviser typically is not responsible for these additional fees as they are typically paid by the Sponsor or the clients. See Wrap Fee Program Brokerage Practices in this section for more information about step-out transactions.

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.

Generally, errors are corrected in the client's account(s) and, generally any error which results in a gain accrues to the benefit of a client's account. Any error that results in a loss will be reimbursed by the Adviser to the client's account.

When correcting errors, the Adviser will use its best efforts in its 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 Adviser may take into consideration certain factors, including but not limited to, the market environment, size of the order, market impact, liquidity, volume, etc.

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.

At Perkins's discretion, Perkins may consult with affected clients to discuss an appropriate resolution for correcting an error.

Item 13 – Review of Accounts

The accounts are reviewed daily by the Chief Investment Officer or the appropriate portfolio manager(s). On a continuing basis, each portfolio manager evaluates from many viewpoints the various accounts, 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 Chief Compliance Officer and the compliance department staff perform ongoing reviews of all client portfolios for compliance with investment policies and restrictions on a daily, monthly, quarterly and annual basis. Sponsored Funds are reviewed on a periodic basis by the Funds' Boards of Directors or Trustees, as applicable.

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 from Perkins' clients' custodian 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. The Advisers may furnish certain account transaction and portfolio holdings to institutional clients such as unaffiliated Funds and Separate Accounts 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. The Advisers will also provide clients, upon request, other information regarding their portfolio within the parameters of their compliance policies.

The Advisers may also furnish certain portfolio holdings to potential clients and other interested third parties (e.g., consultants) provided that the Advisers determine there is a legitimate business purpose to provide the information, the recipient executes a confidentiality agreement and certain persons approve the disclosure.

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

Item 14 – Client Referrals and Other Compensation

Perkins does not maintain any direct referral arrangements; however, JCM may enter into referral arrangements as described below. Because Perkins sub-advises numerous JCM-advised accounts, it

may benefit from any referral arrangements entered into by JCM to the extent that referred clients are sub-advised by Perkins.

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

JCM may enter into arrangements whereby from time to time it compensates, either directly or indirectly, unaffiliated persons, including pension consultants, for client referrals and service. Under these arrangements, JCM 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 the Advisers' 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, the Advisers 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 the Advisers or their affiliates, but may recommend the Advisers or affiliated investment advisers to clients. To the extent JCM enters into a referral arrangement with pension consultants, such arrangement will be made in accordance with the Cash Solicitation Rule.

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 JCM 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. JCM may also be required by contract to provide training regarding JCM's investment products and services to certain clients and large shareholders of Janus Henderson Group on a periodic basis. JCM usually pays 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

Perkins does not take custody of client funds or securities. Nevertheless, clients should ensure that they receive statements from their qualified custodian that holds and maintains their investment assets.

Perkins urges all clients to carefully compare such official custodial records to the account statements provided by JCM or other third parties, such as Sponsors. These statements may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies for certain securities.

Item 16 – Investment Discretion

Perkins usually receives discretionary authority from the client via the sub-advisory agreement between the primary adviser and Perkins at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. Perkins exercises its discretion in a manner consistent with the client's stated investment objectives.

When selecting securities and determining amounts, Perkins observes the investment policies, limitations and restrictions of the clients for which it advises. Perkins' clients may be limited in the type or quantity of securities it purchases or holds due to certain regulatory or internal compliance restrictions.

Investment guidelines and restrictions must be provided in writing to, and agreed upon by, Perkins and are the means by which Perkins manages clients' portfolios. Please refer to *Item 4 – Advisory Business* for additional information regarding investment discretion.

Item 17 – Voting Client Securities

For JCM-advised clients, Perkins has adopted JCM's Proxy Voting Guidelines and delegates administration of its proxy voting to JCM. Clients may direct Perkins 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 Perkins. 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 Perkins to vote proxies on their behalf, the following policies and procedures apply.

To the extent clients delegate proxy voting responsibility, Perkins will seek to vote proxies in the best interest of its clients. As part of the exercise of its responsibilities, Perkins has adopted detailed proxy voting policies and procedures ("Proxy Voting Procedures") described below. Subject to specific provisions in a client's account documentation related to exception voting, Perkins only accepts direction from a client to vote proxies for that client's account pursuant to the JCM Proxy Voting Guidelines (the "Guidelines"), the Institutional Shareholder Services Inc. ("ISS" or "the Proxy Voting Service") Benchmark Policy or the ISS Taft-Hartley Voting Guidelines (the "Taft-Hartley Guidelines"). The Proxy Voting Procedures and Guidelines are available at www.janushenderson.com/proxyvoting or upon request.

Class Actions

The Advisers generally do not instruct, give advice or file proof of claim forms on behalf of Separate Accounts, Wrap Fee Programs and individual clients.

ERISA Plan Policy

On behalf of U.S. clients subject to ERISA, the Advisers will vote all proxies for shares for which it has investment discretion unless the power to vote such shares has been expressly retained by the appointing

fiduciary in the investment management agreement. 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. As such, where The Adviser has voting responsibility for ERISA plans, it will vote proxies solely in the best interest of the participants and beneficiaries of such plans. Perkins is not deemed a fiduciary for other purposes under ERISA as it does not receive compensation for making investment recommendations that are individualized or specifically directed to a particular plan sponsor running a retirement plan (e.g., an employer with a retirement plan), retirement plan participants, or IRA owners for consideration in making a retirement investment decision.

Conflicts of Interest

A conflict of interest may arise from a number of situations, including but not limited to a business relationship between the Adviser and the issuer, an inducement provided to portfolio management by the issuer or its agents or a personal relationship between portfolio management and the management of the issuer. Because the Guidelines are designed to be in the best interests of advisory clients, default application of the Guidelines to vote client proxies should, in most cases, adequately address any possible conflicts of interest.

For situations where portfolio management seeks to exercise discretion, the Adviser has implemented a number of additional policies and controls to mitigate any conflicts of interest. Portfolio management are required to disclose any actual or potential conflicts of interest that may affect the exercise of voting discretion. This includes but is not limited to the existence of any communications from the issuer, proxy solicitors or others designed to improperly influence portfolio management in exercising their discretion. In the event a personal conflict of interest is disclosed or identified, the Proxy Voting Committee (the "Committee") will determine whether that person should recuse himself or herself from the voting determination process. In such circumstances, the proxy vote will be cast in accordance with the Guidelines or as instructed by the Chief Investment Officer ("CIO") or a delegate.

The Adviser also proactively monitors and tests proxy votes for any actual or potential conflicts of interest. The Adviser maintains a list of significant relationships for purposes of proxy voting, which includes significant intermediaries, vendors, service providers, clients and other relationships. In the event portfolio management intends to vote against the Guidelines with respect to an issuer on the significant relationships list, a representative from Operations Control will notify the Committee which will review the rationale provided by portfolio management in advance of the vote. In the event portfolio management intends to exercise discretion to vote contrary to the ISS recommendations and with management as to an issuer on the significant relationships list, a representative from Operations Control will notify the Committee, which will review the rationale provided by portfolio management in advance of the vote. If the Committee determines the rationale is inadequate, the proxy vote will be cast as in accordance with the Guidelines or as instructed by the Committee. In addition, the Committee reviews all votes that deviate from the Guidelines and assesses the adequacy of the portfolio managers' stated rationale on a quarterly basis. Compliance also reviews all refer votes contrary to the ISS recommendations and with management to identify any undisclosed conflicts of interest.

If a proxy matter is referred to the CIO or a delegate or the Committee, the decision made and basis for the decision will be documented by the Committee.

Reporting and Record Retention

On an annual basis, the Adviser will provide its proxy voting record for each sponsored U.S. Mutual Fund for the one-year period ending on June 30th at www.janushenderson.com/proxyvoting. On an annual basis, and upon request, the Adviser will provide other clients with the proxy voting record for their accounts.

Except as noted herein or required by law, Perkins generally does not provide information to anyone on how it voted or intends to vote on a particular matter. Operations Control may confirm to issuers or their agents whether votes have been cast, but will not disclose the size of the position or how the votes were cast. Members of the Perkins investment team have the discretion to indicate to issuers or their agents how they voted or intend to vote in the context of discussions with issuers and their management as part of Perkins' ongoing investment analysis process.

Item 18 – Financial Information

Not applicable.

Appendix A

Standard pricing schedules for institutional separate accounts and dual contract programs offered by JCM for which Perkins acts as a sub-adviser, 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.

Separate Accounts		Dual Contract Programs	
US Large Cap Value			
First \$100 million	55	First \$25 million	65
Next \$100 million	45	\$25 million-\$100 million	55
Next \$100 million	42		
Over \$300 million	40		
US Mid Cap Value/All Cap Value			
First \$25 million	75	First \$25 million	70
Next \$75 million	65	\$25 million-\$100 million	65
Next \$100 million	60		
Over \$200 million	55		
US Small Cap Value			
First \$50 million	85		
Next \$50 million	75		
Next \$200 million	72		
Over \$300 million	70		
Value Plus Income			
First \$100 million	50		
Next \$100 million	45		
Over \$200 million	40		
Global Value/International Value			
First \$100 million	60		
Next \$100 million	50		
Next \$100 million	47		
Over \$300 million	45		