

# ANNUAL BEST EXECUTION DISCLOSURE 2020

Janus Capital International Limited (JCIL)

April 2021



**On an annual basis JCIL is required to provide additional disclosures around the execution venues and counterparties utilised for each asset class and certain information on the quality of execution in line with the requirements of Regulatory Technical Standard 28 (RTS 28) and Article 65(6) of the MiFID II regulation. RTS 28 requires JCIL to disclose the top 5 venues JCIL has executed on per asset class whilst Article 65 requires JCIL to disclose the top 5 counterparties it has placed trades with for those counterparties to execute on our behalf per asset class.**

## General Disclosures

JCIL delegates investment management to other Janus Henderson Investor's group entities and its direct activities relating to execution is limited to Foreign Exchange (FX) Shareclass Hedging activity where JCIL is named on the counterparty agreement. We have not therefore included tables for the other categories of RTS 28 as they are not relevant for JCIL. During the review period JCIL had an agreement with Citibank Europe Plc, which was subsequently superseded by an agreement with JPMorgan Passive Currency Overlay team (PCO), to provide share class FX management services. The shareclass FX management service provider is selected after a due diligence process that is reviewed periodically.

JCIL does not receive payments, discounts, rebates or non-monetary benefits in its trading arrangements unless they meet the definition of minor non monetary benefits under MiFID. JCIL does not trade with any affiliates or have close links with any trading counterparties or venues. All JHG employees are subject to the JHG Gifts and Entertainment Policy and any receipt of such activities from brokers or other third parties must be within this policy.

All JCIL clients are treated the same with the exception of instances whereby execution venues are dictated by the client. Whilst retail investors may invest in Janus Henderson Funds, JCIL does not execute retail client orders directly.

JCIL managed portfolios may on behalf of clients invest in entities who are or whose sub entities include trading counterparties. However, a centralised dealing desk is in place and Portfolio Managers are not able to influence which trading venue is used in a transaction. An investment in a financial services company with a trading counterparty is not a factor in choosing execution venues.

RTS 27 reports are published by our counterparties in relation to various data points on their execution quality. Janus Henderson has access to such reports but considers that to date their usefulness is limited so Janus Henderson has placed reliance on other measures of execution quality internally. Janus Henderson will continue to review the framework and the usefulness of RTS27 reporting in our oversight process. For the year ending 2020 Janus Henderson can confirm that it considers it has met its obligation to achieve the best possible result for its clients on a consistent basis.

There is currently no consolidated tape provider and therefore we have not used consolidated tape data in our execution arrangements.

A governance oversight meeting (The Best Execution Committee) is held on a quarterly basis in order to review adherence to the best execution policy. It is attended by senior investment, compliance and risk employees who review the management information available for all traded instrument types and discuss any concerns or issues.

## Data Table Notes

1. Counterparty data includes:
  - a. Trades placed with a counterparties that were ultimately executed on or off an execution venue
  - b. Trades placed with broker algorithms for execution (these are represented under the broker name and are not recognised separately)
2. The regulation requires splits of aggressive and passive orders to be provided but JCIL consider that this split reflects or trading approach and have thus recorded as N/A on each occasion. 'Passive order' means an order entered into the order book that provided liquidity, 'Aggressive order' means an order entered into the order book that took liquidity.
3. Directed orders - 'directed orders' are orders where a specific execution venue was specified by a JCIL client. Directed orders are immaterial and do not have an impact on the tables disclosed below.

## Currency derivatives – Swaps, forwards, and other currency derivatives

Notification if <1 average trade per business day in the previous year: No

Top five execution counterparties ranked in terms of trading volumes (descending order)	Counterparty LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of aggressive orders	Percentage of passive orders	Percentage of directed orders
JPMorgan Chase Bank, National Association	7H6GLXDRUGQFU57RNE97	54.48	43.48	N/A	N/A	N/A
Citibank, N.A.	E57ODZWZ7FF32TWEFA76	45.52	56.52	N/A	N/A	N/A

- **Price, size of the order and cost** will generally be the most important factors by which we consider how we trade in these instruments. However, other execution factors may be taken into account or, in exceptional circumstances, be considered the principal factor (i.e. if speed is essential, price and market impact may mean that the trade is carried out in circumstances where the price of a trade is impacted).

TCA is carried out for FX and enables us to measure implicit costs, such as market impact, timing opportunity cost, performance against agreed benchmarks and highlight how efficient the transaction process is at capturing the implicit value identified by the fund managers. TCA MI is presented to and analysed by the Best Execution Committee.

**Janus Henderson Investors**

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