Janus Henderson INVESTORS

ANNUAL SUSTAINABILITY REPORT

Global Sustainable Equity Strategy 2020

Over 2020, the Global Sustainable Equity strategy has supported the impact of:

213
GWh
of renewable energy generated

The average annual consumption for a US household is 10,649 Kwh which means 213 GWh could provide annual electricity needs for 20,000 US homes.

5,300
hours
of employee training delivered

177
thousand
patients receiving healthcare

33 million
metric tonnes
of CO_2e emissions avoided

33m metric tonnes of co2 equivalent to saving emissions from 8 coal fired power plants or annual energy of 4m homes or 7m cars off the road

1. Independent Statistics and Analysis: www.eia.gov/tools/faqs/faq.php?id=97&t=3

2. US Environmental Protection Agency: www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

Source: Janus Henderson Investors as at 31 December 2020. The data provided in this report was collected during March and April 2021 and is based on the strategy as at the 31 December 2020. In certain cases where companies had yet to report 2020 data, we have used data from the prior year. Data is sourced from company reports, Carbon Disclosure Project (CDP) and International Energy Agency (IEA). Where companies have not disclosed relevant data they are excluded from the analysis. No estimates have been used. The calculations use total reported figures and are presented on a gross basis. The total impact of the company is multiplied by the fraction of the company's market capitalisation that is owned in the strategy at the end of the calendar year. This gives the positive impact associated with the strategy's investment in that company. The contributions from each company are then summed to give the total impact of the strategy on each indicator.

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FOREWORD

2021 marks the 30-year anniversary of the Global Sustainable Equity Strategy. For 30 years we have shared a simple yet ambitious mission: to deliver outstanding investment returns to our clients; to be regarded as leaders in sustainable investing; and, as active investors, to play a part in making the world a better place. We are immensely proud of the performance that we have been able to provide clients with throughout our time as guardians of the strategy.

Built 30 years ago, the four pillars of our sustainable investment approach remain as pertinent today as they were three decades ago. It is these pillars which have enabled the strategy to remain at the forefront of sustainable investing for so long; as knowledge of sustainability has progressed, our investment approach has blossomed all the while remaining rooted in the strategy's core beliefs. We consider this to be integral to the strategy's success.

> "As experts in low carbon investing, we are confident that our proven investment approach will place the strategy on the right side of change. Rather than moving with the world, the world is coming towards us and we are excited for the opportunities that lie ahead."

Looking back to the past 12 months, the COVID-19 pandemic has impacted many lives around the world. We are grateful to healthcare professionals, frontline workers and carers who have dedicated their time to help those in need. During this time, it has become clear that the sustainability issues in which we invest do not begin and end with the environment. In fact, the 'S' in ESG has taken the spotlight recently and wellbeing has become a prominent discussion topic among companies. The pandemic has made people re-evaluate what is important and will have lasting effects on the way we choose to live our lives. There has been a cultural shift in the way companies and individuals choose to operate, and we believe that this shift will be for the better.

We would also like to highlight the momentous positive change that we have seen in the sustainability agenda globally. In the past year, the world's most influential governments have made ambitious commitments to tackle climate change head on. The election of President Biden has catapulted sustainable development initiatives back to the fore in the US after a period of dormancy during the Trump presidency. This change in political guard has reignited sustainability talks in one of the most powerful economies in the world. Cabinet appointments made by Biden clearly indicate that climate change will be a priority for the government; renewable energy and sustainable investing experts, public health officials, environmental lawyers and proponents for carbon neutrality have all been given leading roles within government.

This important political shift can be seen across other major economies too. It is the first time in history that we have seen such positive global political harmony on the climate agenda. Today, we believe that the stars are aligning for a globally synchronised investment boom into clean technologies. In April, 40 world leaders convened virtually to address the climate crisis at the Leader's Summit on Climate. The White House stated its aim to reduce US emissions by 50-52% by 2030 based on 2005 levels and China premier Xi Jinping announced intentions to phase out coal use from 2026. Meanwhile, the UK government announced the world's most ambitious climate change target to cut emissions by 78% by 2035 compared to 1990 levels.

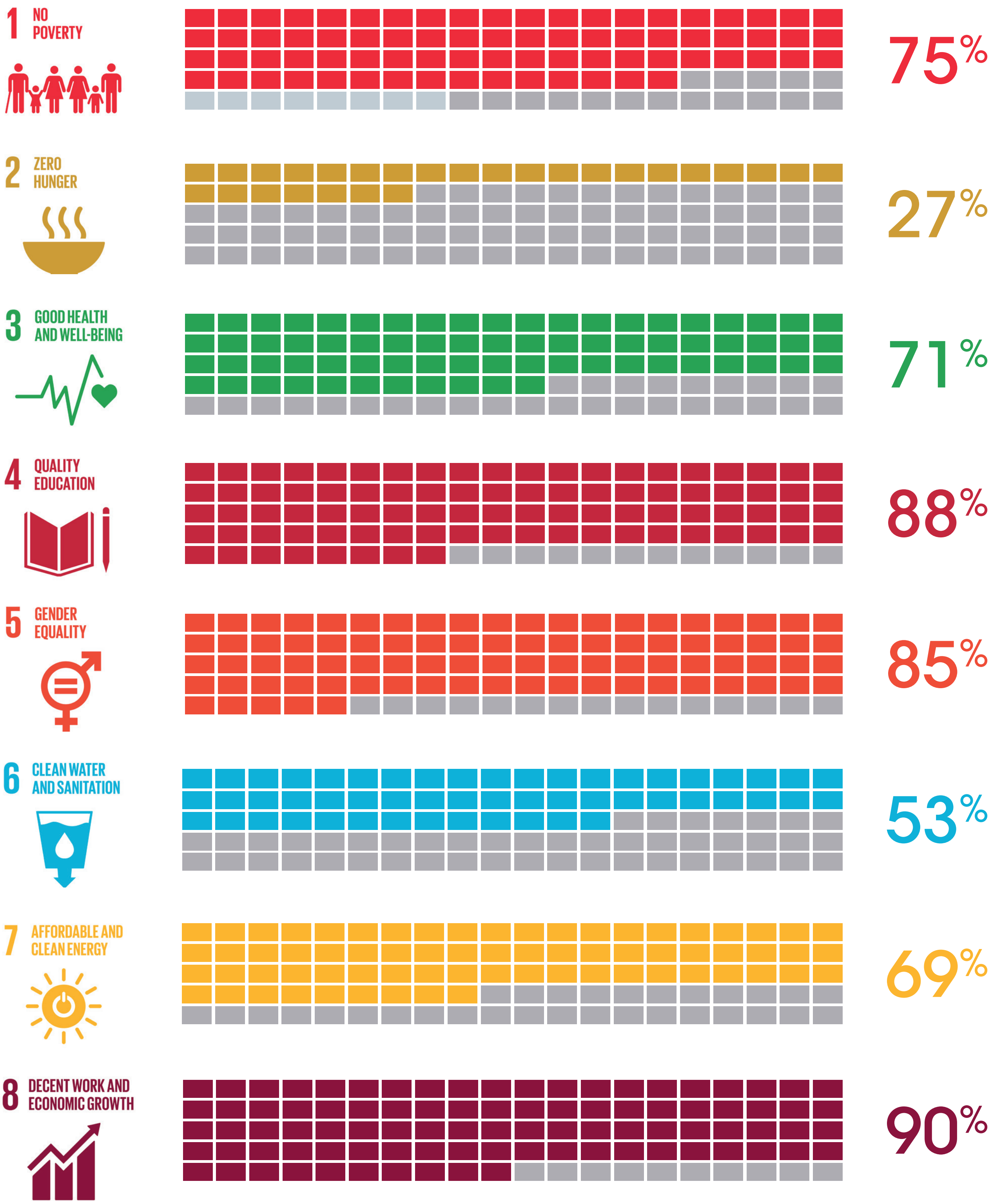
The transition to a low carbon economy is accelerating, sped up by the impending consequences of climate change. For 30 years we have recognised the link between sustainability and innovation, and today we believe we are finally entering a decade of transformational change which will impact multiple industries. As experts in low carbon investing, we are confident that our proven investment approach will place the strategy on the right side of change. Rather than moving with the world, the world is coming towards us and we are excited for the opportunities that lie ahead.

We would like to thank our clients for their commitment so far and we look forward to continuing this journey with them.

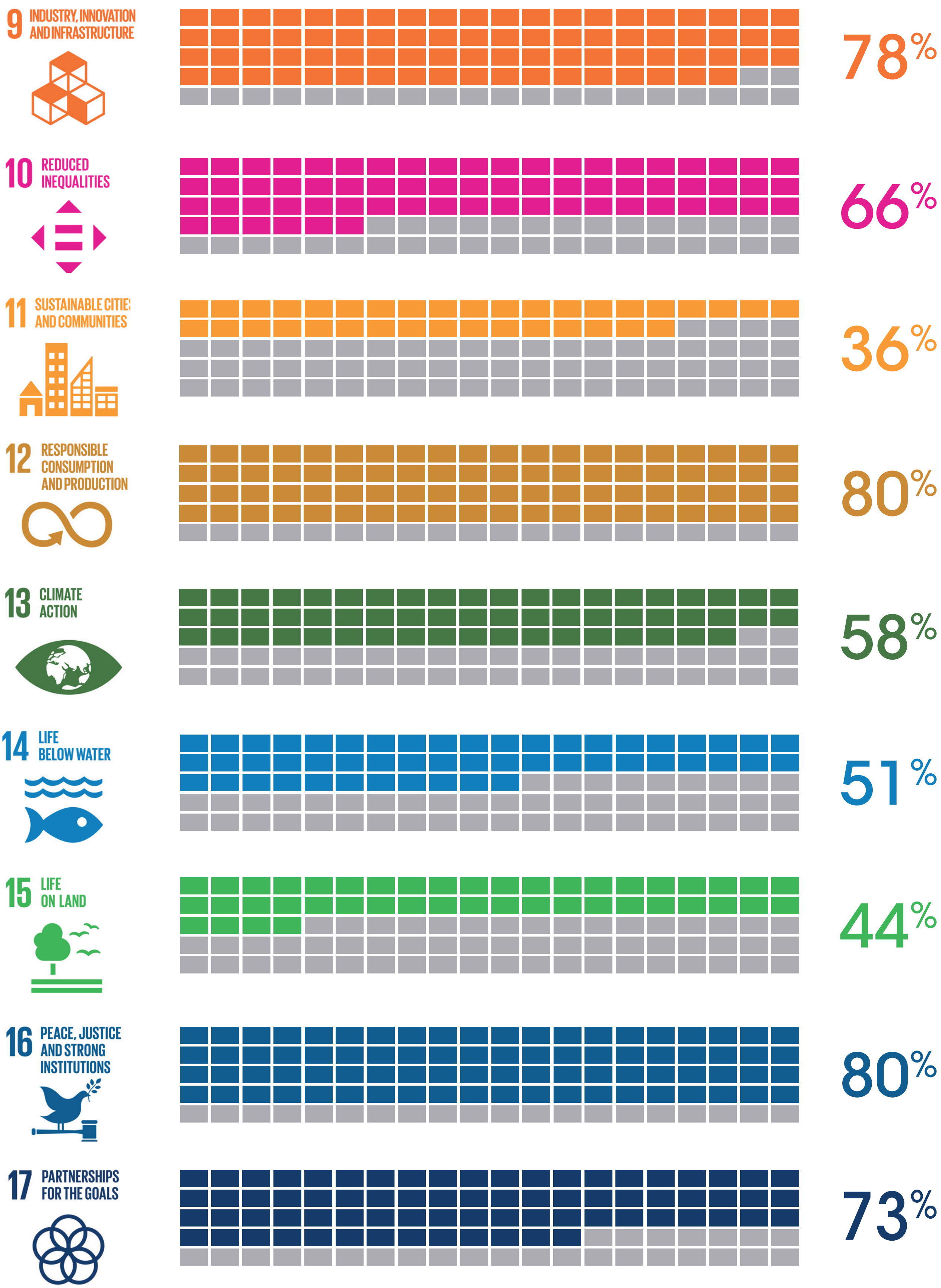
Global Sustainable Equity Team

MAPPING THE PORTFOLIO TO THE UN SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (UN SDGs) call on companies everywhere to advance sustainable development through the investments they make, the solutions they develop and the business practices they adopt. This is our third year reporting our portfolio's contribution to the UN SDGs. We have published our methodology on how we do this reporting and discussed this extensively at conferences and in webinars.



MAPPING THE PORTFOLIO TO THE UN SUSTAINABLE DEVELOPMENT GOALS



MAPPING THE PORTFOLIO TO THE UN SUSTAINABLE DEVELOPMENT GOALS

Conclusion

Our strategy contributes to all 17 of the goals. We consider the UN SDGs to be an effective impact measurement of the strategy and a helpful measure for ensuring sustainability.

There are two key reasons why the strategy performed so well. First, our investment process is founded on the same principles that informed the creation of the UN SDGs. The four pillars of our investment process address the goals both in the idea generation and best ideas watch list (see introduction for more information). Second, we actively engage with companies held within the strategy on reporting.

There are some goals where the strategy did not make a significant contribution. The overarching reason for this is due to a lack of comprehensive reporting by some of the companies in the strategy. As a result, sustainability reporting is a key engagement point for 2021.

2 ZERO HUNGER

Our strategy exclusions mean that we do not invest in unsustainable intensive farming, or meat and dairy. This explains why less than a third of our portfolio contributes to this goal. There were companies in the portfolio that contributed to this by simply teaching their employees about healthy eating and providing healthy options for free. As such, we will look to engage with companies on this as part of our wider engagement.

11 SUSTAINABLE CITIES AND COMMUNITIES

Our strategy has only 36% exposure to companies that are involved in delivering products and services specifically for cities and other human settlements. However, we have identified the opportunity to encourage some of our existing holdings to be clearer about their potential contribution. As such, we have made this an engagement point for 2021.

15 LIFE ON LAND

Just under 50% of our portfolio currently contributes to this goal but there are multiple opportunities for our portfolio to improve its contribution to this area. One of the most prominent areas would be nature-based solutions, which could also contribute towards a company becoming net zero carbon by 2030. We have made natural capital a key engagement point for 2021 (see engagement section). In addition, we are actively looking for companies involved in this space to invest in.

INVESTMENT THEMES

A core tenet of sustainable investment is intentionality. Our investment approach seeks to intentionally generate positive impact and avoid doing harm with the use of both positive and negative (avoidance) investment criteria and by considering both the products and operations of businesses. Company engagement and active portfolio management are also essential for ensuring impact alongside financial return. We refer to this framework as the four pillars of our sustainability driven investment strategy:

The four pillars:

TEN SUSTAINABLE DEVELOPMENT INVESTMENT THEMES

- Positive impact themes driving investment opportunities

DO NO HARM, AVOIDANCE CRITERIA

- Activities that contribute to environmental and social harm

FUNDAMENTAL RESEARCH

- Triple bottom line[2]
Financial analysis
ESG analysis

ACTIVE PORTFOLIO CONSTRUCTION & RISK MANAGEMENT

- Valuation framework
Portfolio fit
Engagement

Idea generation
~ 1,500 companies

Best ideas watch list
~ 120 companies

High-conviction, positive impact global equity strategy with 50 – 70 holdings

We only invest in companies aligned to our ten sustainable development themes which serve the dual purpose of helping us to invest with positive impact and to generate return. A full description of these can be found in our Investment Principles.

Environmental

- CLEAN ENERGY
- EFFICIENCY
- ENVIRONMENTAL SERVICES
- SUSTAINABLE TRANSPORT
- WATER MANAGEMENT

Social

- KNOWLEDGE & TECHNOLOGY
- HEALTH
- SAFETY
- SUSTAINABLE PROPERTY & FINANCE
- QUALITY OF LIFE

These themes are product focused and we operate a 50% revenue threshold. The full list of our investments along with the percentage alignment and justification is published quarterly in our Positive Impact Stocks document.

2 Triple bottom line framework: Fundamental research evaluating how companies focus on profits, people and the planet in equal measure.

Theme allocation

Theme allocation is based on revenue with a 50% threshold for primary theme and a 10% de-minimus threshold for secondary theme. Theme weightings are rounded to the nearest 10%, or rounded to zero if below 10%. The overall thematic distribution of the portfolio is based on pro-rata allocation according to position weights. Data rounded and may therefore not add up to 100%.

For example if company X is a 1% position in the strategy and its revenues are allocated 70% to the Sustainable Transport theme and 30% to the Cleaner Energy theme, there would be a 0.7% weight to Sustainable Transport and a 0.3% weight to Cleaner Energy. Primary and secondary theme weightings have then been summed to derive the overall portfolio theme allocations.

Information relating to portfolio holdings is based on the representative account in the composite and may vary for other accounts in the strategy due to asset size, client guidelines and other factors. The representative account is believed to most closely reflect the current portfolio management style. The representative account is not available in European Union member countries.

Source: Janus Henderson Investors as at 31 December 2020.

Each quarter we publish an in depth company case study which details the contributions of a company's products and operations to its allocated investment themes.

Q1: Microsoft

Microsoft is one of the world's leading computing providers and its products are used in many different ways for the benefit of the environment and society. The power of computing underpins all technological innovation and Microsoft's mission is to empower every person and every organisation on the planet to achieve more. Its strategy is to "build best-in-class platforms and productivity services for a mobile-first, cloud first world". For over 40 years, Microsoft has been producing productivity and business process software that is universal, easy to use and multipurpose. This has improved efficiency and reduced barriers to entry for computing, and is now used by over 1.2 billion people around the world across several sectors such as education, energy, water, agriculture, the built environment and transportation. This is all underpinned by the carbon-neutral Azure cloud platform which enables businesses to decarbonise their energy intensive computing operations.

Source: Microsoft

Key contributions from products:

- **Productivity and business processes:** Products such as Office, Microsoft Dynamics and LinkedIn unlock creativity, increase teamwork, and fuel innovation for individuals and businesses across the globe.
- **Intelligent cloud:** Products such as Microsoft Azure improve efficiency, enable the internet of things and decarbonise computing.
- **Personal computing:** Microsoft's devices and its windows operating system have delivered a more personal experience of computing.

Q2: Humana

Humana is a health insurance company with a primary focus on providing Medicare Advantage plans (a type of health plan) to senior citizens in the US. It is a pioneer in integrated care, aiming to lower costs for its members through better prevention of health problems and programmes to encourage healthier lifestyles. It has a range of clinical capabilities and resources such as in-home care, behavioural health, pharmacy services, data analytics, and wellness solutions. Ageing demographics are driving growth in demand for retirees' health care and Humana is catering to this by offering affordable products with a service that is consistent with private health insurance.

Source: Humana

Key contributions from products:

- **Integrated care:** Providing care aiming to lower costs for its 22 million members through better prevention of health problems and programmes to encourage healthier lifestyles.
- **Home health:** Patients receive quality care in the privacy of their own homes, reducing the need to visit care facilities.

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Q3: Schneider Electric

Schneider Electric is a world-leading electrical goods and automation technology company, headquartered in France. It has a broad product offering including low voltage and building automation technology for residential and commercial buildings, medium voltage and grid automation equipment for utility and infrastructure customers, discrete and process automation services for industrial customers, and critical power and cooling technology for datacentre customers. All of its products and services are designed to increase efficiency and reduce the carbon intensity of its customers' operations.

Efficiency

Knowledge and technology

Source: Schneider Electric

Key contributions from products:

- **Buildings and data centres:** Schneider Electric offers a large selection of products designed to enable monitoring and control of the mechanical and electrical aspects of a building. These include heating, cooling, ventilation, lighting and electrical power.
- **Industrial and infrastructure:** Schneider Electric partners with customers to create Internet of Things (IoT) platforms specifically for industrial use, and with its infrastructure customers to create smart grids able to manage power consumption and transmission for the new demands of renewable energy.

Q4: Nintendo

Nintendo is a Japanese consumer electronics and video game company. Nintendo's products are family focussed and demonstrate strong product governance. The company's top selling games have sold almost 125 million units combined, are all family friendly, and mainly encourage social interaction through multi-player modes. Nintendo has developed technology which allows parents to remotely monitor and control a child's usage and is taking steps to minimise the negative impacts from overuse. Studies have shown that gaming improves reading & mathematics, multi-tasking, perseverance, and fine motor skills, which all contribute to Science, Technology, Engineering and Mathematics (STEM) learning. Its products have been incorporated into national school curriculums in several countries around the world.

Quality of Life

Source: Nintendo NY Twitter Account

Key contributions from products:

- **Mental health benefits:** Studies have shown that games such as Nintendo's Animal Crossing: New Horizons can improve mental wellbeing. Reduction in anxiety and depression have also been reported.
- **Tackling obesity:** Nintendo's active games such as Ring Fit Adventure and Pokémon Go encourage users to get off the sofa. Demand for exercise-related games surged in 2020 as gyms and exercise facilities were closed around the world due to the COVID-19 pandemic.
- **Gaming for education:** Nintendo has created games that promote STEM subjects in schools. Nintendo's Labo game has been successfully developed into a classroom tool which combines hands-on creation with technology, helping to teach children communication, critical thinking, creativity, and problem-solving skills in a fun setting.

Do no harm, avoidance criteria

Our exclusions make sense ethically, socially, environmentally and financially. Many negative externalities such as environmental pollution, violence and armed conflict, and smoking, have a detrimental effect on the global economy.

Where possible, we will seek to achieve zero exposure in respect of the avoidance criteria. However, there may be instances when we will apply a de minimis limit. A de minimis limit is a threshold above which investment will not be made, and relates to the scope of a company's business activity; the limit may be quantitative (eg, expressed as a percentage of a company's revenues), or may involve a more qualitative assessment. De minimis limits exist because sometimes avoiding an industry entirely may not be feasible given the complex nature of business operations.

In such instances, we will invest in a company only if we are satisfied that the 'avoided' activity forms a small part of the company's business, and when our research shows that the company manages the activity in line with best practice.

When the activity relates to a company's revenues we use a 5% threshold, unless otherwise stated. When the activity relates to a company's operations, we will seek to gain comfort that the company is taking action to improve its performance, or is managing it in an exemplary fashion. Any company with a persistent record of misconduct will be excluded unless there is clear evidence of significant progress. The table below shows that the strategy operated within the confines of the avoidance criteria.

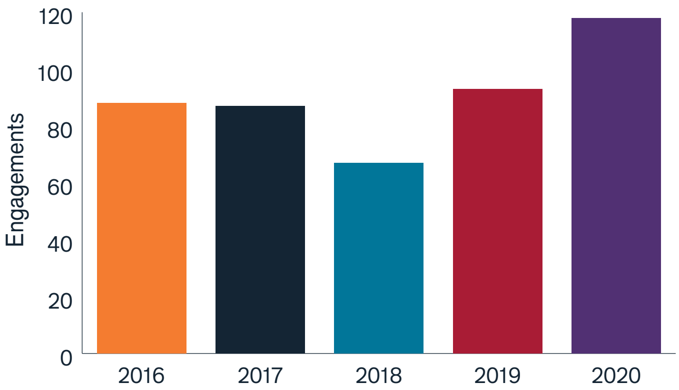
Alcohol	Fossil fuel extraction & refining	Animal testing
Armaments	Fossil fuel power generation	Fur
Gambling	Chemicals of concern	Genetic engineering
Pornography	Contentious industries	Intensive farming
Tobacco	Nuclear power	Meat & dairy production

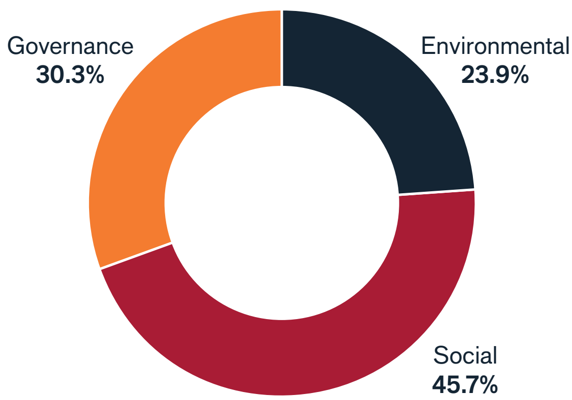
ENGAGEMENT

We consider engagement to be a core part of our investment process and it plays an integral role in our portfolio management. Our engagement approach is built on the premise of partnership and collaboration. We believe that companies that perform well on sustainability issues will prove to be better long-term investments, so we see engagement as much about making the world a better place as about improving investment performance. It is important to emphasise that our investment process incorporates high standards on sustainability issues so we do not invest in controversial companies. Nor are we activist investors and if we encounter companies that are resistant to engagement this will likely result in divestment.

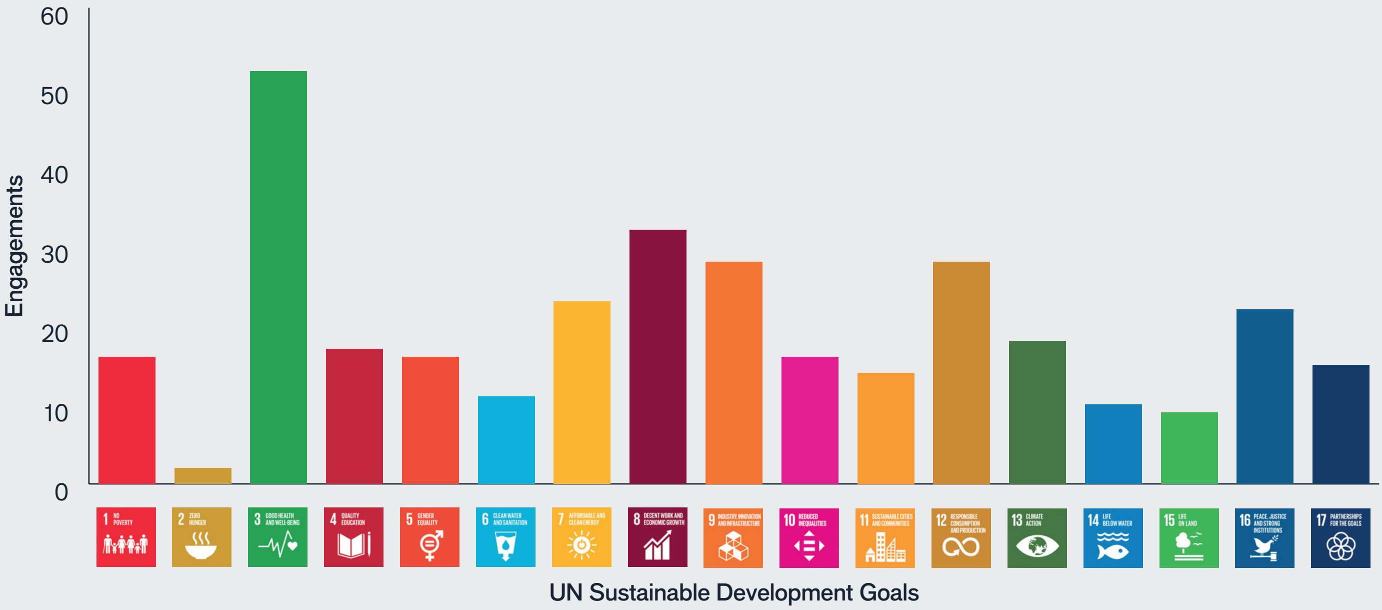
In 2020 we had 118 engagements with the companies within our portfolio. There were a large number of engagements in Q1 and Q2. Many of these were on issues we had engaged companies on in the previous year. Over the course of the year we have engaged with over 68% of the companies in our portfolio on a range of ESG issues.

The chart below displays the distribution of engagement between ESG issues. COVID-19 has been the dominant engagement point especially in Q1 and Q2, which explains the large amount of 'social' engagements we have made. However, ESG factors outside of COVID-19 featured more heavily in engagements towards the end of 2020.





The UN SDGs are an important guide to our engagement agenda and in 2020 we engaged on a wide range of issues. The chart below highlights the number of engagements related to each SDG.



ENGAGEMENT

COVID-19

Categories: Social

Our engagements on COVID-19 were focused primarily on three areas: disruption, opportunities, and helping others.

Disruption: We spoke to a number of companies within the portfolio that reported minimal disruption to their business. Such disruption can take many forms and, in this instance, involved continuity and planning. Aon is a global provider of risk management, insurance, reinsurance brokerage, and human resource consulting. During our engagements, the company discussed some of the challenges it had faced. The most immediate was ensuring that all 55,000 global employees could work-from-home safely and effectively. The company implemented this successfully by investing heavily into IT, enhancing the bandwidth, network design and software. Fortunately, AON had started to prepare for a lockdown-type scenario well in advance of it happening after witnessing lockdowns in China.

Opportunities: The pandemic has highlighted the ability of digital businesses to continue to provide products and services during the pandemic. Atlassian develops project management software that enables teams to collaborate more effectively. We engaged with the company on its work as a solution provider during the coronavirus pandemic. Atlassian discussed how its products had enabled collaboration between teams in a work-from-home environment. Companies that are under pressure to rethink processes have benefited from Atlassian's agile-based software.

Helping others: Humana is a health insurance company with a primary focus on providing Medicare Advantage plans (a type of health plan) to senior citizens in the US. During our engagement, we discussed how the company is helping its employees and communities to cope with the 'new normal'. Humana has implemented working from home, has offered additional leave for parents and caregivers, and has started a Helping Hands programme for employees. The programme helps those with physical crises and can offer additional support with medical bills. Humana has helped its customers too. It has donated $200 million, 50 million masks, sent out care kits to its customers including one million diabetes, chronic kidney disease and colorectal prevention screening tests, and provided one million meals.

Gender

Categories: Social

Gender was a key engagement point for 2020. We carried out engagements on gender in relation to women within the business, and whether products produced were gender inclusive.

Nike is the world's largest supplier of shoes and clothing. It has the stated mission of bringing inspiration and innovation to every athlete in the world. When we engaged with the company, we expressed concerns that the lack of female representation in senior positions within Nike was leading the company to lose market share in the women's sportswear and athleisure market. The company has elevated the Employee Relations function to be an independent centre of excellence. Nike has focused on hiring people specialising in HR, Employee Relations, and Legal. The company has also strengthened its code of conduct and increased its employee engagement and visibility with an annual employee engagement survey. There has been an increase in female Vice Presidents (VPs) and VPs from underrepresented groups. The company has also put all employees through unconscious bias training and expanded its manager awareness training.

Nike is increasing marketing and innovation for women, making sizing more inclusive and creating more storytelling and digital connections through social media. Heidi O'Neill, President of Nike Direct, has been key in promoting investing in women's wear, fit and design. The company is looking at ways to be more thoughtful about how it speaks to women and has seen an increase in female engagement, especially with yoga wear and its yoga line. At the time of writing, the company has seen an increase in revenues from women's apparel and has sighted its focus on marketing and design as reasons for this. We will continue to engage on gender with an aim to cover more dimensions of this issue.

Racial equity

Categories: Social

Racial equity became a key point of discussion for the world which is ongoing today. The tragic murder of George Floyd in May 2020 ignited a series of commitments and promises by several companies to work towards racial equity. However, there was also an increase in issues of discrimination within companies being revealed.

Adidas is one of the world's largest suppliers of shoes and clothing. During 2020 it had a few controversies around race relations. We engaged with the company to gain a better understanding of how Adidas was looking to improve race relations within the business. The company has created a formal framework for Diversity and Inclusion (D&I) which is chaired by the CEO. It has signed the Juneteenth Pledge for all US employees (making 19th June a paid holiday in commemoration of the ending of slavery in the United States), and increased training on D&I globally. Adidas has also committed to invest $120 million into Black and Latinx communities. The company is still working towards increasing the number of black people in senior management positions and increasing minority representation on the board. Adidas is on a journey regarding race relations, and this will be part of the responsibilities of the new Head of HR. We will continue to engage on race with an aim of also gaining examples of best practice within companies.

Sustainability initiatives and reporting

Categories: Environmental

We have been engaging with companies on their sustainability reporting to ensure that future reporting is more detailed. We have seen a significant increase in both the quality of reporting as well as the number of companies reporting.

We had a detailed conversation with the Sustainability Manager for Evoqua, a water technology company with a sole focus on water treatment. We commended her on the improvement to Evoqua's reporting from a qualitative perspective, but also recommended that future reporting include more quantitative data. We followed up with a list of quantitative measurements we would like to see implemented. The company has implemented some of the changes we recommended, and we will continue to work with Evoqua on enhancements to its reporting.

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Engaging with companies on carbon reduction and elimination

Net-zero emissions are necessary for global warming to stabilise and it is imperative that companies develop strategies to contribute to achieving a carbon-neutral economy. We are co-founders of the Net Zero Carbon 10 (NZC10)[3] commitment with other asset management firms, an asset owner and the University of Oxford, which sets ambitious yet achievable targets for carbon reduction within the corporate sector.

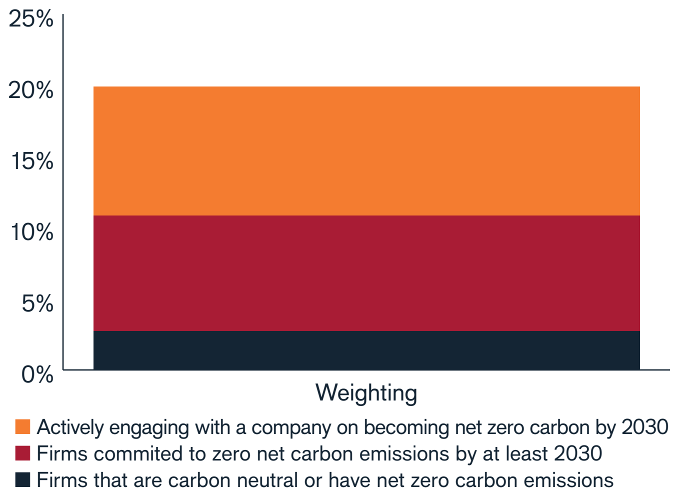
NZC10 provides fund managers with a systematic framework to align their investment policies to the requirement for carbon neutrality, rather than just emissions reduction. The target is currently defined as 10% or more of portfolio assets invested in firms that meet the criteria below, with the intention to raise this threshold over time.

A Be carbon neutral or have net-zero carbon emissions.

B Have strategies using current technologies to achieve net-zero carbon emissions by no later than 2030.

C Actively engage with companies to meet point B.

The strategy comfortably meets the NZC10 standard with more than 10% of portfolio assets invested in companies that are already carbon neutral or have clear strategies in place to become carbon neutral by 2030. Active engagement on the standard raises our achievement to just under 20%:



A key outcome of committing to NZC10 has been the impact it has had on our engagement, galvanising our discussions with companies that have only just started their carbon reporting journey. This is something discussed further in the Engagement section.

Key engagement topics for 2021

An important element to investing with positive impact is how the results of our sustainability analysis (SDGs, ESG key performance indicators, current events) informs our engagement work. This not our complete engagement list or a fixed list and may change depending on the activities of the company and the materiality of certain topics.

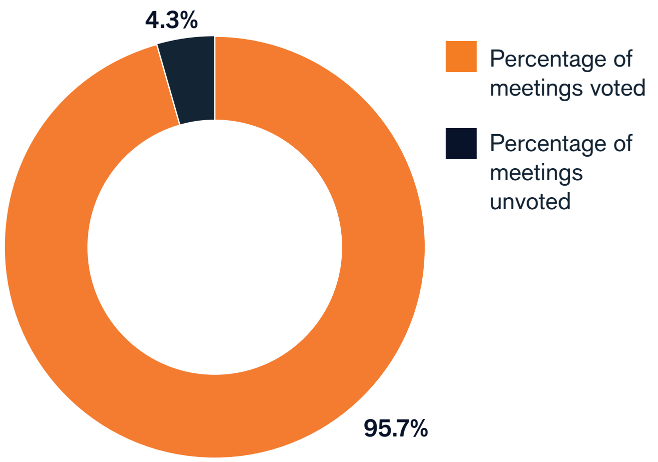
Corporate Reporting	▪ Corporate Social Responsibility (CSR) Reporting ▪ Environmental Reporting – GRI/CDP/SASB ▪ United Nations' Sustainable Development Goals
NZC10	▪ Reporting scope 1, 2 and 3 emissions ▪ Setting targets for carbon neutrality by 2030 ▪ Nature-based solutions
Gender and Race	▪ Equality in products ▪ Equality for employees

3 The scheme is due to launch officially in 2021. For more information please see https://p1-im.co.uk/research-articles/net-zero-carbon-10-nzc10/

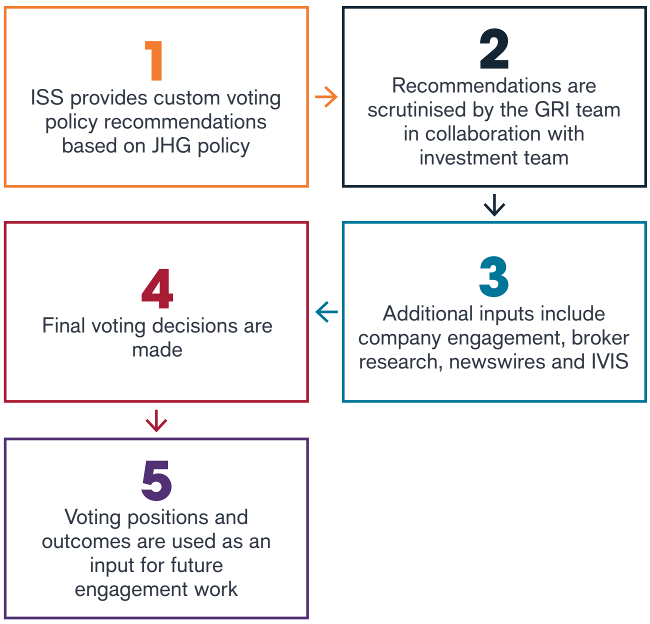
VOTING

Exercising our shareholder rights and being transparent is a core aspect of sustainable investment.

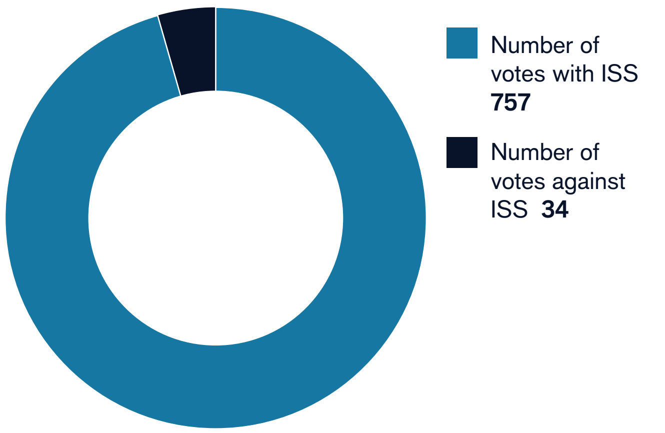
As shown below, we have voted on almost every meeting available. Janus Henderson has a policy of not voting on meetings in special circumstances. For example, in some markets shares must be suspended from trading ('blocked') for a specified period before general meetings if voting rights are to be exercised. Such restrictions may place constraints on portfolio managers and could mean that exercising proxy votes may not be in a client's interest; while in other markets casting proxy votes may involve costs that are disproportionate to any benefit gained. When these conditions exist Janus Henderson will vote only in exceptional circumstances.



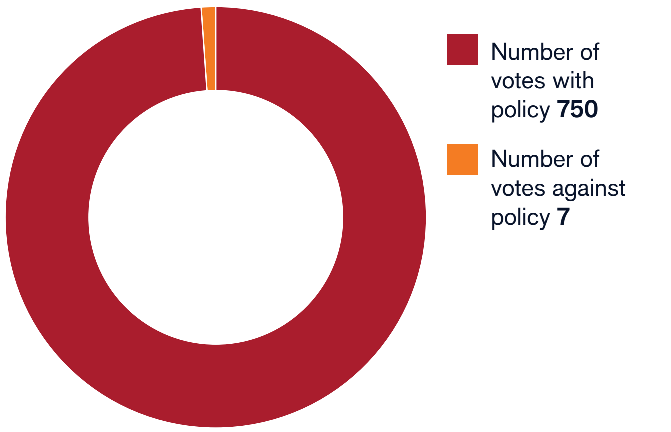
Proxy voting

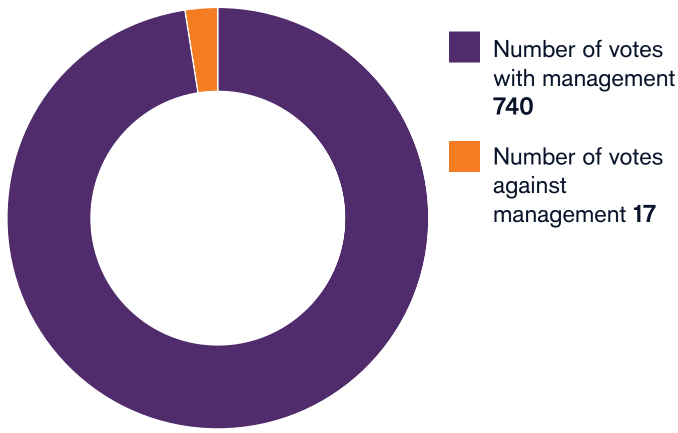


We emphasise that ISS only informs our decisions, and does not do the thinking for us. As a result, there have been a few times that we have voted against ISS's recommendations.



Votes on the strategy





VOTES AGAINST MANAGEMENT

The strategy makes a conscious effort only to invest in companies where the ethos and aims of the company are aligned with our own, which means we rarely vote against management. When we do, it is a considered decision that usually involves engagement before, and after, the vote.

The votes against management are shown below along with explanations:

Company name	Proposal code description	Proposal text	Rationale
The Walt Disney Company	Advisory Vote to Ratify Named Executive Officers' Compensation	Advisory Vote to Ratify Named Executive Officers' Compensation	The vote AGAINST was due to multiple concerns over compensation policy including weak performance targets.
	Political Lobbying Disclosure	Report on Lobbying Payments and Policy	A vote FOR this proposal was warranted, as additional disclosure of the company's indirect lobbying related oversight mechanisms, along with its trade association payments, would help shareholders better assess the risks and benefits associated with the company's participation in the public policy process.
Evoqua Water Technologies Corp	Elect Director	Elect Director Martin J. Lamb	We engaged with management on board diversity and wider diversity in the work place. On balance, it was felt that the company did not meet wider market standards in terms of gender diversity.
	Elect Director	Elect Director Ron C. Keating	
	Elect Director	Elect Director Peter M. Wilver	
Xylem Inc.	Amend Articles/Bylaws/ Charter - Call Special Meetings	Reduce Ownership Threshold for Shareholders to Call Special Meeting	A vote FOR was warranted, as lowering the threshold to 15% would improve shareholder rights and cannot be considered excessive.
Avalara, Inc.	Elect Director	Elect Director Chelsea Stoner	A vote to WITHHOLD was warranted due to the board's failure to remove, or subject to a sunset requirement, the supermajority vote requirement to enact certain changes to the governing documents and the classified board, each of which adversely impacts shareholder rights.
Equinix, Inc.	Political Contributions Disclosure	Report on Political Contributions	A vote FOR this resolution was made, as additional disclosure of the company's political contributions, including trade association memberships and payments would allow shareholders to better assess related risks.

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Company name	Proposal code description	Proposal text	Rationale
IPG Photonics Corporation	Board Diversity	Report on Management Team Diversity	A vote FOR this resolution was decided because additional diversity related disclosure would allow shareholders to better assess the effectiveness of the company's diversity initiatives and its management of related risks.
Cadence Design Systems, Inc.	Amend Articles/Bylaws/ Charter - Call Special Meetings	Reduce Ownership Threshold for Shareholders to Call Special Meeting	A vote FOR was decided because the reduction in the ownership threshold from 25% to 10% would enhance shareholder rights and represents a reasonable limit.
NIKE, Inc.	Political Contributions Disclosure	Report on Political Contributions Disclosure	A vote FOR was warranted as more information regarding Nike's political contribution spending and non-profit organisation would enable shareholders to have a more comprehensive understanding of the company's political activities.
Tesla, Inc.	Reduce Supermajority Vote Requirement	Adopt Simple Majority Vote	A vote FOR this proposal was decided, given that elimination of the supermajority vote requirement enhances shareholder rights.
	Human Rights Risk Assessment	Additional Reporting on Human Rights	A vote FOR this proposal was made, as additional information regarding policies and processes the company has implemented to address human rights impacts in its operations and supply chain would allow shareholders to better gauge how well Tesla is managing human rights related risks in light of current related controversies.

For illustrative purposes and not indicative an of any actual investment. References made to individual securities should not constitute or form part of any offer or solicitation to issue, sell, subscribe or purchase, and neither should be assumed profitable.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES REPORTING

To help identify the information needed by investors, lenders, and insurance underwriters to appropriately assess and price climate-related risks and opportunities, the Financial Stability Board established an industry-led task force: The Task Force on Climate-related Financial Disclosures (TCFD). The Task Force released its final report in June 2017, which outlined recommendations for more effective climate-related disclosures.

The Janus Henderson Global Sustainable Equity Strategy welcomes and fully endorses the recommendations of the Financial Stability Board's TCFD and the increased focus on climate change. Therefore, we have sought to report in line with these recommendations. Our disclosure on climate-related risk will focus on how we incorporate risks related to **transition** to a lower-carbon economy and risks related to the **physical** impacts of climate change and opportunities.

We will be reporting in line with the TCFD's Core Elements of Recommended Climate-Related Financial Disclosures.

Governance and strategy

Ever since the launch of the strategy in 1991 we have had clearly defined principles concerning the types of businesses we will allocate capital to. A distinguishing feature of our strategy is our low carbon approach. We believe it makes good investment sense to avoid investing in companies that are heavily exposed to climate-related risk and to invest in climate-related opportunities. We aim to invest in companies that contribute to the transition to a lower-carbon economy that is consistent with a 1.5°C scenario.

There are multiple levels to our low carbon investment approach[4].

1. **We do not invest in fossil fuels**
   This includes fracking and tar sands.
2. **We do not invest in suppliers of fossil fuel**
   eg, oil services.
3. **We do not invest in fossil fuel technology**
   eg, diesel engines and turbines for fossil fuel power stations.
4. **We do not invest in high carbon emitters**
   eg, cement and airlines.
5. **We invest in solution providers**
   eg, Renewables, batteries, efficiency, electrification, semiconductors, building materials and design.
6. **We enage with companies in our portfolio on carbon reduction and elimination**

Janus Henderson's Ethical Oversight Committee meet four times per year to oversee the development, management and implementation our climate-related the avoidance criteria.

The strategy has a target of ensuring that at least 10% by weighting of the companies within its investment portfolio are carbon neutral or will be carbon neutral by 2030 (see Engagement section for more information). We believe that only an active management solution can deliver a truly low carbon portfolio and, at the same time, specifically invest in companies playing a positive role in the transition to a low carbon economy.

4 The full details of our investment approach can be found in our Investment Principles

Risk management

Our investment process applies climate-related risk analysis to every company in our strategy. This analysis is both quantitative and qualitative in nature.

We consider both transitional and physical risks and opportunities associated with a company. Many of these risks are avoided through the design of our investment process (see Investment Themes section). Other risks are captured through our ESG analysis and the results are incorporated into the portfolio construction. Where risks cannot be fully eliminated, we seek to engage on potential improvement points.

Using the *Task Force on Climate-related Financial Disclosures: Guidance on Risk Management Integration and Disclosure*, we have sought to expand on the mitigation measures in place for transition and physical risk.

Type	Climate-related risk	Mitigation approach
Transition	Policy and Legal	Policy and Legal changes are incorporated into the strategy through the continuous improvement process. The team analyse the impact of regulatory developments on the companies it invests in as part of the ESG analysis. Where we feel that a risk can be mitigated, they are included as an engagement topic. The strategy monitors the effectiveness of these mitigation measures using stress-testing.
	Technology	The strategy avoids all technology that is associated with the extraction and refinement of fossil fuels. It also avoids high carbon emission industries and technologies. To demonstrate this, we have consistently made public our carbon footprint in comparison to our benchmark. The ESG analysis includes consideration of a company's use of technology to reduce its climate-related risks. We also engage with companies on this topic.
	Market	We believe that there is already a market shift taking place where companies that do not consider climate-related risk will be negatively impacted. Our investment framework seeks to invest in companies that have a positive impact on the environment and society, while at the same time helping us stay on the right side of disruption.
	Reputation	We have made public our carbon footprint in comparison to our benchmark and also publish reports quarterly and annually on our investments and their performance. In addition, we consistently analyse the companies we invest in for climate-related controversies using controversy screening. We also engage with companies on this topic.
Physical	Acute	As part of our ESG analysis, we consider the location of the companies we invest in as well as the location of their supply chain. As part of this, we use hazard maps to analyse acute and chronic risk associated with the companies we invest in. We also engage with companies on this topic.
	Chronic	

Source: Global Sustainable Equity Strategy, 2020.

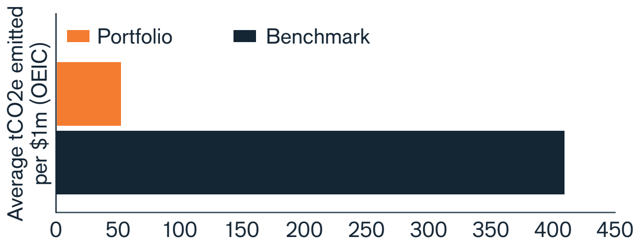
Metrics and targets

We use a variety of metrics and tools to manage and monitor our alignment with the Paris Agreement. We will be discussing the following metrics based on the investment portfolio as of 31 December 2020:

- Carbon Footprint
- Scenario Analysis
- 2Dii PACTA Model stress test

Carbon footprint

When we compare the carbon footprint of the strategy to that of the benchmark index, we significantly outperform.



Coverage rate:
Portfolio: **86.06%**
Benchmark: **93.25%**

Source: Janus Henderson Investors, ISS Climate Impact, latest available data as at 31 December 2020. Benchmark: MSCI World Total Return Index

Carbon footprint methodology

ISS' methodology takes emissions data, where self-reported or disclosed to the Carbon Disclosure Project (CDP), and uses algorithms to estimate figures when unavailable. Three levels of emissions data are added together to calculate total CO_2e emissions.

They comprise:

- Direct CO_2e emissions produced by the company (Scope 1 emissions)
- CO_2e generated by purchased electricity (Scope 2 emissions)
- All indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions (Scope 3 emissions)

$$\sum_{n}^{i} \frac{\textit{Ending value of investment}_i}{\textit{Market capitalisation}_i} \times \begin{matrix}\textit{Company scope} \\ \textit{1, 2 \& 3 emissions}_i\end{matrix}$$

Once the company's footprint has been calculated, the portfolio is allocated a carbon emission figure based on the level of equity it owns. For example, if the portfolio owns 1% of the shares in company X, it will be allocated 1% of the company's total emissions.

We sum the total emissions for all the emissions for all the companies to give the total portfolio emissions. The final calculation scales this figure down to estimate how many tons of CO_2e a US$1m dollar investment into the strategy would buy, compared to a $1m dollar investment in its benchmark index.

$$\frac{\sum_{n}^{i} \frac{\textit{Ending value of investment}_i}{\textit{Market capitalisation}_i} \times \begin{matrix}\textit{Company scope} \\ \textit{1, 2 \& 3 emissions}_i\end{matrix}}{\textit{current value of all investments (\$M)}}$$

We calculate this again for the benchmark index, using the assets under management (AUM) figure that is equivalent to the Portfolio's total AUM.

Climate scenario analysis

Scenarios are "what if" narratives designed to inform and challenge strategic thinking. We use the International Energy Agency (IEA) scenarios, which focus on different energy and emission scenarios. The IEA's World Energy Model runs three main scenarios describing the future energy mix[5].

The ISS climate scenario alignment compares current and future portfolio greenhouse gas emissions with the carbon budgets for three scenarios until 2050. The ISS carbon footprint data informs the scenario model.

Current Policies Scenario (CPS)	The CPS would be considered by companies to reflect the "business as usual" scenario, or reference scenario, in which the world continues on its current trajectory. The scenario takes into account policies that are in place at the preceding year of publication (i.e., mid-2019 for the 2019 World Energy Outlook), without any additional government policy intervention.
Stated Policies Scenario (STEPS)	This scenario, formerly known as "New Policies Scenario," is the mid-case of the IEA scenarios. This scenario is designed to explore all policies enacted in the preceding year, plus the policies that have been firmly communicated or committed to by national authorities. The SPS scenario assumes that there is a slow implementation of these policies, based on the IEA's assessment of the many political, institutional, and societal barriers that exist to a rapid transition.
Sustainable Development Scenario (SDS)	The SDS is the most ambitious of the three toward a low-carbon future. This scenario is based around a sustainable development narrative, assuming the world is successful in achieving the Sustainable Development Goals by 2030. The SDS holds the temperature rise to below 1.8°C with a 66% probability without reliance on global net-negative CO2 emissions. Under an extended version of the SDS scenario, the IEA gives a 50% chance of meeting the 1.5°C goal by using negative emissions

Source: Task Force on Climate-related Financial Disclosures: Guidance on Scenario Analysis for Non-Financial Companies

5 IEA, World Energy Outlook, 2019; IEA, World Energy Model Documentation, 2019.

The result of the scenario analysis is that the portfolio is aligned to the SDS for the next three decades with performance shown as the percentage of assigned budget used by the Global Sustainable Equity Strategy (Portfolio) and MSCI World (Benchmark). We significantly outperform compared to our benchmark, which by 2030 is aligned to the STEPS and by 2050 is aligned to the CPS. The portfolio starts to exceed the SDS budget in 2045.

Portfolio and Benchmark Comparison to SDS Budget
(Green=SDS; Orange = STEPS; Red = CPS)

	2020	2030	2040	2050
Portfolio	-74%	-59.06%	-16.23%	+34.23%
Benchmark	-11.87%	+19.31%	+106.11%	+180.08%

Source: Janus Henderson Investors, ISS Climate Impact, latest available data as at 31 December 2021 based on the OEIC.

The strategy was also assessed for its alignment to a 1.5°C scenario mentioned by the Intergovernmental Panel on Climate Change in its Global Warming of 1.5°C report, published in October 2018.

The strategy as of the 31 December 2020 is **associated with a potential temperature increase of**

1.6°C↑

for the full analysed period (until 2050).

Our intention is to be aligned with the 1.5°C scenario. **The MSCI World has a potential temperature increase of** **2.6°C↑**

Stress testing

Earlier, we identified legal and policy climate-related risks associated with the strategy as well as outlining mitigation measures. We use stress-testing to assess the effectiveness of the strategy to address sudden policy changes.

The stress test calculates the magnitude of potential market value losses of equity due to a late and sudden policy shock to limit global warming to below 2°C. The tool, provided by 2ii PACTA, assumes that governments decide in 2030 to take drastic policy action in order to remain within the boundaries of the SDS. In this scenario, governments decide to switch the world economy from the path of the baseline and onto the SDS path. The Inevitable Policy Response (IPR) forecast policy scenario[6] is used as the reference for that change. The stress test does not attempt to quantify the overall financial risk related to climate transition scenarios.[7]

The results are described below along with the changes to the value of the portfolio and benchmark:

	Part	Percentage part AUM	Percentage stress value change
Portfolio	Total	100%	+0.33%
	Analysed climate relevant (Value at Risk)	99%	+0.33%
Benchmark	Total	100%	-1.63%
	Analysed climate relevant (Value at Risk)	92%	-1.78%

Source: Janus Henderson Investors, Bank of England Stress Test, latest available data as at 31 December 2020 based on the OEIC.

The portfolio is shown to increase in value under this scenario. This is evidence that the way we invest produces a portfolio that is not only ready for changes to policies in favour of limiting climate change but will be enhanced by them.

6 IPR: Forecast Policy Scenario (FPS) - PRI https://www.unpri.org/download?ac=9835

7 More detailed information on the assumptions and value loss factors used for the estimation can be found at http://www.acrn-journals.eu/iframe-8/jofrp/jofrp/jofrpvol801p206.html. The tool is in its early stages of development and therefore has its limitations, such as an assumed 7% net profit margin across technologies and a flat multiplier on the equity shocks to get bonds shocks rather than a fully fledged credit risk model. These and other limitations are going to be addressed as well as possible in future versions of the tool.

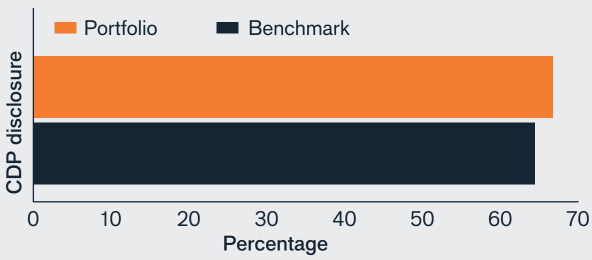
ESG KEY PERFORMANCE INDICATORS

All companies that are assessed for inclusion into the strategy must demonstrate acceptable management of their corporate responsibility. We believe that ESG factors can have a material impact on financial returns. There are a myriad of ESG factors, which can vary in importance depending on a company's operational sector/industry. A variety of internal and external resources are used to identify and analyse key ESG issues. We also work closely with the Janus Henderson Governance and Responsible Investment Team.

The KPIs shown below illustrate some of these measurements. Detailed below is the calculation methodology, the importance of the metric and, where necessary, potential work to be undertaken in the future.

CDP disclosure

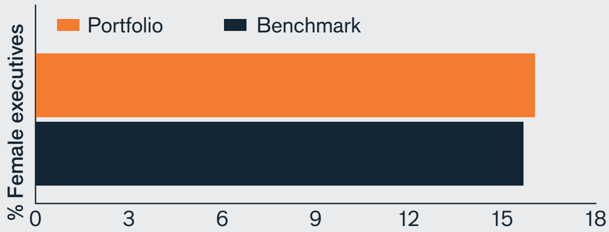
The Carbon Disclosure Project (CDP) organisation has become the 'gold standard' for reporting globally on carbon emissions, climate change risks, and opportunities. We encourage portfolio companies to participate in the disclosure project. Below is the percentage of portfolio companies responding to the CDP within the last 3 years compared to benchmark companies. Climate change is a key engagement topic for the strategy.



We have seen an increase in the number of companies reporting with the CDP within the portfolio and the Benchmark. CDP participation among our companies surpasses the benchmark. What is not reflected is the fact that some businesses within the portfolio have chosen to report their emissions outside of the CDP. As CDP data is used by investors, corporations and regulators, it is important that companies report with the CDP, and this will form part of our engagement on reporting.

Female executives

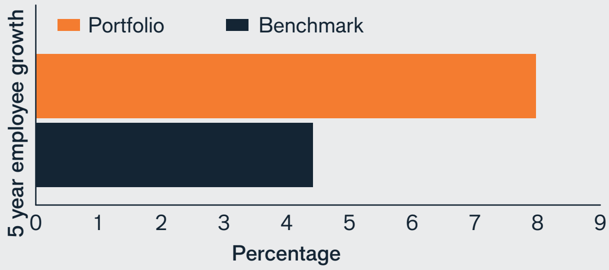
Our investment process includes analysis of diversity and inclusion. We believe that diversity of thought and background is essential, and the number of female executives on the management team is one aspect of that diversity. Women are rising through the ranks of some major organisations, however there is more work to be done. Here is the percentage of female executives in the management team reported as an average of the portfolio and benchmark.



In this instance, we have outperformed our benchmark for the first time in two years and we believe our engagement work has aided this improvement. The work is still on going and diversity and inclusion remains a key engagement area for 2021.

Five-year employee growth

We believe there is close link between sustainability, innovation and growth, and we look to invest in companies that are growing. Growth is important because it creates jobs and helps contribute towards social goals. We engage regularly with companies the topics of human capital management and employee initiatives. Five-year employee growth figures show the percentage geometric growth rate over five years in number of employees reported as an average of the portfolio and benchmark. We decided upon a five-year figure because it dampens the effects of significant one-off corporate events around merger and acquisition activity or restructuring.

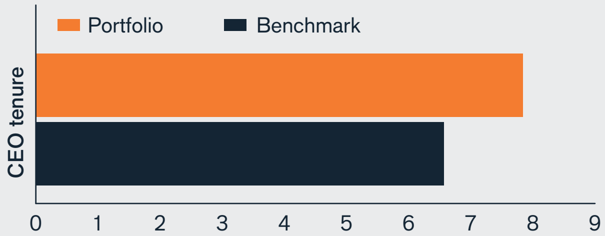


Coverage rate:
Portfolio: **81.48%**
Benchmark: **81.58%**

ESG KEY PERFORMANCE INDICATORS

CEO tenure

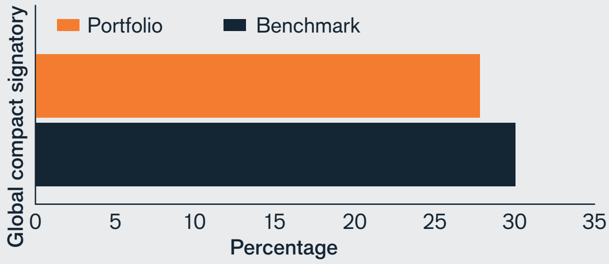
This is the length of CEO tenure in years reported as an average of the portfolio and benchmark. The strategy invests on a long-term time horizon and seeks management teams whose views and commitments are equally long-term in nature. Although a change of management may sometimes help a business that is struggling, the ability to implement a long-term strategy often benefits from CEOs that remain in place long enough to deliver it. We believe that companies with a long-serving CEO are more likely to be focused on sustainability issues, with positive implications in respect of corporate resilience and job security for employees.



Coverage rates:
Portfolio: **98.15%**
Benchmark: **97.10%**

UN global compact signatory

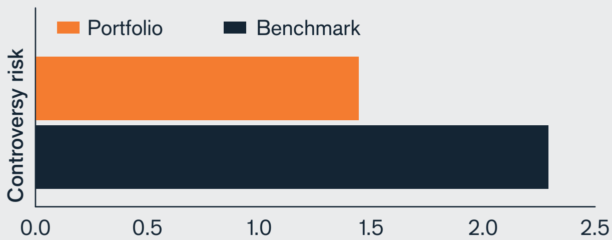
This is the percentage of companies that are signatories of the UN Global Compact (UNGC). The global compact is a set of ten principles that organisations sign up to voluntarily. The principles are focused on four areas: Human Rights, Labour, Environment, and Anti-Corruption. Many companies are opting to meet the UNGC without becoming a signatory of the principles. We support the Global Compact and recommend that organisations commit to the principles.



Coverage rates:
Portfolio: **81.48%**
Benchmark: **81.58%**

Company controversies

We use Sustainalytics to help us identify when organisations have alleged involvement in controversies related to their business or ESG practices. The category score reflects a company's level of involvement in issues with negative ESG implications. The score is driven by stakeholder impact, reputational risk, and management response. A score of 1 is low and a score of 5 is high. The KPI is reported as an average of the portfolio and benchmark. Controversies can lead to value destruction and one of the benefits of performing ESG analysis before we make an investment is our belief that companies with strong management of ESG risks are less likely to be involved in controversies. Our investment process also looks to avoid investing in companies with severe controversies that have not been addressed and remediated. When controversies arise in portfolio holdings we seek to engage with the company in question in order to determine materiality and assess the strength of response.



Coverage rate:
Portfolio: **91.63%**
Benchmark: **99.83%**

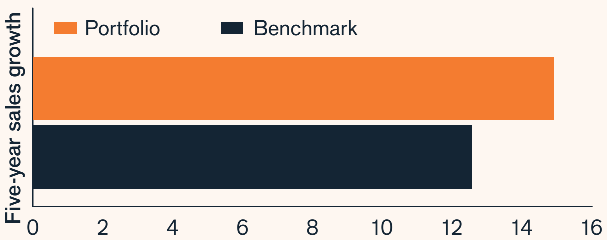
ESG KEY PERFORMANCE INDICATORS

Five-year sales growth, profit growth, R&D spend

These three metrics are indicators of innovation and corporate vitality. We see a close link between sustainability, innovation and growth. Scientific and technological progress is essential if we want to resolve the conflict between environmental and social sustainability that is a feature of our current economic model.

Five-year sales growth

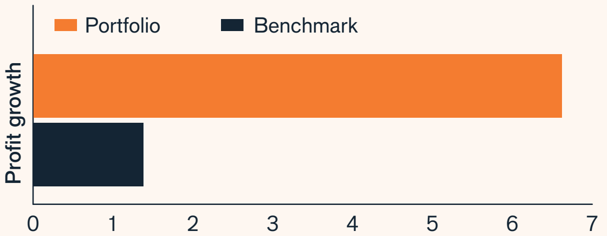
This is the average sales growth over a five-year period and is reported as the average of the portfolio and benchmark. We decided upon a five-year figure because it dampens the effects of significant one-off corporate events around merger and acquisition activity or restructuring.



Coverage rates:
Portfolio: **94.44%**
Benchmark: **92.87%**

Profit growth

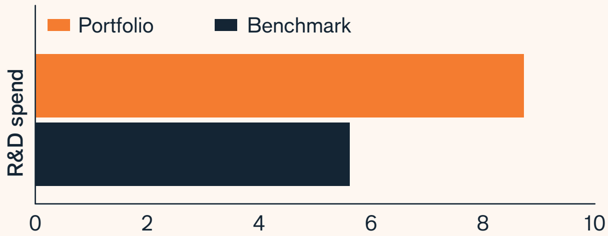
This is the average compound five-year growth rate of Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), reported as the average of the portfolio and benchmark. EBITDA is a particularly useful metric as it is less prone to accounting manipulations than net income.



Coverage rates:
Portfolio: **74.07%**
Benchmark: **72.11%**

R&D spend

This is the average research and development (R&D) expenditures as a percentage of revenue (net sales). This is reported as the average of the portfolio and benchmark.



Coverage rates:
Portfolio: **88.89%**
Benchmark: **79.18%**

PAUL LACOURSIERE,
HEAD OF ESG INVESTMENTS

As the industry undergoes change to better integrate ESG considerations, we at Janus Henderson are also evolving to approach opportunities and challenges on our clients' behalf. Since joining at the beginning of 2021, I have been impressed by the level of commitment and careful consideration as to how best to move forward. The current market focus on ESG is beyond anything I have seen over the course of my career, and the pace of change has reached fever pitch. It is an exciting time to be involved with both ESG investing and, more specifically, the acceleration of Janus Henderson's firm-wide commitment.

The values of ESG have been incorporated into the Janus Henderson culture through the years. Our Global Sustainable Equities Team helped pioneer sustainable investing, with their first product launch in 1991. In 2006, the firm became one of 17 founding signatories of the UN Principles for Responsible Investment, which now has more than 3,000 signatories, and we are proud to have been CarbonNeutral® since 2007*. ESG considerations are a key component of the active investment processes employed by our investment teams. These teams apply their differentiated perspectives, insight and experience to identify sustainable business practices that can generate long-term value for investors. We therefore welcome the greater focus on ESG among clients and the industry in general.

Global Sustainable Equity continues to be our flagship for sustainability and ESG investment process integration, setting the standard for clients wishing to prioritise values and financial performance on equal ground. The longevity and success of the strategy is testimony to the careful consideration Hamish and the team have applied to developing their approach through the years. In many ways the team have been thinking and investing for more than a decade in ways that many others in the industry are today seeking to emulate. The team's commitment to providing clients with high standards of engagement, transparency and measurement has set a high benchmark.

At the broader Janus Henderson corporate level, there is strong momentum as we build on the firm's heritage. This includes substantially strengthening the ESG framework supporting our investment teams. We are building out our Governance & Responsible Investment Team, which has been in place since 2010. This supports investment teams on governance, proxy voting, ESG company engagement and, more recently, thematic engagement. We are also establishing a new ESG Investment Research Team to apply a consistent methodology for evaluating the ESG performance of issuers with a focus on financial materiality. Finally, a new ESG Strategy & Development Team is being set-up focusing on data, content, product design and investment desk support on ESG investing across all asset classes. With the Global Sustainable Equity Team now catering for client needs globally and new Janus Henderson products being brought to market, we are also enhancing the ESG client solutions service we offer. This includes a new team of ESG specialists to support product design and analysis within our broader Distribution framework.

ESG investing is very much centre stage at the moment and we expect this to continue. Among our clients, attitudes towards ESG and sustainability vary as much as risk profiles. We are respectful of this diversity of values and seek to offer strategies and products accordingly. The strength of our heritage hopefully leaves us well-placed to offer solutions to clients. At a corporate level, ESG principles influence our people, our culture and our choices, helping to make us a better company, while at an investments level, ESG factors help us identify opportunities and risks, and influence positive change as we engage with companies. We recognise that ESG investing will continue to evolve and, as the Global Sustainable Equities strategy approaches its 30th anniversary, we look forward to partnering with clients on the journey ahead for many years to come.

*CarbonNeutral® certification applies to Janus Henderson Investors since 2017 and Henderson Global Investors prior to this date.

ESG AT JANUS HENDERSON

Embracing ESG to create a better company

Our corporate commitment

As a leading global active asset manager, we exist to help clients achieve their long-term financial goals. In addition, we are committed to providing information to our stakeholders about how we manage our business. A key part of this is being transparent about how we utilise our resources and capabilities to contribute positively to address ESG challenges.

> "Adhering to the principles of ESG was once considered optional; today, it is absolutely critical as we see the positive impact corporations can have on our way of life."
>
> **Independent Institutional Investor**

ESG initiatives at Janus Henderson

Environmental

From global warming to water scarcity and more, the warning signs that our planet is under distress are increasing. At Janus Henderson Investors, we believe we have an obligation to future generations to mitigate the threats to our environment by continually adopting environmentally friendly practices across our company.

Carbon neutral

A fundamental component of Janus Henderson's commitment towards tackling climate change is to maintain a net zero carbon emissions footprint for all our global operations. We achieve this by a combination of measures including, minimising consumption, purchasing renewable energy or energy offset certificates and, more widely, carbon credits from independently certified carbon emission reduction projects. We are proud to be CarbonNeutral® since 2007.

Managing environmental impacts

Our strategy is to set reduction targets and to actively manage these. For example, renovating the 11th floor at our London office involved removing the physical office layout left by the previous tenant. Approximately 283 tonnes of material was recycled, the equivalent of 23 red London buses: none was sent to landfill. 32 tonnes was repurposed internally and 5 tonnes of carpet was cleaned and donated for reuse in local social projects. Two months after the floor move and renovation, energy consumption was measured on level 11 and revealed a reduction of 46% compared to other floors.

Social

As an organisation focused on Knowledge. Shared, we embrace different points of view. As an element of social responsibility, we are focused on driving greater diversity, not only at Janus Henderson Investors but across our industry. Through our philanthropy focused on urban educational initiatives, we want to expand the universe of young minds interested in our industry, and in doing so, elevate more diverse voices.

Helping young people achieve in business, worldwide

Janus Henderson Investors has committed $1.6 million in a partnership with Junior Achievement to empower the global JA Titan Programme – a business simulator that provides teams with the opportunity to run virtual companies. We are helping JA take the programme into mobile devices so it is easily accessible to more JA members around the world. In addition, our employees will be JA volunteers in several regions including Denver, London, and Singapore. JA serves more than 10.7 million students around the globe.

Promoting workplace equality

Our people are our most important asset. We seek to foster and maintain a diverse environment that values the unique talents and contributions of every individual. We cultivate and practise inclusiveness for the long-term success of our business and for the benefit of our employees, clients, shareholders, and community. For example, the company was named among 325 firms across 50 industries and 42 countries on Bloomberg's 2020 Gender-Equality Index for transparency in gender reporting and advancing equality for women. Furthermore, we were notified by the Human Rights Campaign Foundation that our firm scored 100% on the 2020 Corporate Equality Index – a premier benchmarking survey and report measuring US corporate policies and practices related to LGBT+ (lesbian, gay, bisexual, transgender and others) workplace equality.

Governance

As an organisation dedicated to the management of risk, Janus Henderson Investors embraces all relevant aspects of governance and overall risk management. Our commitment to good corporate governance is evident in our policies and practices and held to the highest standards by our Board of Directors and our stakeholders.

Good corporate governance is essential to achieving our goals

The Janus Henderson Investors governance structure includes four committees of the Group Board: Audit, Compensation, Nominating and Corporate Governance, and Risk, which are responsible for considering the size, composition, expertise and balance of the Board as well as succession planning. The committees help us maintain high governance standards by recommending applicable Corporate Governance Guidelines to the Board and overseeing the Board's annual evaluation. For more information visit the Board Committees section of our Investor Relations site.

Impact Report

This report showcases the impact we make as an organisation and how we are preparing for the future. It explores our commitment to our clients, to responsible investing, our people, our communities and our environment.

Diversity & Inclusion

We are committed to creating an inclusive environment that promotes cultural awareness, see how diversity & inclusion are valued and supported at Janus Henderson.

Affiliations

As part of our commitment to responsible investment, Janus Henderson is involved in a wide range of ESG-related initiatives as a member, supporter or in an advisory capacity.

Access to Medicine Index

Asian Corporate Governance Association (ACGA)

Business Benchmark on Farm Animal Welfare (BBFAW)

Carbon Disclosure Project (CDP)

Climate Action 100+ (CA100+)

European Sustainable Investment Forum (EUROSIF)

The Investor Forum

Global Impact Investing Network (GIIN)

Institutional Investors Group on Climate Change (IIGCC)

Task Force on Climate-related Financial Disclosures (TCFD)

UN Principles for Responsible Investment (PRI)

UK Sustainable Investment and Finance Association (UKSIF)

MEET THE TEAM

The team is made up of financial and sustainability specialists with over 50 years of combined experience. The experience is diverse, adding to the team's ability to invest in varied markets across the globe.

Our team compliments the Janus Henderson corporate social responsibility strategy by being advocates of sustainability, being engaged in our communities, and having the client's best interests at the centre of everything we do.

Hamish Chamberlayne, CFA – Head of Global Sustainable Equities, Portfolio Manager

Hamish Chamberlayne is Head of Global Sustainable Equity at Janus Henderson Investors. He is also Portfolio Manager of the Janus Henderson Global Sustainable Equity and Institutional Global Responsible Managed strategies, a role he has had since 2012. Hamish joined Henderson in 2011 from Gartmore, where he was an equity analyst with the global equity team. Prior to this, from 2004 to 2007 he worked as a senior auditor at PricewaterhouseCoopers, where he covered a variety of sectors, including energy, technology, and communications.

Aaron Scully, CFA – Portfolio Manager

Aaron Scully is a Portfolio Manager on the Global Sustainable Equity Team at Janus Henderson Investors, a position he has held since 2019. From 2017, he was an assistant portfolio manager and was a research analyst from 2009 to 2019 focused on the real estate, infrastructure and financial sectors. Aaron joined Janus in 2001 as a corporate financial analyst, became a research associate in 2004 and was promoted to junior equity analyst in 2007.

Amarachi Seery, CEnv, MIEnvSci, PIEMA – Sustainability Analyst

Amarachi Seery is an Sustainability Analyst at Janus Henderson Investors, a position she has held since 2018. Prior to joining Janus Henderson, Ama worked as a sustainability professional in the property sector, first acting as a scheme manager for BREEAM (green building certification). She went on to teach others how to certify green buildings before moving into constructing them.

Steve Weeple – Client Portfolio Manager

Steve Weeple is the Client Portfolio Manager for several Global & Emerging Market equity strategies at Janus Henderson Investors. Prior to this he was a portfolio manager on our UK-based Global Equities team. He joined Janus Henderson in 2017 after 16 years at Standard Life Investments, where he held a number of senior positions, including global equity portfolio manager, director of equity research and head of US equities.

Tim Brown – Senior Product Specialist

Tim Brown is a Senior Product Specialist at Janus Henderson Investors, responsible for a number of Global and Sector equity products. Prior to joining Janus Henderson in 2018, he spent 8 years at Vanguard Asset Management performing a number of roles. In his most recent role, he served as a Product Specialist covering a variety of active Global equity funds and was responsible for conducting investment reviews and finals pitches to a global investor audience.

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Discrete performance – USD(%)	Mar 2020 – Mar 2021	Mar 2019 – Mar 2020	Mar 2018 – Mar 2019	Mar 2017 – Mar 2018	Mar 2016 – Mar 2017
Global Sustainable Equity Composite (gross)	62.42	2.79	2.10	22.67	12.15
Global Sustainable Equity Composite (net)	59.79	1.08	0.40	20.63	10.32
MSCI World Total Return Index	54.76	-9.87	4.61	14.20	15.43

Past performance cannot guarantee future results. Investing involves risk, including the possible loss of principal and fluctuation of value. Data provided are for illustrative purposes only and should not be misconstrued as advice. Returns greater than one year are annualised. Returns are expressed in US dollars. If you are investing in a different currency than shown, this may cause figures to differ. Composite returns are net of transaction costs and gross of non-reclaimable withholding taxes (if any and unless otherwise noted), and reflect the reinvestment of dividends and other earnings.

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

Net performance results do not reflect the deduction of investment advisory fees actually charged to the accounts in the composite but they do reflect the deduction of model investment advisory fees based on the maximum fee rate in effect for the respective time period, adjusted for performance-based fees where applicable. Actual advisory fees may vary among clients invested in the strategy shown and may be higher or lower than model advisory fees. Returns for each client will be reduced by such fees and expenses as negotiated in any client contract and, where applicable, in Form ADV Part 2A.

Information relating to portfolio holdings is based on the representative account in the composite and may vary for other accounts in the strategy due to asset size, client guidelines and other factors. The representative account is believed to most closely reflect the current portfolio management style.

In accordance with the Sustainable Finance Disclosure Regulation, Funds within this strategy are classified as Article 9 and have sustainability as their objective.

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