Janus Henderson INVESTORS

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

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RESPONSIBILITY STARTS AT HOME

Climate change, pollution, biodiversity loss, and water security are some of the greatest challenges society faces today. At Janus Henderson, we recognise the importance of addressing the financially material risks and opportunities these challenges pose, which is why our commitment to Responsibility includes our corporate practices, embodying the principle that 'Responsibility starts at home.' We've taken significant steps over the past two decades to minimise our environmental impact and accelerate the transition to a sustainable and brighter future.

Forward from our Chief Responsibility Officer

Addressing climate change requires the collaboration of many stakeholders, including government, business, academia, and society as a whole. At Janus Henderson, we have an important role to play, both in managing our own operations responsibly and as investors in thousands of companies and issuers. We are committed to fulfilling our role as a responsible corporate citizen by minimising our own environmental impact and embedding environmentally aware practices throughout our own business. Additionally, as investors striving to manage the financially material risks and opportunities associated with climate change, we have different mechanisms at our disposal—our fundamental research, active engagement, capital allocation through investment decisions, stewardship through proxy voting, and thought leadership and education. Our ultimate aim is to help drive better outcomes for clients amid a global transition to a lower carbon economy.

Our journey towards climate resilience and sustainability is ongoing and multifaceted. We take pride in being certified as a CarbonNeutral® company since 2007 by offsetting our corporate greenhouse gas (GHG) emissions in accordance with the CarbonNeutral® Protocol, demonstrating our longstanding commitment to environmental stewardship as a corporate entity ourselves. On the responsible investing front, in 2024, our product development team strengthened Janus Henderson's existing environmental, social, and governance (ESG) product offerings and developed new products within our suite of JHI Brighter Future Funds, including ones that seek to help drive progress on a climate transition. We are also continually enhancing our investment teams' capabilities, with the launch of our proprietary ESG data tool, ESG Explore, and an exciting collaboration with the University of California, Berkeley Executive Education. Finally, we have continued to be involved in multiple Responsibility-related initiatives and working groups as a member, supporter, or in an advisory capacity.

It is with great enthusiasm that we share the progress we've made in our journey towards climate resilience and sustainability in this report, aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), presented at a Group level. The disclosures in this report pertain to the 12 months ended 31 December 2024, and comply with the requirements set out in chapter 2 of the ESG sourcebook of the UK Financial Conduct Authority (FCA) Handbook, applicable to our UK-regulated entities (including FCA ESG Sourcebook section 2.2), Janus Henderson Investors UK Limited, Janus Henderson Fund Management UK Limited, and Janus Henderson Investors International Limited ("UK Regulated Entities"), which follow the Group's strategy and approach on climate-related matters in both their own operations and investment management activities[1].

Michelle Dunstan
Chief Responsibility Officer

These disclosures for the relevant entities have been reviewed and approved by the respective Boards of Directors for the 12-month period ended 31 December 2024.

Kalpana Desai
Independent Non-Executive Director, Governance and Nominations Committee Chair, Janus Henderson Group Board of Directors

Roger Thompson
Chief Financial Officer and Head of APAC Client Group and Director, Janus Henderson Investors UK Limited Board of Directors

William Lucken
Global Head of Product and Director, Janus Henderson Fund Management UK Limited Board of Directors

Lucie Barboni
Global Head of Change & Transformation and Director, Janus Henderson Investors International Limited Board of Directors

Our Approach to Responsibility

Being a global asset manager comes with important responsibilities. At Janus Henderson, our approach to Responsibility includes our own corporate responsibility as well as responsible investment practices. We engage with our investee companies and encourage them to adhere to high corporate responsibility standards as a key driver of financial performance. Consequently, we believe our own standards should mirror those expectations.

In the face of global challenges like climate change, pollution, and resource scarcity, we also believe integrating financially material ESG factors into most of our actively managed strategies is instrumental to fulfilling our fiduciary duty to our clients. We leverage our deep history of fundamental research to approach integration in a thoughtful, practical, research-driven, and forward-looking manner.

CORPORATE RESPONSIBILITY | ESG INTEGRATION | JHI BRIGHTER FUTURE FUNDS

Janus Henderson's approach focuses on three key areas:

- **Corporate Responsibility.** Our commitment to Responsibility extends to our corporate practices, embodying the principle that 'Responsibility starts at home.' We need to ensure our own policies and practices reflect what our stakeholders demand. At a corporate level, behaving responsibly impacts our people, our culture, and our choices with the ultimate aim of investing in a brighter future for our clients. We leverage our influence to responsibly deliver value to our clients, employees, shareholders, and the wider community.
- **ESG Integration.** At an investment level, we integrate financially material ESG factors into our analysis and processes for most of our actively managed strategies[2], as appropriate, to help us identify opportunities and risks and to drive the long-term value of the companies in which we invest.
- **Our JHI Brighter Future Funds.** For those clients who want to invest for a purpose beyond risk and return, we have, and continue to build, our suite of ESG-focused strategies[3] that go above and beyond integration to have ESG considerations at their core alongside the primary financial objective.

[1] The report also helps satisfy the expectations of the Monetary Authority of Singapore Guidelines on Environmental Risk Management for Asset Managers for our Singapore-regulated entity, Janus Henderson Investors (Singapore) Limited.
[2] As at 31 December 2024 83.25% of our AUM is considered ESG integrated.
[3] As at 31 December 2024 1.92% of our AUM is considered JHI Brighter Future Funds.

Janus Henderson INVESTORS

GOVERNANCE & OVERSIGHT

GOVERNANCE & OVERSIGHT

Philosophy

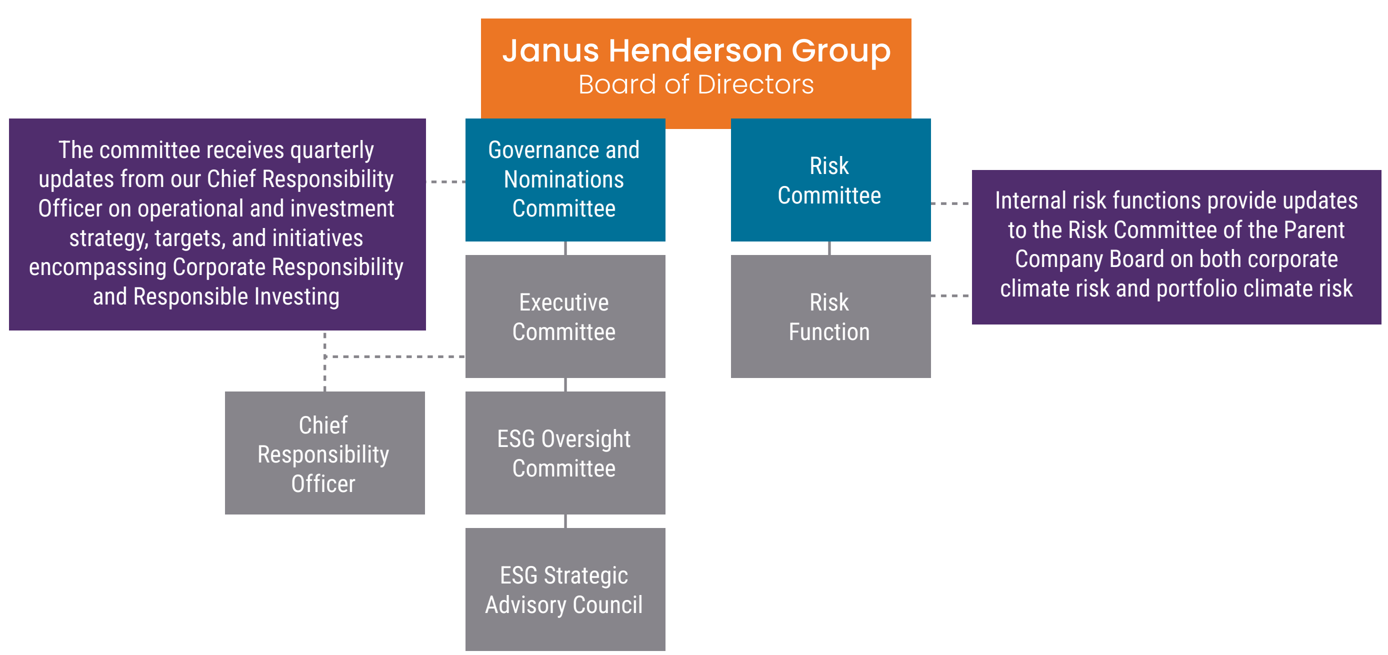
ESG considerations, including climate, can be increasingly financially material to Janus Henderson as a company and to the financial outcomes of our investments.

Our approach to climate change starts with our own corporate actions. We need to ensure our policies and practices reflect what our stakeholders expect and what we evaluate in our portfolio companies. Our Responsibility Team leads our corporate climate strategy and activities. This is complemented by a risk and oversight framework, which is explained in more detail under *Risk Management* in the *Corporate Environmental Practices* section of this report.

Our investment teams are at the core of our governance process, with primary responsibility for identifying, analysing, and integrating financially material ESG and climate considerations. The investment teams have significant freedom to research, interpret, and implement these factors in the way best suited to their asset class and investment objective. This is also complemented by a series of oversight, compliance, and risk processes to ensure we are adequately and appropriately researching and incorporating material ESG and climate considerations. More details can be found under *Risk Management: Identification, Analysis, and Management of Financially Material Climate and ESG Risks and Opportunities* in the *Managing Climate Considerations in our Portfolios* section of this report.

Roles and Responsibilities

Figure 1: Janus Henderson Governance Structure, with applicable boards, board committees and management committees[5].



[5]Janus Henderson boards and committees that are referred to for the purposes of this report. There are various other Janus Henderson boards and committees which are not featured in this diagram.

[6]We do not have firmwide targets on our Scope 3 downstream (portfolio) emissions.

Board of Janus Henderson Group (JHG)

Oversight of Responsibility, including climate considerations, is part of the formal remit of the Governance and Nominations Committee ("the Group Governance Committee") of the Janus Henderson Group board ("the Group Board"). The Group Governance Committee has established tangible ESG and climate metrics and targets for our operational activities, the implementation of which at entity level is overseen by the relevant board of the UK Regulated Entities. These metrics include setting science-based targets on our corporate Scope 1 + 2 and Scope 3 upstream emissions[6], and tracking our CDP score, as well as metrics around reporting, thought leadership, and investment strategy development. At the investment level, the Group Board receive metrics on how we integrate material climate factors in our research and engagement, our thought leadership, and in our investment strategy development. Our Chief Responsibility Officer, Michelle Dunstan, presents a quarterly update to the Group Governance and Nominations Committee on the metrics, progress against targets, and advancements on strategic Responsibility initiatives. In addition, the Chief Responsibility Officer conducts a Director education session for the Group Governance and Nominations Committee each quarter; this is a "deep dive" into an important Responsibility topic—which could include our own corporate responsibility practices or our responsible investing practices. The boards of our UK Regulated Entities, Janus Investment Funds/Janus Aspen Series, Janus Detroit Street Trust, and Clayton Street Trust entities, receive similar periodic updates from our Chief Responsibility Officer. In addition to receiving these quarterly updates from Michelle, our Group Board and boards of the UK Regulated Entities also review and approve our TCFD report annually.

Executive Committee (ExCo)

The ExCo is in place under the leadership of Chief Executive Officer, Ali Dibadj. The ExCo comprises 13 executives and provides cross functional oversight and decision-making support to the CEO in the performance of his duties and fulfillment of obligations to Janus Henderson Group. The compensation of the Janus Henderson Group's CEO is assessed using a scorecard, and in 2024, the scorecard includes relevant ESG-related objectives. These metrics cascade to the performance scorecards of other members of the Janus Henderson Group's ExCo where relevant to their role.

ESG Oversight Committee

Our ESG Oversight Committee (ESGOC), which reports to Janus Henderson's ExCo, provides direct oversight of ESG investment-related matters. The Committee provides oversight over ESG investment processes including credibility and feasibility of ESG-related commitments in portfolio design, portfolio management, various ESG data and toolsets, as well as non-investments oversight over ESG processes including regulatory and client reporting standards, and ESG disclosure. The ESGOC is responsible for ensuring that the firm's framework to manage ESG-related risks is adequate and effective. Specific duties include:

- Review of ESG-related metrics and commitments for new funds and mandates and changes to ESG-related commitments to existing mandates
- Review of ESG-related processes, systems, and resources in place for funds and mandates
- Review of output from ongoing ESG oversight controls monitoring of key ESG-related metrics and exceptions, as well as escalations of matters identified during the course of the monitoring, if any.

The ESGOC is chaired by our Chief Responsibility Officer with additional membership from Responsibility, Product, Investment Controls & Governance, Compliance, Financial Risk, and Legal.

In 2024, our ESGOC successfully established our ESG Strategic Advisory Council, which sits under and supports the ESGOC, strategically by reviewing, challenging, and advising on firm-wide or investment-level ESG regulatory and non-regulatory developments, strategic priorities, pledges and partnerships, and other ESG matters requiring strategic input.

Internal Audit

Janus Henderson has an independent internal audit function, which reports to the Group Audit Committee. It is responsible for the internal audit of the firm's worldwide activities. Internal audit operates a multi-year, risk-based audit plan that covers all aspects of the firm's investment and stewardship activities, such as proxy voting. Internal Audit embeds ESG considerations in all relevant audits within its cyclical risk-based plan. In addition, Internal Audit includes thematic reviews, which in 2024 included a review of the ESG control framework with a focus on regulatory compliance. The findings of these internal audits are regularly shared with the Group Audit Committee as well as other relevant boards.

Risk Management Functions

The Operational Risk function provides support and oversight to each business function to ensure all operational risks are managed in accordance with the risk appetite statement of the firm. Climate risks associated with each operational risk are identified and analysed as qualitative scenarios. Corporate physical and transition risks are reviewed at least annually and reported in a formal corporate Climate Risk Report to the Group Risk Committee (including escalations of matters identified during the period, if any).

The Financial Risk team reviews and challenges investment management in light of ESG-related risks—including climate risks—alongside traditional market risk metrics and embeds sustainability risk into the risk profiles of our funds, as appropriate. The Financial Risk team further supports the investment desks in providing portfolio-level oversight of sustainability, climate, and ESG risks. Risk oversight meetings are held with investment desks regularly, with an agenda item to ensure climate-related portfolio risks have been identified.

Compliance

The Compliance team implements automated investment restriction controls within Janus Henderson's order management system for ESG-related screening and supplements this approach with further controls for qualitative commitments. Additionally, the Compliance Monitoring team reviews regulatory adherence via the execution of a risk-based monitoring plan. The Compliance team provides board and committee reporting on ESG regulatory matters and are members of the ESGOC.

Front Office Controls

The Front Office Controls & Governance team provide ongoing assurance that investment products are managed in line with documented sustainability commitments, where automated controls and/or third-party data are not available.

Responsibility Team

Our centralised Responsibility Team is a specialised in-house group of Responsibility subject matter experts who partner with our analysts and portfolio managers on ESG data analysis and research, governance, ESG company and thematic engagement, and proxy voting and advisory services that serves as a resource for all our investment desks. The Team plays a leading role in working with investment desks to enhance their ESG integration processes and externally leading our active participation in numerous ESG initiatives.

The Responsibility Team is led by our Chief Responsibility Officer, Michelle Dunstan. To emphasise the importance of our Responsibility efforts and embed them across our entire firm, the Chief Responsibility Officer reports directly to the CEO, sits on the firm's Strategic Leadership Team, and provides quarterly reports to our various boards on established metrics and targets, as well as progress on priority initiatives and educational topics, including ESG regulations.

Investment Teams

For most of our actively-managed strategies, our investment teams are at the core of integrating financially material ESG considerations into their investment process. Our analysts and portfolio managers maintain primary responsibility for security-level research and forecasting, company engagements, and portfolio decisions. The investment teams partner with the central Responsibility Team for expert support, and some investment teams have dedicated ESG experts embedded within the team.

All delegated services within the Group are part of the corporate climate strategy. Where services are delegated to third-party providers, those parties are subject to our vendor management process, which includes ESG due diligence where relevant.

Figure 2: Central Responsibility Team

Central Responsibility Team

In 2024, we continued to add specialist resources to our central Responsibility Team to better align resourcing with our strategic priorities. As of year-end 2024, the Responsibility Team has 28 dedicated team members working as Responsibility subject matter experts partnering with investment teams and firmwide colleagues.

The Responsibility Team is centred around four focus areas:

Michelle Dunstan
Chief Responsibility Officer

Responsible Investment & Governance	Responsibility Strategy & Operations	Responsibility Client Solutions	Diversity & Community Relations
Investment team support	Data & analytics	New product design	Diversity, equity & inclusion
Thematic ESG research	Content & learning	Bespoke client advisory	Community relations
Engagement advisory & coordination	Operations & regulatory	Integration enhancement	
Voting & governance advisory	Corporate sustainability		
Antony Marsden Global Head of Responsible Investment & Governance	**Catherine Ziac Boyd** Global Head of Responsibility Strategy & Operations	**Amelia Sexton*** Global Head of Responsibility Client Solutions	**Demesha Hill** Head of Diversity & Community Relations

*Expected start date of June 2025.

Risk Management refers to the TCFD Recommendations framework. Any risk management process discussed includes an effort to monitor and manage risk which should not be confused with and does not imply low risk or the ability to control certain risk factors.

Janus Henderson INVESTORS

CORPORATE ENVIRONMENTAL PRACTICES:

Strategy, Risk Management, and Metrics & Targets

CORPORATE ENVIRONMENTAL PRACTICES:
Strategy, Risk Management, and Metrics & Targets

> "Our commitment to following robust corporate environmental practices ourselves and managing financially material climate-related risks and opportunities in our investments is unwavering, as the global threat of climate change is no less relevant today as it has been in recent years."
>
> **– Michelle Dunstan, Chief Responsibility Officer**

At Janus Henderson, we place our own corporate responsibility at the heart of our Mission, Values, and Purpose of 'investing in a brighter future together.' Whether it is through reducing our energy consumption, sourcing materials responsibly, or finding innovative ways to reduce waste, we are constantly striving to find ways to minimise our impact on the environment. This is important to our people in attracting and retaining talent but also to many of our clients who expect their fiduciaries to behave responsibly. This belief—and our actions supporting it—are long held. Janus Henderson has been certified as a CarbonNeutral® company since 2007 by reducing our internal emissions and offsetting our corporate GHG emissions in accordance with the CarbonNeutral® Protocol. To achieve this certification, Janus Henderson's emissions inventory has been independently assessed, and we have provided financing to a range of emission reduction projects, supporting essential renewable energy, afforestation, and methane capture from landfill gas to offset our remaining emissions. Climate Impact Partners conducts a ten-step due diligence process to ensure that our credits are additional, permanent, and independently verified to recognised carbon standards. This ensures the highest environmental integrity in our commitment to have an immediate, positive impact on the climate.

Risk Management refers to the TCFD Recommendations framework. Any risk management process discussed includes an effort to monitor and manage risk which should not be confused with and does not imply low risk or the ability to control certain risk factors.

Strategy

Our climate strategy in respect of our own operations, including the accompanying data gathering and analysis, target-setting, and implementation is core to Janus Henderson. We currently leverage third-party data providers and reporting software to assist with the collection and compilation of our corporate GHG emissions data. This allows us to assess opportunities for improvement and track progress against our targets. With this in mind, the Responsibility Team has undertaken an internal review of our internal data collection process across offices globally. In addition, an external review led by an independent carbon accounting specialist is underway to validate our assumptions and benchmark our targets, credentials against best practice as well as relevant peers. Together, the outcome of both these reviews will help prioritise what underpins our new climate strategy in 2025. Many different areas of Janus Henderson will collaborate to develop and implement this strategy, led by our Responsibility Team. In addition, we are increasingly integrating the climate strategy and material risks of our supply chain in our analysis and business planning. Climate physical risks are considered as part of capital management and financial business planning, where, for example, the extent of damage to buildings due to the environment (e.g., floods, extreme weather) is reviewed.

We have been updating our procurement and vendor management questionnaires to encompass material climate factors, including policy, disclosure, emissions, targets, and physical risk. We plan to enhance this through the development of a framework around our procurement and vendor management onboarding processes, which incorporates an assessment of alignment with our corporate climate strategy and planning when considering the appointment of material service and supplier providers. Our Vendor Management function currently tracks ESG risks, including climate risk, in ongoing due diligence reviews of our critical vendors and providers and will engage if a material risk is identified to understand how it is (or will be) addressed. Unaddressed risks could be factored into a decision to not renew a contract or potentially result in the termination of services.

Risk Management

Our current assessment is that Janus Henderson's corporate climate change risk is low under all scenarios, from both physical and transition risk perspectives. Risks that are potentially relevant to Janus Henderson as a corporate entity include those related to: current and emerging regulations, technology, legal frameworks, market, reputation, and acute or chronic physical situations.

Figure 3: Janus Henderson Group Climate-related Risks

	RISKS	STRATEGY
TRANSITION		
Regulations	Failure to meet current ESG regulatory requirements Inability to monitor new developments in policy and regulation Inconsistencies in regulations on climate change in different jurisdictions Errors in climate-related disclosures	JHG has dedicated teams to monitor and understand current and emerging regulations. All relevant policies and regulations globally are analysed and considered for the impact they may have on JH's clients, the markets and the firm.
Technology	Lack of investment in technology to reduce emissions Impact on climate due to new technology and innovations Impact on environment as a result of development by third parties Expenses associated with transitioning to technology that emits lower levels of emissions	Technology risks are considered to be an embedded component of all other risks. JHG seeks to implement appropriate solutions to reduce climate risks, such as changes made to reduce the carbon footprint of our buildings. New innovations are carefully assessed before implementation.
Legal	Threat of litigation due to failure to mitigate impacts of climate change Failure to manage portfolios in accordance with climate risk-related restrictions	Comprehensive legal and compliance teams support the business to review and understand climate-related risks and how they may impact clients and their portfolios.
Market	Products do not meet the needs of clients seeking to reduce climate risk Lack of innovation on product range to take into account changing client demands	JHG offers a suite of products which are designed to meet client needs. Products are assessed for their appropriateness to all types of clients and this includes a consideration of climate risks.
Reputation	Inability to meet changing customer and community perceptions around climate change Increased scrutiny from a variety of stakeholders, including governments and regulators	JHG takes careful consideration of all its stakeholders when setting its strategy within the investment management sector. JHG has been market leading in reducing its carbon footprint and takes a "clients come first" approach to ensuring climate risks are managed in the best interests of its customers.
PHYSICAL		
Acute and chronic	Increased instances of extreme weather events such as floods and hurricanes Sustained high temperatures affecting working environment	Impacts on JHG's offices worldwide as a result of events which include climate risks are assessed by the business resilience team and mitigation strategies are in place where required.

Risk Management refers to the TCFD Recommendations framework. Any risk management process discussed includes an effort to monitor and manage risk which should not be confused with and does not imply low risk or the ability to control certain risk factors.

We consider climate-related risks and opportunities over the short-term (0-1 years), medium-term (1-3 years) and long-term (3-20 years), although we have not yet mapped climate-related risks to specific time horizons. We define a substantial financial or strategic impact on our business as one that potentially exceeds $5 million.

The measures that our internal risk team have put in place to address other operational risks that can be related to climate change, such as flooding of the Thames or severe weather in Denver, are currently considered to be sufficient to address current and future physical risks. The direct impact of physical risks is considered to be low given the nature and type of physical assets held, and the insurance agreements in place to mitigate risk.

Our carbon footprint (and, therefore, the transition risk for our own operations) is inherently low and has further reduced relative to our baseline due to our efforts to reduce consumption, switch to renewable energy, and purchase high-quality offsets. Furthermore, our adherence to international standards such as International Organization for Standardization (ISO), and voluntary and mandatory reporting frameworks such as TCFD and CDP, mean that we are well prepared for transitional risks from a regulatory and legal perspective in respect of our operations. Our risk management processes (which are overseen by our Operational Risk function) monitors our assessment of "low" physical and transition risk, and should that assessment change, review whether the measures we have in place are sufficient to address a higher risk level. Should they be deemed insufficient, a new plan will be developed to address these emerging risks. Furthermore, we have a Regulatory Change team dedicated to providing proactive coverage of regulatory developments. With support from other business areas such as Legal, Change Management, and Responsibility, they identify and track relevant regulations which may have an impact relating to climate-related risks.

Metrics & Targets

Janus Henderson's corporate emissions have been calculated in accordance with the international GHG Protocol Corporate Accounting and Reporting Standard, and are subsequently verified in accordance with the ISO (ISO14064-3) annually by a third party. The data is also separately reviewed by an additional third party for compliance with the CarbonNeutral® Protocol.

We measure our carbon footprint through third-party software which uses the latest emission methodologies relevant to each country, time period, and data source. For our UK operations, the Group uses conversion factors provided by the Department for Energy Security and Net Zero (DESNZ), whilst our international offices utilise emissions factors from sources such as the International Energy Agency (IEA) and the US Environmental Protection Agency (EPA). We report on our carbon emissions from 1 January – 31 December, in line with our financial reporting year.

We calculate our carbon footprint from Scopes 1 and 2 using measures such as our consumption of natural gas, diesel, electricity, and our use of heating and cooling generated and distributed from offsite facilities. We capture this raw data from invoices and reports that are provided by our utility providers and building managers, and review this to address any gaps and discrepancies. We additionally currently measure a subset of our Scope 3 emissions, including from fuel and energy-related activities not included in Scope 1 or 2, business travel, paper usage, waste disposal, water withdrawal and disposal, homeworking, and the use of third-party transportation and distribution services between our facilities.

When appropriate and as data becomes available, we amend our reporting boundary to include additional Scope 3 categories as identified by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. For example, in 2021, we began accounting for Water Withdrawal and Discharge, as well as Waste Disposal and Paper Consumption. In 2022, we expanded our upstream Scope 3 categories to include Homeworking, and Electricity Transmission/Distribution emissions and in 2024 we subsequently amended our methodology for calculating homeworking emissions to utilise the UK's Department for Environment Food and Rural Affairs (Defra)'s emission factor upon recommendation from our data verifier. We have estimated these categories for previous years by headcount to ensure consistency in reporting.

Where we are unable to obtain raw data, we estimate this through normalisation metrics such as floorspace and headcount, or by using historical raw data. Through internal audit processes as well as independently verifying our emissions, we ensure any estimations are materially correct and not underrepresented. We strive to improve our data collection across our global offices by encouraging landlords to provide better granularity of data and working with them to incorporate environmentally aware practices in our buildings.

Janus Henderson is subject to assessment by third-party ratings bodies and outperforms the Financial Services industry in ratings from MSCI.*

As of November 2024, we're proud to have maintained our AAA ESG rating from MSCI for sixth annual ratings cycle--having received the highest rating from MSCI every year since our merger. This rating puts us in the top 10% to 7% and 30 asset managers to 27 asset managers index.

Additionally, as part of Janus Henderson's MSCI ESG rating, the Group was scored 10 out of a possible 10 for environmental issues. This is above the industry average score of 8.6.

*The MSCI ESG Quality Score (0 10) for funds is calculated using the weighted average of the ESG scores of fund holdings. The Score also considers ESG Rating trend of holdings and the fund exposure to holdings in the laggard category This ESG Quality score is the data point which drives the ESG Letter Rating. The Overall ESG Rating represents either the MSCI Intangible Value Assessment (IVA) Rating for Equity and Corporate Credit issuers, or the MSCI Government ESG Rating for Sovereign issuers. IVA Ratings indicate how well an issuer manages its most material ESG risks relative to sector peers. Government Ratings indicates overall environmental, social, and governance (ESG) performance of a region. Regions with low risk exposure and strong management of ESG risk factors score highest (AAA); regions with high risk exposure and weak management of ESG risk factors score lowest (CCC). Ratings are based on a seven letter scale: best (AAA) to worst (CCC). (Intangible Value Assessment (IVA) provides research, ratings and analysis of corporate management of environmental and social risk factors).

Carbon Neutrality

Janus Henderson has been certified as a CarbonNeutral® company since 2007. In order to achieve certification Janus Henderson has taken actions to reduce its corporate carbon footprint including installing LED lighting, procuring renewable electricity, and moving our data centres to purpose-built external facilities. Remaining emissions have then been offset through the purchase of verified carbon credits in accordance with The CarbonNeutral Protocol. We continued to be certified as a CarbonNeutral® company throughout 2024, including for emissions across our corporate Scope 1, 2, and a subset of upstream Scope 3, including business travel, waste, and homeworking. To achieve this certification, Janus Henderson's emissions inventory has been independently assessed, and we have provided financing to a range of emission reduction projects, supporting essential renewable energy, afforestation, and methane capture from landfill gas to offset our remaining emissions. These projects additionally deliver co-benefits for the environment and society in accordance with the United Nations Sustainable Development Goals (SDGs).

Our Carbon Credit Portfolio

All projects we support have been classified as 'additional' by an independent third party, meaning that they would not happen without the sale of carbon credits. We have maintained our status as a CarbonNeutral® company every year for the last 16 years and see this as an important way of not only offsetting our unavoidable operational emissions, but also contributing to projects around the world that will enable decarbonisation. We have offset new emissions categories as we have added them to our inventory boundary, and as required by the CarbonNeutral® Protocol.

Through our carbon offsetting portfolio for emissions associated with our own operations, we contribute to high-quality, independently verified emission reduction and removal projects, as well as advancing the SDGs. Below are some of the projects we support.

We work with a third party to facilitate our purchase of carbon credits. In doing so, we ensure that any credits we purchase are independently audited to internationally agreed standards, which means that they go through a system of checks and balances to ensure that they are real, measurable, permanent, additional, and unique. The third party we work with also conducts their own 10-step assurance process that includes due diligence on the project's technical details and ensures the integrity of our carbon credit portfolio.

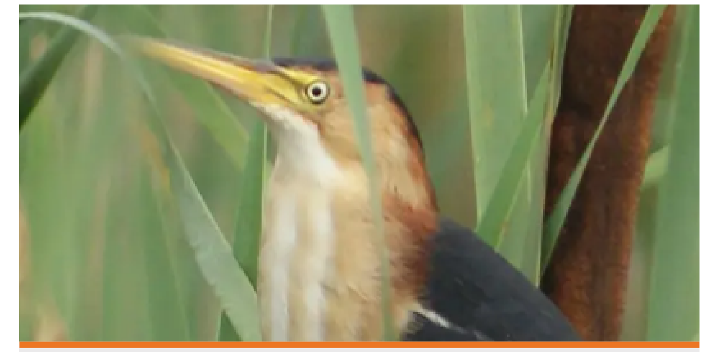
CERTIFIED CARBON NEUTRAL® company
CarbonNeutral.com

a service of CLIMATE IMPACT PARTNERS

Turkey

Sadilli Wind Power

Reducing dependence on fossil fuels, this wind farm is estimated to reduce emissions by more than 67,000 tCO_2 per year, whilst also providing decent work for local people.



United States

Seneca Meadows Landfill Gas

Reducing the environmental impact of a landfill site through methane capture, electricity generation, and wetland enhancement.

United States

Truck Stop Electrification

Reducing the environmental impact of engine idling through Truck Stop Electrification technology.

Additional benefits of our carbon credit portfolio

We are additionally conscious of the co-benefits that can be achieved through the finance that we provide via our carbon credit portfolio. For this reason, we look to support projects that align with our corporate sustainability objectives as well as the SDGs which provide a blueprint for continued peace and prosperity amongst people and the planet.

Our provider of carbon market solutions has identified that the projects we have supported since 2021 have additionally helped to deliver 10 of the 17 SDGs. For example, a solar water heating project that we have provided finance to in India supports:

SDG 3 - Good Health and Well-Being

By reducing the concentration of sulphur dioxide and nitrogen monoxide, for which there is a strong correlation between high concentrations and mortality rate.

SDG 4 – Quality Education

By providing training and capacity building programmes to plumbers of the region on the installation of solar water heaters.

SDG 8 - Decent Work and Economic Growth

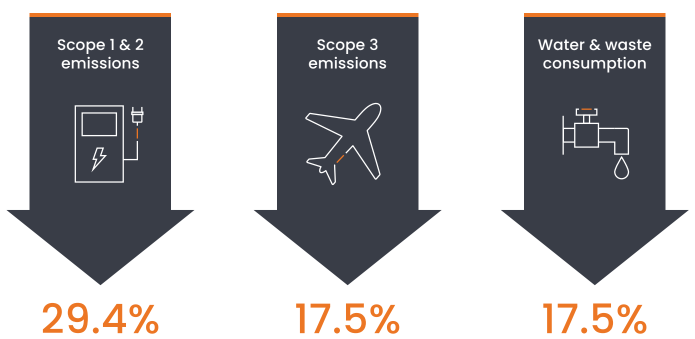
By manufacturing the solar products domestically, offering employment for local residents across manufacturing, distribution, installation and maintenance. This includes approximately 160 direct employees, and approximately 300 authorised dealers.

https://www.un.org/sustainabledevelopment The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

Our Carbon Emissions & Targets

In 2019, we committed to reducing our carbon footprint for our own operations by 15% per full-time employee (FTE) over three years based on 2018 consumption. This target covered Scope 1 (fuel), Scope 2 (electricity), and Scope 3 (business travel, road freight, waste, water, and paper purchased). In 2021, we reached our target of reducing our carbon footprint for our own operations by 15% per FTE based on 2018 consumption. In 2022, we set new ambitious five-year reduction targets for our own operations relative to a 2019 baseline:

- Reduction target of 29.4% in Scope 1 (fuel) and Scope 2 (purchased energy) emissions
- Reduction target of 17.5% in Scope 3 (business travel, freight, paper, water, waste, etc.) emissions
- Reduction target of 17.5% on water and waste consumption by FTE



Our Scope 3 emission reduction target is in relation to a subset of these corporate Scope 3 emissions including our business travel, upstream transportation and distribution, water, waste, and paper consumption, and does not include Scope 3 emissions categories such as our broader purchased goods and services, capital goods, or investments.

To help achieve these targets we have implemented several initiatives since 2019, including installing smart sensors and LED lighting, implementing more efficient equipment, and installing energy-saving blinds. Particularly, in 2022, the lighting in our London headquarters was upgraded to LED fittings, significantly reducing our energy consumption by approximately 115,530 kWh per year.

In 2023, we switched to 100% renewable electricity across all our offices globally through the sourcing of renewable energy contracts, and the direct purchase of unbundled Energy Attribute Certificates (EACs). We see this as an important way of improving availability of renewable energy worldwide, whilst accounting for our own energy use. We have not been able to procure renewable electricity in relation to all our acquisitions made in 2024, but intend to do so in future.

Over the past year, we have also proactively considered sustainability when making decisions around our tenancy, including moving into a new office in Denmark which is certified to DGNB Platinum. Several of our other offices have also received environmental awards and certifications, including:

- **Denver:** LEED Gold
- **Chicago:** LEED Platinum
- **London:** BREEAM rating 'Excellent'
- **Singapore:** Winner of BCA's Green Mark Platinum, Winner of Universal Design Mark Platinum awards
- **Sydney:** 5-star NABERS Energy rating, 6-star NABERS Waste rating, and 4-star NABERS Water rating
- **Melbourne:** 6-star NABERS Indoor Environment rating
- **Brisbane:** 4.5 star NABERS Energy rating, 4.0 star NABERS Water rating

In 2024, our reported upstream market-based emissions totalled 5,590 tonnes of carbon dioxide equivalent (tCO_2e), an increase of 6.1% relative to 2023. This is attributed to a combination of acquisitions that have not been reflected in our base year, and an increase in business travel. However, since our base year, our Scope 1 and 2 market-based emissions have reduced by 96.6% and our Scope 3 emissions have reduced by 28.7%, indicating that we are ahead of our targets. This is primarily due to our increased purchase of renewable energy and shifts in business travel following the COVID-19 pandemic.

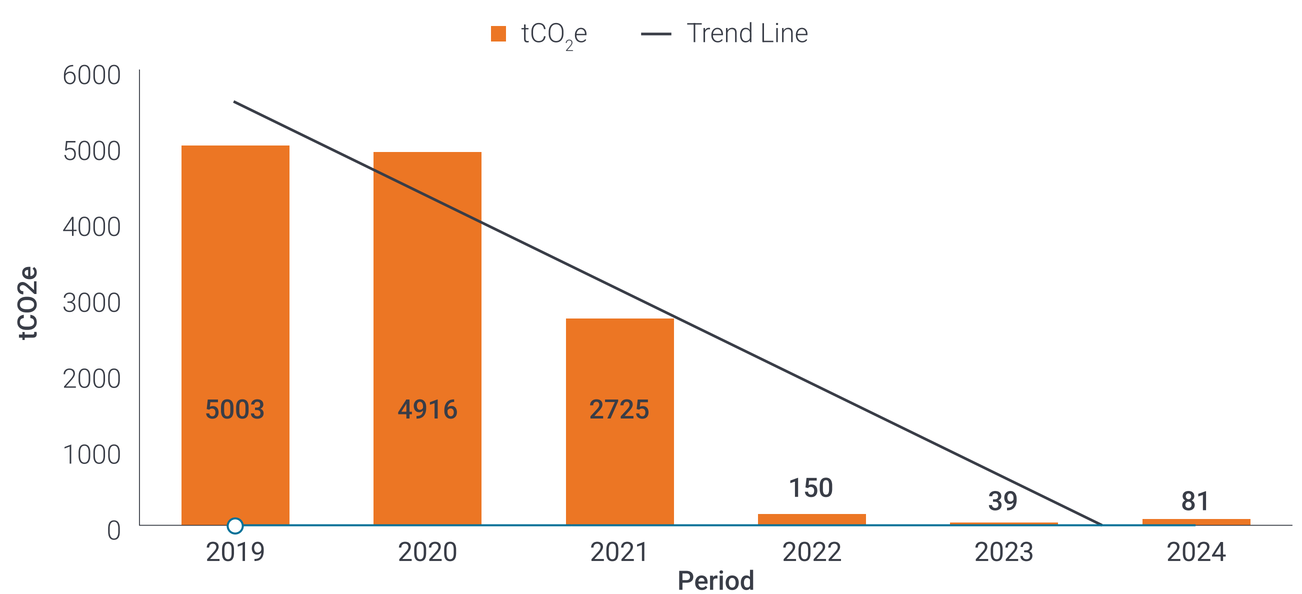
Figure 5: JHI Carbon Emissions by Scope (2019-2024)

GHG Emissions (tCO_2e)			2024	2023	2022	2021	2020	2019 Baseline
Scope 1 and 2								
	Scope 1		91	111	169	95	66	59
	Scope 2	Market-based	81	39	150	2,725	4,916	5,003
		Location-based	3,182	3,072	3,392	3,518	4,766	4,769
	Total scope 1 and 2	Market-based	172	149	319	2,820	4,982	5,062
		Location-based	3,273	3,183	3,561	3,613	4,832	4,828
Scope 3								
Upstream	1. Purchased goods and services		13	23	34	5	0	57
	2. Capital Goods		Not assessed					
	3. Fuel- and energy-related activities	Market-based	2	3	7	11	19	15
		Location-based	48	53	50	71	85	95
	4. Transportation and distribution		114	346	820	320	513	82
	5. Waste generated in operations		133	205	52	47	52	254
	6. Business travel		4,428	4,010	2,331	501	1,761	7,177
	7. Employee commuting		730	537	573	537	496	0
	8. Leased assets		Not assessed					
Downstream	Categories 9–14 aren't applicable. Please refer to page 22 for category 15.							
	Total Scope 1, 2 and upstream scope 3	Market-based	5,590	5,270	4,132	4,231	7,822	12,647
		Location-based	8,739	8,358	7,422	5,095	7,738	12,494
	Total MWh energy use (including converted fuel)		7,887	7,868	8,769	8,497	10,409	10,527
	Waste (kg) per FTE		60	59	35	35	46	117
	Water (kilolitre) per FTE		19	17	15	30	0	119

Note: For details on emissions data calculations and disclosures, see page 29.

Figure 6: Reduction of Emissions Facilitated by the Procurement of Renewable Energy

2019 – 2024 Scope 2 Market-Based Emissions



Source: Janus Henderson
Date: 31 December 2024

Supporting Climate Best Practices

Janus Henderson employees are highly involved in our approach to supporting climate best practices, and we leverage our position as a global corporation to be involved and invested in our communities.

Employee engagement

At Janus Henderson, our employees are involved in, inspired by, and invested in our communities. Throughout 2024, colleagues increased their community volunteer hours by 13% compared to 2023. The participation in these events demonstrates what we can achieve together for the good of our planet and reinforces our commitment to environmental stewardship.

Biodiversity loss & deforestation

In 2024, our London colleagues hosted a Rooftop Biodiversity Project. The event was a hit, with nearly 30 volunteers contributing to a greener cityscape. Activities ranged from planting bulbs to crafting bee hotels and creating nurturing habitats for insects and hoverflies. Our collective efforts are helping to boost urban biodiversity.

In 2021, Janus Henderson donated $60,000 to Durrell Wildlife Conservation, one of the world's leading conservation charities. Our donations supported Durrell's continuing efforts to save critically endangered species from extinction as part of their 'Rewild our World' strategy. Our donation was specifically earmarked for Bay National Park in northwest Madagascar. In 2023 and 2024, we made additional donations in connection with our Earth Day campaign.

Water quality & security

As lack of access to water and deteriorating water quality become increasing threats in various regions globally in part due to climate change, Janus Henderson is continually seeking opportunities to make an impact. In 2024, our Denver office participated in a Cherry Creek Clean-Up event, which saw an amazing turnout of 101 participants, who worked together to remove 1,420 pounds of trash from a one mile stretch of the Cherry Creek near our office. The enthusiasm and hard work of Janus Henderson volunteers significantly beautified and benefited our local environment.

Waste & plastic pollution

No waste in our London office is sent to landfill and all takeaway packaging in the canteen is 100% biodegradable Vegware. Through these initiatives, we have saved over one million plastic items, such as coffee cups, containers, and other boxes since 2018.

In 2022, we introduced an innovative waste management system in our London office, designed to efficiently segregate different waste streams and ensure dry mixed materials are repurposed effectively. This system has streamlined our waste management efforts, and we continue to uphold and refine this system, underscoring our long-term commitment to sustainability and responsible waste management.

Beginning in 2022, we also initiated a comprehensive composting program in our Denver office, establishing collection points across all kitchen locations to spread awareness and encourage participation. This initiative, aimed at reducing waste and promoting sustainability, continues to be an active part of our environmental efforts and demonstrates our ongoing commitment to sustainable practices.

CDP

In 2024, the CDP introduced new reporting categories and significantly updated their scoring methodology. We achieved a 'C' score, a slight decrease from our score last year, but above or in line with scores of major peers. We remain committed to being an investor signatory to CDP and support the importance of disclosure.

Our Engagement with the Industry

As part of our commitment to Responsibility, Janus Henderson has a strong heritage of involvement with Responsibility-related organisations and initiatives, as a member, supporter, or in an advisory capacity. Our UK-based business has been a member of the UK Sustainable Investment Forum for over 30 years.

We are a member of the Institutional Investor Group on Climate Change (IIGCC), which works to encourage action from companies, investors, and governments on climate issues to help reduce the financially material risks associated with climate change.

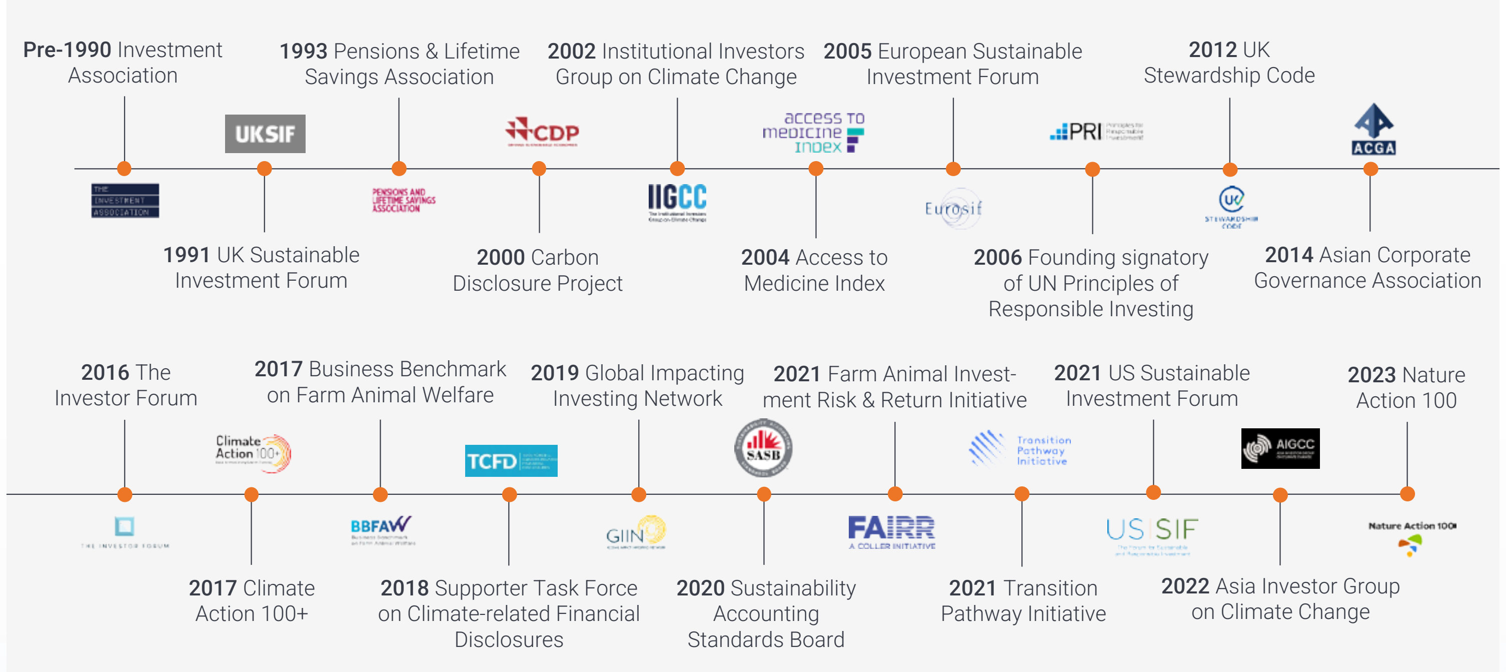
We have been a contributing investor to Climate Action 100+ since 2017, and in 2022 we committed to phase two of CA100+. As "contributing investors," we believe our participation is consistent with how we think about company engagements: encouraging companies to better manage the financially material risks facing them.

We leverage these industry engagements primarily for insight and to understand how portfolio holdings may manage their financially material ESG and climate risks.

We regularly review our participation in any industry body or organisation based on a number of factors, including the value we receive from participating in such organisations and how it benefits our investment process, our clients, and our client's portfolios.

Responsibility-related Initiatives and Memberships

Janus Henderson is involved in a wide range of Responsibility-related initiatives and working groups as a member, supporter or in an advisory capacity.



Responsibility Solutions for our Clients

In 2024, Janus Henderson continued to strengthen our JHI Brighter Future Funds suite by equipping our investment teams with enhanced data and proprietary analysis tools to match our investment capabilities with client needs as demand drives the development of new ESG product ideas. Overall, our JHI Brighter Future Funds are our ESG-focused strategies that go above and beyond integration to have ESG at their core alongside the primary financial objective. These strategies invest in:

Figure 9: JHI Brighter Future Funds Suite

Companies that have leading ESG practices:
Companies that excel in managing ESG risks or taking advantage of financially material ESG opportunities.

Companies that are improving or transitioning:
Companies that excel in managing financially material ESG risks or taking advantage of financially material ESG opportunities.

Companies that provide ESG solutions or enable others:
Companies that offer products and services that are essential to addressing financially material ESG issues.

Responsibility Insights

As part of our commitment to advancing the industry dialogue around Responsibility, we seek to make the thinking of our investment teams widely available to our clients, shareholders, and other stakeholders through a variety of content, including white papers, articles, podcasts, videos, and panel debates.

In 2024, we generated 25 thought leadership and educational pieces on Responsibility topics. The insights included relevant topics such as responsible AI investing, the changing regulatory landscape, and our 2024 ESG Outlook. Our thought leadership pieces can be found on our website.

In terms of specific themes and topics, we produced broader papers and debates on a variety of ESG issues, including methane emissions from the oil & gas industry, deforestation, the role of metals in decarbonisation, renewable energy, and electric and autonomous vehicles. We also published articles outlining our approach to ESG and natural capital investing.

Responsible AI event

As an example of sharing our developed research and insights, in November 2024, we hosted a Responsible artificial intelligence (AI) event, "Navigating the Responsible AI Landscape: Investment risks and opportunities" in our London office. The event covered both the risks and opportunities of AI and aimed to foster a discussion around the social and environmental implications as well as exploring the pathways towards creating AI systems that are not only groundbreaking but also ethical, transparent, and accountable.

Oct 23, 2024 **Features & Outlooks**

What is ESG and why do we care?

Michelle Dunstan

Dec 4, 2024 **Features & Outlooks**

ESG outlook: From moral imperatives to financial materiality

Michelle Dunstan

Dec 10, 2024 **Features & Outlooks**

Building the foundations for responsible AI investing

Michelle Dunstan, Sarah de Lagarde, Alison Porter, and Antony Marsden

2025 TCDF REPORT

Janus Henderson INVESTORS

CLIMATE CONSIDERATIONS IN OUR PORTFOLIOS:

Strategy, Risk Management, and Metrics & Targets

MANAGING CLIMATE CONSIDERATIONS IN OUR PORTFOLIOS:
Strategy, Risk Management, and Metrics & Targets

Strategy: Our Approach to Managing Climate Considerations in our Portfolios

We believe that ESG considerations, including climate change and biodiversity factors, can have a material impact on the financial outcomes of our investments; these financially material considerations are vital to long-term risk-adjusted returns.

Our firmwide Responsible Investment Principles for Long-term Investment Success are based on four key beliefs:

- Investment portfolios are built with the aim to maximise long-term, risk-adjusted returns for our clients.
- Evaluation of financially material climate and ESG factors is a fundamental component of our investment processes for most of our actively managed strategies.
- Engagement is vital to understanding and promoting practices that position the issuers or companies we invest in for future success.
- Investment teams should have the freedom to interpret and implement ESG factors in the way best suited to their asset class and investment strategy objective, as they do for any fundamental investment factor.

The primary responsibility for managing financially material climate risks rests with our investment teams – our analysts and portfolio managers – who are best positioned to assess these risks and integrate them into their research, engagement, and portfolio decisions. We leverage third-party data to provide the statistics, metrics, and scenario analysis that our investment teams need to conduct their assessments.

At Janus Henderson, we strive to equip our investment teams to manage financially material climate and ESG risks and opportunities within our portfolios. This includes providing training and a combination of third-party data and proprietary insights to enable our investment teams to assess risk at a security and portfolio level, and to evaluate the impact on the financial outcomes of each portfolio. This process is a journey on which we have made significant strides in recent years. In 2024, we strengthened our data visualisation and analysis tools to provide easy access to interactive issuer-and portfolio-level ESG insights and drill-down capabilities. We also support our investment teams with expert resources and training, as well as proprietary climate research and insights.

Deep fundamental research has been at the core of our investment process for decades. Our investment teams leverage this research and active engagement to thoughtfully analyse and integrate financially material ESG risks and opportunities, as they would for any fundamental investment factor. ESG and climate data – such as carbon emissions and Climate Value at Risk (CVaR) – is still in its infancy. Much of the data and third-party analytics are estimated and backward-looking and availability across asset classes and issuers is often incomplete, therefore any conclusions drawn can be misleading and require interpretation and judgement. Our investment teams understand their portfolio holdings extremely well and, in partnership with the Responsibility subject matter experts on our central Responsibility Team, are best positioned to provide the necessary distinctive actionable insight.

Risk Management refers to the TCFD Recommendations framework. Any risk management process discussed includes an effort to monitor and manage risk which should not be confused with and does not imply low risk or the ability to control certain risk factors.

Risk Management: Identification, Analysis, and Management of Financially Material Climate-related Risks

We believe that our investment teams are best positioned to research, analyse, and determine the impact of financially material climate and ESG risks and opportunities on both issuers and portfolios. Climate-related risks and opportunities include transition risk like the impact of regulatory and policy change, physical risks associated with the effects of temperature increases, sea level rises, or increases in extreme weather events, as well as technological opportunities such as investing in low-carbon technologies (Figure 10). These risks and opportunities factor into the climate models we have in our toolset.

Figure 10: Portfolio Climate-related Risks and Opportunities

TOPIC	RISK & OPPORTUNITIES	DESCRIPTION	TIME HORIZON
TRANSITION			
Policy	Direct Emissions (Scope 1)	Costs associated with reaching sector-based emission reduction targets based on the Nationally Determined Contributions of the Paris Agreement and using carbon price estimates fom the Integrated Assessment Models	Long-term (15 years)
	Electricity Use (Scope 2)	Costs passed through to final electricity users from power utilities phasing out fossil fuel power plants in favor of lower-carbon power sources	Long-term (15 years)
	Value Chain Emissions (Scope 3)	The share of transition costs passed on from upstream value chain providers who have increased marginal production costs associated with complying with climate policies, and the share of costs absorbed due to impact on market demand for products	Long-term (15 years)
Technology	Technology Opportunities	Benefits from current low-carbon revenues and future green revenue associated with current patents	Long-term (15 years)

Source: MSCI and Janus Henderson

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TOPIC	RISK & OPPORTUNITIES	DESCRIPTION	TIME HORIZON
PHYSICAL			
Acute	Tropical Cyclones	Annually expected damage from severe wind and flood damage	Short-long term 1-75 years)
	Coastal Flooding	Asset damage and prolonged business interruption from sea level rise, based on asset location	
	Fluvial Flooding	Asset damage and business interruption from inundation	
	River Low Flow	Impact of water scarcity on the power production sector	
	Wildfires	Risks to assets based on weather conditions favorable to fire weather, probability of ignition and spread, estimated duration or intensity, and vulnerability to business interruption	
Chronic	Extreme Heat	Costs associated with business interruption when daily maximum heat is >30C or >35C	Short-long term (1-75 years)
	Extreme Cold	Costs associated with business interruption when daily maximum cold is <0C or <-10C	
	Heavy Precipitation	Costs associated with business interruption when when rain is >20mm/day or >50mm/day	
	Extreme Snowfall	Costs associated with business interruption when snowfall is >5cm/day or >20cm/day	
	Extreme Wind	Costs associated with business interruption when gusts are >24.3m/s or >27.8m/s	

Source: MSCI and Janus Henderson

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Risk Management refers to the TCFD Recommendations framework. Any risk management process discussed includes an effort to monitor and manage risk which should not be confused with and does not imply low risk or the ability to control certain risk factors.

Engagement and Stewardship

Engagement and stewardship are integral and natural parts of Janus Henderson's long-term, active approach to investment management. We believe that strong ownership practices such as management engagement is vital to understanding and promoting practices that can help protect and enhance long-term shareholder value.

Our Engagement Approach

Our investment teams often partner with our central Responsibility Team on engagements with company management teams. As part of the central Responsibility Team, the Responsible Investment & Governance (RI & Governance) Team supports the investment teams on relevant ESG issues and developing themes. As long-term active investors, we regard voting and engagement as a means of promoting strong corporate governance, accountability, and management of financially material ESG issues, including climate-related issues. The RI & Governance Team proactively partners with investment desks to coordinate thematic engagements about core ESG themes including climate change.

In general, our investment teams prefer an engagement-focused approach to a firm-level exclusion or divestment policy, both in sectors with higher environmental risk and for issuers where we have identified financially material sustainability, climate, or ESG risks. We believe this approach is best for maximising risk-adjusted returns for our clients and for driving positive change at our portfolio companies. Most products and services offered by an issuer play necessary roles for the global economy – including sectors with higher carbon emissions such as energy, industrials, materials, and utilities. Rather than ignoring issuers in these sectors through automatic exclusion or divestment, engagement leads to two benefits.

Insight

Our investment teams can engage for insight – the knowledge gained through engagements with issuers can be leveraged in the investment process to better inform our research, modeling, and investment decisions. Engaging for insight helps us assess the magnitude of any potential risk, how well an issuer is managing that risk, and the potential impact on that issuer's financial outcomes.

Outcomes

Our investment teams can also engage for outcomes. Where an issuer may be ignoring or not managing a financially material sustainability, climate, or ESG risk, engaging for outcomes can encourage that issuer to adopt policies or practices that will address that risk and better position it for the future.

Discussions with the issuer's management or board of directors directly link the sustainability, climate, or ESG consideration to why we believe addressing it makes them a better company, which we think should lead to improved cash flows, valuations, cost or capital, or credit ratings.

The professionals on our Responsibility Team are both engagement and ESG subject matter experts who can assist in identifying and researching the engagement topics and facilitating the engagements themselves.

Methods of engagement vary depending on the type of engagement. Each investment team decides how they want to engage with a company, and this can take the form of meetings, calls, and letters. In addition, investment teams will try to identify who is the most appropriate person within a company to engage with depending on the subject matter of the engagement. As each team is responsible for assessing the financially material ESG issues applicable to their portfolio holdings, investment teams will develop different objectives for their company engagements. Investment teams engage with companies throughout the year. In addition, if the teams have specific ESG-related issues that they wish to discuss with a company they will frequently proactively organise engagements to address any concerns. The RI & Governance Team also works with all investment teams to highlight potential areas for engagement on portfolio holdings. Objectives in terms of what we are seeking to achieve from more focused proactive engagement work are frequently set out in advance as part of pre-engagement preparation, and all engagements are recorded on our internal research platform.

We take an active approach to communicating our views to issuers and seeking improvements where we believe there are shortcomings in performance, or an issuer or company has failed to apply appropriate standards, or to provide adequate disclosure. We will continue our dialogue with the issuer or company over an extended period if necessary. Common situations on which we have engaged on in the past include concerns over executive or non-executive leadership, mergers & acquisitions, corporate governance standards, disclosure, and remuneration practices. Any decision to escalate our engagement is made on a case-by-case basis.

Escalation of our engagement activities depends upon a company's individual circumstances. We prefer engagement over voting, due to the belief that engagement is generally more productive than simply voting against shareholder meeting proposals. In following our investment team-led approach to responsible investment and stewardship, each investment team has different strategies for escalation appropriate to their investment process and client needs. We do not have a top-down escalation process that applies across all funds, asset classes, and geographies. However, we may escalate in one or more of the following ways:

- Outcome-oriented engagement
- Letter to board
- Meeting with board
- Votes against directors
- Public recognition of issues
- Divestment (fully or partially) and/or do not refinance

Janus Henderson recognises that, in some instances, partnership along with other stakeholders may have the potential to be more effective in managing ESG risks than acting alone. Where appropriate, we pro-actively collaborate with other stakeholders on governance and wider environmental and social engagement issues, directly and through industry bodies in compliance with applicable law(s).

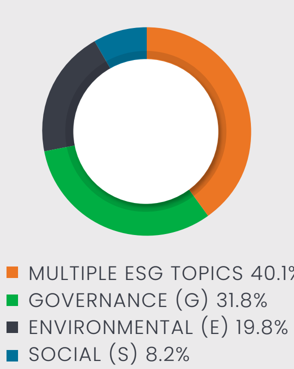
Figure 11: 2024 Stewardship Highlights

2024 Stewardship Highlights

- We recorded more than 700 ESG company engagements in 2024.
- We voted at over 5,500 meetings with over 61,000 items where ESG topics were part of the discussion.

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Energy efficiency	Just transition	ESG disclosure
GHG emissions (Scope 1, 2, & 3)	Diversity, Equity & Inclusion	Delivery of ESG commitments (implementation & progress)
Progress toward net zero	Labour practices	ESG governance (strategy, oversight & accountability)
Recycling & circularity	Supply chain & human rights	Risk management (including cyber security)
Waste & hazardous materials management	Product quality & safety	Accounting practices & audit
Land, air and water pollution	Access & affordability	Business ethics
Biodiversity	Community relations	Bribery & corruption
Raw material sourcing	Consumer protection	Board independence & composition
Water management	Customer health & wellbeing	Ownership & corporate structure
Sustainability-linked bonds (E KPIs)	Data security & privacy	Management stability & succession planning
Labelled bonds (green, blue)	Sustainability-linked bonds (S KPIs)	Executive & board compensation
R&D / sustainable innovation	Labelled bonds (social)	Shareholder rights & returns
Other Env topic	Other Social topic	Other Gov topic

2024 COMPANY ENGAGEMENTS BY TYPE



Climate Engagements

Janus Henderson has been active on the issue of climate change for over two decades and is a founding member of the Institutional Investor Group on Climate Change, as well as a supporter of the CDP and CA100+. We have long recognised that climate risk is a systemic risk and a major threat to a well-functioning financial system. As previously mentioned, we recognise in some instances, partnership along with other stakeholders may have the potential to be more effective in managing financially material ESG risks and opportunities than acting alone. We will sometimes partner with others when we have independently arrived at the same conclusion. We never share our investment or voting intentions, nor do we agree to act in concert in any way. To illustrate our approach, below are a few collaborative engagements we conducted alongside Responsibility-related organisations throughout the past year.

Climate Engagement & Stewardship Case Studies

ENGAGEMENT THEME	RISK MANAGEMENT/REGULATORY COMPLIANCE/ENVIRONMENT
SECTOR	AUTOMOBILES
Rationale for the engagement theme/topic	We were part of a collaborative engagement for insight led by the ACGA, with a Chinese company involved in development and manufacturing of lithium-ion batteries. The primary objective of this engagement was to deepen our understanding of the company's existing ESG practices, policies, and commitments. We consider that ESG reporting, risk management, and the implementation of responsible climate, labour, and supply chain practices is critical to the company's ability to address and mitigate potential regulatory, financial, and reputational risks, particularly in the context of the company's ambitions for global expansion.
What did we do?	In 2024, as part of the ACGA China Working Group, we participated in a collaborative engagement with the company, focusing on understanding its corporate governance and sustainability practices. Our engagement involved discussions with the company's investor relations and ESG teams, covering critical areas such as board composition, sustainability governance, adherence to global ESG benchmarks, carbon neutrality targets, and the management of supply chains and labour practices. This engagement marked our first collaborative effort with the company, building upon previous individual interactions that focused on human rights and supply chain traceability.
Outcome and next steps	The engagement with the company was satisfactory, revealing a comprehensive overview of its governance structure and the extent of managing financially material ESG risks throughout the organisation. We gained insights into the company's advancements toward carbon neutrality, including their considerable investments in carbon reduction and supply chain management in recent years, and future investment strategies. The discussion also provided a platform for addressing recent forced labour allegations and refining the supply chain due diligence process. The company welcomed recommendations for enhancing transparency, aligning more closely with global ESG standards, and improving human rights assessments within supply chains, aided by a human rights framework provided by the ACGA. This engagement has opened multiple avenues for ongoing monitoring and future dialogues. We plan to continue our oversight of the company's progress and anticipate further interactions to assess its continual improvements.

ENGAGEMENT THEME	CLIMATE, TRANSITION PLAN, AND SUSTAINABILITY-RELATED DISCLOSURES
SECTOR	ENERGY
Rationale for the engagement theme/topic	During 2024, we were part of a collaborative engagement for insight with a UK utility company as part of the CA100+ initiative as a Contributing Investor. The group's engagement objectives focus on understanding the company's plans to expand grid capacity, enhance transparency in lobbying activities, and future climate strategy. We believe furthering these efforts will fostering long-term value creation for the company and address regulatory risk.
What did we do?	In 2024, we participated in a collaborative meeting with the company's Chief Sustainability Officer, focusing on a comprehensive review of the company's disclosures. These discussions encompassed a range of topics, including the company's transition strategy, its lobbying policy and association memberships, and its approach to fuel poverty. This meeting continued the dialogue from previous engagements, where the focus had primarily been on emissions reduction initiatives. Our objective was to obtain further insights and updates from the company in these areas during this group engagement.
Outcome and next steps	The dialogue during the meeting was generally positive in that the company recognised the group's engagement priorities and confirmed that much of the company's upcoming sustainability-related reporting would be well-aligned with those areas. It was indicated this would include a review of the company's key association memberships as well as further articulation of their support for addressing fuel poverty as part of its updated Responsible Business Charter.

ENGAGEMENT THEME	BIODIVERSITY
SECTOR	MINING
Rationale for the engagement theme/topic	We are a member of the Nature Action 100 working group involved with engaging a multinational mining company on transparency on the management of biodiversity risks and opportunities. Mining companies have the potential to significantly impact the land and ecosystems in which they operate. Poor biodiversity management including pollution and excessive water use can pose substantial risks to the company, potentially resulting in fines or litigation. Strong management of biodiversity is important for companies to maintain their license to operate. As part of the collaborative engagement, our objective was to understand how companies plan to enhance biodiversity on the lands they manage and improve transparency in their operations.
What did we do?	We conducted research into the company's assessment and disclosure of nature-related impacts and risks and opportunities. This involved looking at their public reporting on water use, air, and water pollution and its impact on biodiversity and nature at or near their assets. We benchmarked its disclosures against another multinational miner in order to identify areas of potential improvement. We then scheduled an engagement with the company to understand its biodiversity targets and initiatives, and the various challenges across their portfolio. We also wanted to discuss how biodiversity was managed and integrated into sustainability governance at the company.
Outcome and next steps	Our impression from the initial discussions was that biodiversity is an area the company is actively addressing. They have dedicated team members, board-level engagement, and ambitious targets in place. They have started using a reporting metric for their impact on biodiversity, which is designed so it can be communicated externally. They are piloting eDNA to collect more accurate data on species loss and gain, and piloting air DNA tests through flying a drone through the sky. The company's Head of Nature also addressed some of the practical use of these data points in business decision making. However, we consider that there is plenty of room still to improve disclosure, especially around how biodiversity data is used to enhance decision making for improved financial outcomes.

Proxy Voting

Janus Henderson has adopted Proxy Voting Policy and Procedures to ensure that proxies are voted in the best interests of clients. Our custom policy is designed to encourage the adoption of widely recognised principles of good corporate governance aligned with the creation of long-term shareholder value. We consider certain core principles to be universal:

- Disclosure and transparency
- Board responsibilities
- Shareholder rights
- Audit and internal controls

While we prefer that companies adhere to these principles, we recognise that a different approach may be justified in certain circumstances. As a fiduciary for our clients, we are primarily concerned with the impact of proposals on a company's performance and economic value. We recognise that environmental and social issues are associated with risks, costs, and benefits which can have a significant impact on company performance over the short and long term. When evaluating the merits of proposals on environmental and social issues, we will weigh the risks, costs, and benefits of supporting the proposals against those presented by alternatives, including potentially seeking similar outcomes through direct engagement activities with management. When voting on climate-related proposals, Janus Henderson is primarily concerned with the impact of proposals on a company's performance and economic value. We will generally support shareholder proposals where we identify significant areas of weakness or deficiency relative to peers and/or industry best practices, or feel that management has failed to adequately respond to shareholder concerns. We will consider voting against the chair of the responsible committee of a company that is a significant greenhouse gas emitter where we believe that the company is not taking the minimum steps needed to understand, assess, and mitigate risks related to climate change.

Portfolio managers on the investment teams are responsible for determining how to vote proxies with respect to securities held in the client accounts they manage with input and support from the RI & Governance Team, other representatives of Janus Henderson, and the Proxy Voting Service, as applicable. Where portfolio management chooses to vote contrary to the voting guidelines adopted by Janus Henderson Investors, they are required to provide a written rationale sufficient to show why Portfolio Management reasonably believes the voting instruction is in the best interest of the client.

Further, Janus Henderson has a Proxy Voting Committee, which is a subcommittee of the Front Office Governance and Risk Committee[7] (FOGRC) and is responsible for establishing positions on major voting issues and creating guidelines to oversee the voting process. The Committee comprises representatives of Portfolio Management, Corporate Governance, Accounting, Legal, and Compliance. Additionally, the Proxy Voting Committee is responsible for monitoring and resolving possible conflicts of interest with respect to proxy voting. Public links to our voting records are available on company websites in applicable jurisdictions.

Metrics & Targets

At an investment level, we integrate financially material ESG factors, including climate-related risks and opportunities, into our analysis and processes for most of our actively managed strategies[8], as appropriate. We believe this helps us identify opportunities and risks and to drive the long-term value of the companies in which we invest. When we think about metrics and targets with respect to our portfolios, our investment teams have access to many different climate metrics and some of our ESG-focused portfolios may have explicit climate-related targets. However, we do not have firmwide carbon reduction targets on our aggregate assets under management (AUM).

ESG Data & Analytics Resources

Investment teams have access to a range of third-party data from providers. This data includes ESG ratings, risks and controversies, business involvement, CVaR, climate risk reports, UN SDG-alignment, principal adverse indicators, and more. Janus Henderson will continue to improve the range of data and analytics available to our investment teams as well as educating our investment teams on embedding climate metrics and scenario analysis into the investment process. Additional available data includes:

- Carbon metrics, such as absolute emissions, energy and fuel consumption, and carbon intensity
- Implied temperature rise (ITR)
- Summary measures, such as whether an issuer reports to CDP or has net zero targets
- CVaR/climate scenario analysis, including physical and transition risks

Corporate issuers are generally well covered by these metrics. We consider carbon intensity (tCO_2e/GDP) for sovereign issuers. Although securitisations are not covered at this time, we are working on the strategic implementation of key party mapping to proxy the ESG research, which could improve coverage in the future.

For products in scope of the UK TCFD regulation, we provide product-level TCFD reports for our clients. These reports detail portfolio climate metrics, including absolute carbon emissions, carbon footprint, weighted average carbon intensity, ITR, and CVaR. Our portfolio reporting leverage three scenarios (NGFS REMIND 1.5°C Orderly, average physical risk; NGFS REMIND 1.5°C Disorderly, aggressive physical risk, and NGFS REMIND 3°C Hot House, aggressive physical risk) for reporting purposes only.

Recently, we have assessed the climate metrics of and conducted climate scenario analysis at an aggregate level across Group AUM (Figures 12-14).

Total carbon emissions are the aggregate financed emissions in tCO_2e of our portfolios based on an enterprise value including cash (EVIC) ownership basis. Total carbon footprint is the total emissions normalised by the total millions of dollars invested in our portfolios, so it is comparable across other asset managers.

Weighted average carbon intensity is the weighted average of our holdings' carbon intensities based on revenue intensity for equities and corporate bonds and GDP intensity for sovereigns. The ITR is the mean temperature rise in degrees Celsius by the end of the century from pre-industrial levels if our portfolios represented the global economy.

New metrics we've assessed at the Group level this year are overall exposure to holdings with Science Based Targets Initiative (SBTi) committed or approved targets. Like our other aggregated climate metrics, these are not metrics we target or manage our portfolios against from a top-down perspective, but we believe these are useful datapoints to understand when evaluating our portfolios' exposure to climate-related risks and opportunities.

[7] Front Office Governance and Risk Committee (FOGRC) is responsible for ensuring that the Janus Henderson Investment Management governance and risk management frameworks are adequate and effective, and that effective measure are in place to enforce appropriate person and market conduct.

[8] As at 31 December 2024 83.25% of our AUM is considered ESG integrated.

Figure 12: Group Portfolio Climate Metrics

ALLOCATION BASE	EVIC	UNITS	2024	COVERAGE
CARBON EMISSIONS				
Total Carbon Emissions	Scope 1 and 2	Tons CO_2e	9,566,079	93.79%
Total Carbon Emissions	Scope 3 Upstream	Tons CO_2e	22,787,654	93.17%
Total Carbon Emissions	Scope 3 Downstream	Tons CO_2e	44,101,120	92.93%
CARBON FOOTPRINT				
Total Carbon Footprint	Scope 1 and 2	Tons CO_2e/$M invested	34.1	93.79%
Total Carbon Footprint	Scope 3 Upstream	Tons CO_2e/$M invested	158.6	92.93%
Total Carbon Footprint	Scope 3 Downstream	Tons CO_2e/$M invested	81.7	93.17%
WEIGHTED AVERAGE CARBON INTENSITY (WACI)				
WACI Corporate Constituents	Scope 1 and 2	Tons CO_2e/$M revenue	89.7	95.30%
WACI Corporate Constituents	Scope 3 Upstream	Tons CO_2e/$M revenue	223.5	94.31%
WACI Corporate Constituents	Scope 3 Downstream	Tons CO_2e/$M revenue	327.1	94.31%
WACI Sovereign Constituents	Weighted Sovereign Intensity	Tons CO_2e/$M GDP nominal	306.5	74.60%
IMPLIED TEMPERATURE RISE (ITR)				
ITR	Scope 1, 2, and 3	Degrees Celcius	2.40	93.60%

Source: MSCI and Janus Henderson.

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Carbon emissions, carbon footprint, WACI corporate constituents, ITR, and SBTi alignment reflect single-name, corporate, long, physical-only positions representing approximately $300bn in AUM, or 81% of our Group-wide AUM. WACI sovereign constituents reflects single-name, sovereign, long, physical-only positions representing approximately $14bn in AUM, or 4% of our Group-wide AUM. Data coverage figures above reflect the data availability within each position carveout. Position data is based on our Accounting Book of Records, which excludes some recent acquisitions, particularly any legacy funds launched prior to acquisition.

Climate Value at Risk (CVaR)

CVaR translates yearly climate costs incurred by companies in the future, in any given scenario, to a present value at risk. These costs may be associated with transition risks and opportunities from policy headwinds or technology opportunities, as well as physical risks. Policy risks and technology opportunities comprise transition risks. Transition risks and physical risks comprise aggregate CVaR.

Figure 13: Group Portfolio Climate Scenario Analysis – Corporate Constituents

	Units	2024	COVERAGE
Scenario: REMIND 1.5C Orderly Average	% Value at Risk	-6.82	72.17%
Transition Climate VaR - Policy	% Value at Risk	-7.16	71.89%
Transition Climate VaR - Technology	% Value at Risk	1.10	72.14%
Physical Climate VaR	% Value at Risk	-0.71	71.29%
Scenario: REMIND 1.5C Disorderly Aggressive	% Value at Risk	-8.34	72.17%
Transition Climate VaR - Policy	% Value at Risk	-8.63	71.89%
Transition Climate VaR - Technology	% Value at Risk	1.51	72.14%
Physical Climate VaR	% Value at Risk	-1.17	71.29%
Scenario: REMIND 3.0C Hot House Aggressive	% Value at Risk	-3.61	72.17%
Transition Climate VaR - Policy	% Value at Risk	-1.70	71.89%
Transition Climate VaR - Technology	% Value at Risk	0.20	72.14%
Physical Climate VaR	% Value at Risk	-2.18	71.29%

Source: MSCI and Janus Henderson.

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Corporate CVaR figures reflect single-name physical, single-name derivative, and multi-name exposure derivative positions representing approximately $359bn in AUM, or 97% of our Group-wide AUM. Data coverage figures above reflect the data availability within that position carveout. Position data is based on our Accounting Book of Records, which excludes some recent acquisitions, particularly any legacy funds launched prior to acquisition. Note that aggregate CVaR is available if at least one of the underlying components is available.

Figure 14: Group Portfolio Climate Scenario Analysis – Sovereign Constituents

	Units	2024	COVERAGE
Scenario: REMIND 1.5C Orderly Average	% Value at Risk	-1.84	63.71%
Scenario: REMIND 1.5C Disorderly Aggressive	% Value at Risk	-2.97	63.71%
Scenario: REMIND 3.0C Hot House Aggressive	% Value at Risk	-0.54	63.71%

Source: MSCI and Janus Henderson.

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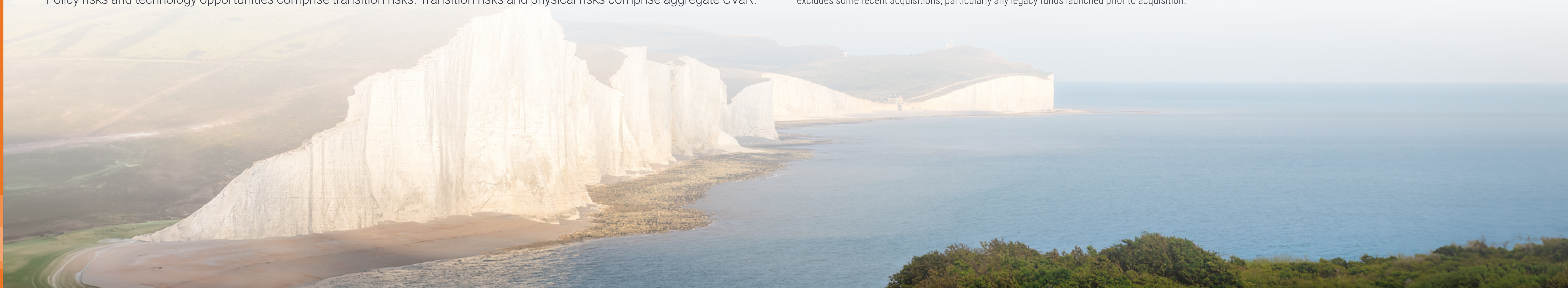
Sovereign CVaR figures reflect single-name physical, single-name derivative, and multi-name exposure derivative positions representing approximately $14bn in AUM, or 4% of our Group-wide AUM. Data coverage figures above reflect the data availability within that position carveout. Position data is based on our Accounting Book of Records, which excludes some recent acquisitions, particularly any legacy funds launched prior to acquisition.



Equipping our Investment Teams

In 2024, we continued to enhance and strengthen the data and tools for our investment teams, including our data visualisation and analysis tools to provide easy access to interactive issuer and portfolio-level ESG insights and drill-down capabilities.

In April 2024, we launched our highly anticipated ESG data tool, ESG Explore (ESGX). ESGX was developed specifically for accessing comprehensive ESG data and analysis. ESGX is designed to empower our investment teams to make informed investment decisions, enabling them to align portfolios with financially material ESG and climate considerations to support our firmwide integration efforts.

This tool is embedded in our proprietary Quantum research systems and used by our investment teams as well as other teams like Risk, Compliance, and Client Reporting. It currently features modules on ESG ratings, climate metrics, controversial business involvement, regulatory indicators—including TCFD—and proprietary engagement data.

At the portfolio level, the TCFD module shows the same quantitative indicators we report in our TCFD product reports, including absolute carbon emissions, carbon footprint, weighted average carbon intensity, ITR, and CVaR. This allows our investment teams to track these metrics for their portfolios throughout the course of the year. Additionally, this module is married with an issuer-level page, which can help teams better understand how portfolio-level metrics are influenced by company-level positions.

Work is underway to develop and release more modules in the coming quarters, including information like climate transition analysis and governance information. Each module includes a page at the portfolio and company or issuer level, allowing our investment teams to better understand the financially material ESG considerations in their portfolios and investee companies. This same data informs our client and regulatory reporting, which helps enhance the transparency of our client communications around ESG risks and opportunities and, for relevant portfolios, ESG commitments.

The tool leverages third-party data as well as proprietary data, which includes our engagement activities and fixed income ESG ratings for corporate and sovereign issuers. While our investment teams and others have used third-party and proprietary ESG data in their decision-making and other processes for many years, we recognised that our teams would benefit from an in-house, golden source for all their ESG data needs, supported by a robust, central ESG data solution behind the scenes. ESGX is one of the many ways we equip our investment teams to incorporate financially material ESG considerations, including climate, into our investment decision-making process.

Climate Transition Assessment Framework

At Janus Henderson Investors, our primary focus is on growing and managing our clients' capital while fulfilling our fiduciary responsibilities. In line with the commitment, we have created our proprietary Climate Transition Assessment (CTA) framework. The CTA provides a more thorough assessment of climate-related risks and opportunities for each issuer provides incremental insights to our investment teams, helping them to generate improved risk-adjusted financial outcomes for our clients. This tool helps our investment teams and clients better evaluate the credibility and feasibility of issuers' decarbonisation and transition plans.

The CTA framework has been developed in partnership between our investment teams and our central Responsibility Team. Utilised by all investment teams, it identifies financially material climate risks and opportunities. The CTA provides an initial assessment of how companies manage these risks and opportunities and helps pinpoint issuers and topics for engagement for insight and/or outcome-oriented action. Our research teams can overwrite the CTA score based on their fundamental analysis, which must be evidenced and approved by the ESGOC.

Figure 15: Janus Henderson's CTA Framework

CLIMATE TRANSITION ASSESSMENT

Dimensions	Pillars	Data examples
AMBITIONS	Scope & Timeline	*Short & long-term climate targets, coverage, progress, offsets, etc.*
	Verification	*Third party verifications by SBTi and MSCI*
ACTIONS	Investments & Innovation	*CapEx investments and low carbon patents*
	Green Activities	*Green revenues, energy use, decarbonisation plans*
ACCOUNTABILITY	Incentives	*Alignment with executive compensation*
	Oversight	*Governance oversight, policies, disclosures, controversies*
ACHIEVEMENTS	Emissions	*Trend in absolute carbon emissions Scope 1, 2, and 3*
	Efficiency	*Trends in carbon and energy efficiency*

Source: Janus Henderson Investors

Based on dozens of data metrics, this tool offers an analytical framework and holistic assessment of issuers across four strategic dimensions—the 4-As dimensions—utilising our proprietary scoring methodology for an initial evaluation of the issuer:

- **Ambitions:** Evaluates the scope and timescale of the issuer's announced climate targets, along with third-party verifications of these decarbonisation commitments.
- **Actions:** Assesses opportunities arising from the issuer's capital investments (CapEx), research and development spending, and announced decarbonisation activities, combined with current revenue, energy consumption, and policy positioning.
- **Accountability:** Reviews executive management compensation linked to achieving decarbonisation targets and the existing oversight structure.
- **Achievements:** Analyses trends in past carbon reduction performance, both in absolute terms and relative efficiency (intensity) terms.

Each of the 4-A dimensions is supported by two strategic pillars ('pillars'), designed to capture the essential strategic, operational, and financial data that management and investors will typically use to structure, create, and assess a credible and legally defensible climate transition strategy and decarbonisation plans. These pillars provide a robust framework for evaluating the issuer's positioning and progress, making it easier to identify weaknesses and strengths. This assists investors in pinpointing areas for further, deeper analysis and determining focus areas for active engagement with the issuer.

Figure 16: Janus Henderson's CTA Framework: Data and Insights

AMBITIONS	ACTIONS	ACCOUNTABILITIES	ACHIEVEMENTS
Scope & Timeline: The issuer's announced climate targets should be considered a cornerstone of its business strategy. Therefore, we evaluate the robustness of the scope and timeline of these targets, including the issuer's progress, coverage of its business model, and reliance on carbon offsets.	**Investments & Innovation:** The issuer's greenhouse gas emissions are primarily generated using its productive assets, including plants, buildings, equipment, logistics, supply chains, and customer usage of its products and services. Therefore, we evaluate the issuer's announced investment plans (CapEx) and operational expenditures (OpEx). Additionally, we assess innovation opportunities by examining the issuer's low-carbon transition patents and intellectual property rights.	**Executive Compensation:** Reviews the linkage of executive management compensation to achieving sustainability and decarbonisation targets, ensuring that incentives are aligned with long-term environmental goals.	**Carbon Emissions:** Analyses the directional trend in the issuer's absolute carbon emission levels across its reported Scope 1 and Scope 2 emissions, as well as estimated or reported Scope 3 emissions across upstream and downstream activities. This helps to understand the issuer's progress or lack thereof in reducing emissions.
Verification: Announcing a strategic climate target is straightforward, but the credibility of these commitments hinges on third-party verification. We assess whether the issuer has sought independent validation of its decarbonisation commitments against science-based pathways. Additionally, we evaluate the robustness of the issuer's plans and actions using insights from other third-party data analytics providers.	**Green Activities:** Evaluates the issuer's current positioning in terms of revenues from climate solutions and decarbonisation activities. This includes assessing the energy mix from high and low carbon sources, announced programs for energy mix changes, efficiency improvements, carbon storage initiatives, and risks associated with fossil fuel reserve ownership and stranded assets.	**Oversight:** Examines the existing oversight and governance structure, environmental policies, disclosures, and the assessment of known energy and climate controversies. This ensures robust governance practices are in place to support climate transition.	**Efficiency:** Evaluates the directional trend in the relative intensity of the issuer's carbon emissions and energy consumption per million dollars of revenue generated. This assessment determines whether the issuer is improving its efficiency over time.

Source: Janus Henderson Investors.

To provide a quick yet thorough evaluation of an issuer's transition readiness, we leverage a diverse array of data inputs. Utilising dozens of metrics complemented by our proprietary assessments, we offer a comprehensive overview of each issuer's positioning. Our eight pillars integrate these insights and metrics, enabling investors to efficiently assess and understand the issuer's strengths and weaknesses. This structured approach ensures a clear and detailed understanding of the issuer's transition readiness. These data points, combined with flags indicating missing information, inform our investment teams' analysis and active engagement with issuers. By leveraging these metrics, our teams can identify strengths, weaknesses, and areas for improvement, ensuring a thorough evaluation of the issuer's climate transition strategy, including past, present, and future decarbonisation risks and opportunities.

Not all data points and metrics are equally important in assessing an issuer's climate transition strategy, positioning, governance, and carbon performance, and not all disclosures are equally robust. For example, an issuer might set an aggressive carbon emission reduction target from a low base after significant reductions have already occurred or set a modest target from a high base after limited decarbonisation efforts. In both scenarios, the issuer has announced a carbon emission reduction target, but one is considerably more challenging to achieve while the other may involve limited efforts. Additionally, some pillars have more data points and metrics available than others due to variations in issuer disclosures, regulatory requirements, and investor demands. To address these variations, we have developed a proprietary scoring system to evaluate each metric on a scale from 0 to 3, with 0 reflecting weak or missing data and 3 indicating metrics of high importance. Given the different number of available metrics across the dozens of metrics and their varying scores, we have normalised and equally weighted the outcomes across the eight pillars. The combined results across the eight pillars are rolled up into an overall CTA score between 0-100%, expressed as a percentage of the maximum available scoring of 100%. Additionally, each of the eight pillars is broken down to provide an easy and quick overview of why an individual issuer has received a certain score—whether due to lack of available data or weak or strong disclosure. A high or low CTA score is not equal to a buy or sell investment recommendation respectively but are entirely used as an input into to the investment analysis process and to pinpoint strengths and weaknesses.

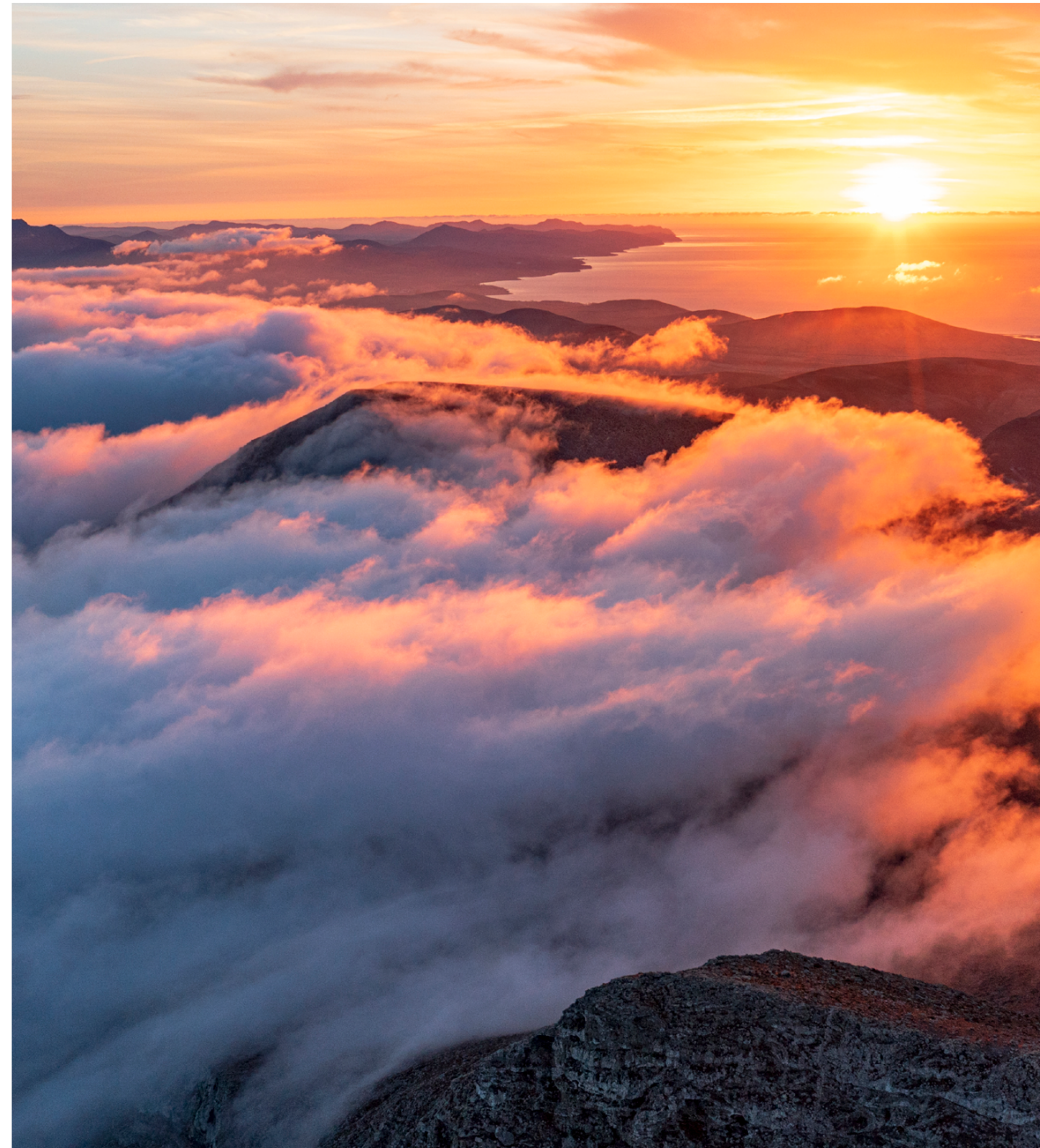
UC Berkeley Partnership

We are also enhancing our investment teams' capabilities through an exciting collaboration with UC Berkeley Executive Education, launching the **Janus Henderson x Berkeley Insight Collective** in November 2024. This strategic partnership marks a significant milestone in our firm's commitment to deepening our understanding of the financial implications of climate change and biodiversity.

Our partnership with UC Berkeley will strengthen our fundamental approach to assessing financially material environmental risks. Topics will range from foundational information on planetary boundaries, carbon budgets, and ecosystem services to more advanced studies of how to model impacts on cost structures, risks, and margins, as well as evaluating corporate transitions plans.

We are excited to leverage UC Berkeley's scientific research capabilities, backed by an impressive heritage of 60 Nobel laureates, the leading Haas School of Business, and the Rausser College of Natural Resources to enhance our investing process. Climate change and biodiversity are two of many factors that can impact cash flows, valuations, and cost of capital. Our work with UC Berkeley faculty will give investment teams, and ultimately clients, the tools they need to assess company performance.

The Responsibility Team continues to provide support to investment desks on understanding ESG and climate data. The Team has assisted with use cases for climate data and tools and written relevant guides on topics such as CVaR. As we continue on our journey to embed analysis of financially material climate risks in our investment processes, we expect to expand our training and integration support across our investment teams.



CONCLUSION

At Janus Henderson, we recognise the importance of addressing the financially material risks and opportunities these challenges pose. We believe this entity-level TCFD report has comprehensively outlined our framework for addressing climate-related risks and opportunities across the recommended areas and demonstrates our commitment to disclosure transparency. We remain dedicated to continuously enhancing and strengthening the data and tools for our investment teams to inform our investment decision-making in the best interest of our clients. We've taken significant steps over the past two decades to minimise our environmental impact and accelerate the transition to a sustainable and brighter future and will continue to do so in 2025 and beyond.

GLOSSARY

Carbon Footprinting refers to the calculation of the total greenhouse gas emissions caused by an individual, event, organisation, service, or product expressed as a carbon dioxide equivalent.

Climate-Related Opportunity refers to the potential positive impacts related to climate change on an organisation. Efforts to mitigate and adapt to climate change can produce opportunities for organisations, such as through resource efficiency and cost savings, the adoption and utilisation of low-emission energy sources, the development of new products and services, and building resilience along the supply chain. Climate-related opportunities will vary depending on the region, market, and industry in which an organisation operates.

Climate-Related Risk refers to the potential negative impacts of climate change on an organisation. Physical risks emanating from climate change can be event-driven (acute) such as increased severity of extreme weather events (eg, cyclones, droughts, floods, and fires). They can also relate to longer-term shifts (chronic) in precipitation and temperature and increased variability in weather patterns (eg, sea level rise). Climate-related risks can also be associated with the transition to a lower-carbon global economy, the most common of which relate to policy and legal actions, technology changes, market responses, and reputational considerations.

Governance refers to "the system by which an organisation is directed and controlled in the interests of shareholders and other stakeholders."

Greenhouse Gas (GHG) Emissions Scopes

- Scope 1 refers to all direct GHG emissions.
- Scope 2 refers to indirect GHG emissions from consumption of purchased electricity, heat, or steam.
- Scope 3 refers to other indirect emissions not covered in Scope 2 that occur in the value chain of the reporting company, including both upstream and downstream emissions. Scope 3 emissions include: 1) purchased goods and services, 2) capital goods, 3) fuel and energy-related activities (not included in Scope 1 or 2), 4) upstream transportation and distribution, 5) waste generated in operations, 6) business travel, 7) employee commuting, 8) upstream leased assets, 9) downstream transportation and distribution, 10) processing of sold products, 11) use of sold products, 12) end-of-life treatment of sold products, 13) downstream leased assets, 14) franchises, and 15) investments.

NGFS The Network for Greening the Financial System is a group of 145 central banks or supervisors 90 countries and 22 observers committed to sharing best practices, contributing to the development of climate –and environment– related risk management in the financial sector and mobilising mainstream finance to support the transition toward a sustainable economy. NGFS have developed climate scenarios to provide a common starting point for analysing climate risks to the economy and financial system.

Risk Management Risk Management refers to the TCFD Recommendations framework outlined in the Appendix on the following page. Any risk management process discussed in this report includes an effort to monitor and manage risk which should not be confused with and does not imply low risk or the ability to control certain risk factors.

Scenario Analysis refers to a process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty. In the case of climate change, for example, scenarios allow an organisation to explore and develop an understanding of how the physical and transition risks of climate change may impact its businesses, strategies, and financial performance over time. Each NGFS scenario used in this disclosure explores a different set of assumptions for how climate policy, emissions and temperatures evolve.

i. **NGFS SCENARIO 1.5°C ORDERLY: Net Zero 2050** limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero CO2 emissions around 2050.

ii. **NGFS SCENARIO 1.5°C DISORDERLY: Divergent Net Zero** reaches net zero around 2050 but with higher costs due to divergent policies introduced across sectors leading to a quicker phase out of oil use

iii. **NGFS SCENARIO 3°C HOT HOUSE: Current Policies** assumes that only currently implemented policies are preserved, leading to high physical risks.

Strategy refers to an organisation's desired future state. An organisation's strategy establishes a foundation against which it can monitor and measure its progress in reaching that desired state. Strategy formulation generally involves establishing the purpose and scope of the organisation's activities and the nature of its businesses, taking into account the risks and opportunities it faces and the environment in which it operates.

Transition Plan refers to an aspect of an organisation's overall business strategy that lays out a set of targets and actions supporting its transition toward a low-carbon economy, including actions such as reducing its GHG emissions.

APPENDIX

	TCFD Recommendations	Report Section	Report Subsection
Governance			
A)	Describe the board's oversight of climate-related risks and opportunities	Governance & Oversight	Roles and Responsibilities
B)	Describe management's role in assessing and managing climate-related risks and opportunities	Corporate Environmental Practices Managing Climate Considerations in Our Portfolios Governance & Oversight	Strategy Risk Management Strategy: Our Approach to Climate Change and ESG
Strategy			
A)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Corporate Environmental Practices	Strategy Risk Management
B)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	Corporate Environmental Practices Governance & Oversight	Strategy Risk Management Functions
	Describe how climate-related risks and opportunities are factored into relevant products or investment strategies'	Managing Climate Considerations in Our Portfolios	Strategy: Our Approach to Climate Change and ESG Risk Management: Identification, Analysis and Management of Financially Material Climate and ESG Risks and Opportunities
	Describe how each product or investment strategy might be affected by the transition to a lower-carbon economy.[1]	Managing Climate Considerations in Our Portfolios	Climate Change and ESG Data Resources Analytics
C)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Corporate Environmental Practices Managing Climate Considerations in Our Portfolios	Risk Management Climate Change and ESG Data Resources and Analytics
Risk Management			
A)	Describe the organisation's process for identifying and assessing climate-related risks	Corporate Environmental Practices Governance & Oversight	Strategy Risk Management Functions
	Describe where appropriate, engagement activity with investee companies to encourage better disclosure and practices related to climate-related risks in order to improve data availability and asset managers' ability to assess climate-related risks[1]	Managing Climate Considerations in Our Portfolios	Risk Management: Identification, Analysis and Management of Financially Material Climate and ESG Risks and Opportunities Engagement and Stewardship
	Describe process for identification and assessment of material climate-related risks for each product or investment strategy. This might include a description of the resources and tools used in the process.[1]	Managing Climate Considerations in Our Portfolios	Strategy: Our Approach to Climate Change and ESG Risk Management: Identification, Analysis and Management of Financially Material Climate and ESG Risks and Opportunities
B)	Describe the organisation's process for managing climate-related risks	Corporate Environmental Practices	Strategy
	Describe management of material climate-related risks for each product or investment strategy'	Managing Climate Considerations in Our Portfolios	Strategy: Our Approach on Climate Change and ESG Risk Management: Identification, Analysis and Management of Financially Material Climate and ESG Risks and Opportunities
C)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Governance & Oversight Corporate Environmental Practices	Strategy Risk Management
Measures and Targets			
A)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Corporate Environmental Practices	Metrics and Targets
	Describe metrics used to assess climate-related risks and opportunities in each product or investment strategy. Where relevant, describe how these metrics have changed over time.[1]	Managing Climate Considerations in Our Portfolios	Climate Change and ESG Data Resources and Analytics
	Where appropriate, provide metrics considered in investment decisions and monitoring.[1]		
	Describe the extent to which their assets under management and products and investment strategies, where relevant, are aligned with a well below 2°C scenario, using whichever approach or metrics best suit their organisational context or capabilities, and to indicate which asset classes are included.[1]		
B)	Disclosure Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Corporate Environmental Practices	Our Carbon Emissions and Targets
	Disclose GHG emissions for their assets under management and the weighted average carbon intensity (WACI) for each product or investment strategy, where data and methodologies allow.[1]	Managing Climate Considerations in Our Portfolios	Metrics and Targets
	Consider providing other carbon footprinting metrics believed to be useful for decision-making.[1]		
C)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Corporate Environmental Practices	Metrics and Targets

[1] This entity-level Climate Change and Task Force on Climate-Related Financial Disclosure Report provides high level information that is broadly applicable across many of Janus Henderson's products and strategies. More detailed information, including actual data and metrics, for in-scope funds/ mandates are available on request.

CARBON EMISSION CALCULATION METHODOLOGY

Disclosures

- Where raw consumption data specific to Janus Henderson (JHG) is not available, we typically apportion whole-building data to JHI based on floor area. Where whole building data is not available, we develop internal benchmarks using data on the use of equivalent utilities in other offices occupied by JHG and apply these through normalisation metrics such as floorspace and headcount. Additionally, in circumstances where equivalent data to that being estimated is available for a different year, this data is used as an estimate for the reporting year as it is the most reliable proxy for estimating individual offices. Water discharge data is also estimated for all offices to be equal to the metered or estimated figure recorded for water withdrawal.
- The corporate data provided for the 2024 reporting year includes emissions associated with companies that JHG acquired in 2024 and have been fully consolidated within JHG's financial accounting. Those acquisitions that are not fully consolidated within JHG's financial accounting have been excluded from this reporting in accordance with the financial control approach to setting organisational boundaries that is defined by the Greenhouse Gas Protocol. The emissions of these acquisitions have largely been estimated by extrapolating data relating to Janus Henderson's other offices, but actual data has been used where it has been made available. Where actual data is provided in future, we will look to amend this to include it. The emissions of these acquisitions have not yet been calculated for prior reporting years, including our base year, but this will be completed for the purpose of future reporting.
- Our reporting boundary excludes offices that we lease but do not occupy as we do not have financial control of these offices and do not consider this typical of our business operations.
- Since our reporting published in 2024, we have amended the reporting of emissions associated with fugitive gases to be included under Scope 1 rather than Scope 3 in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.
- Prior reporting has not accounted for the consumption of diesel in our Denver office for the purpose of operating back-up generators. This data has been accounted for in 2024 and has been reported in Scope 1 as we own the generators. Further review will consider the need to account for this data source in relation to historical reporting including our base year.
- In prior reporting, consumption of heating from basement boilers had been reported in Scope 1. Such energy use has been amended in this reporting to Scope 2 in cases where Janus Henderson does not own, operate or maintain the heating plant, and does not directly purchase the fuel used for the purpose of heating. In cases where fuel is burnt by a third-party for the purpose of operating back-up generators that do not specifically serve JHG, this has not been accounted for in our current reporting.
- Previous reporting had identified zero market-based Scope 2 carbon emissions for the 2023 reporting year due to the mislabelling of heating and cooling data. This has been amended as reported here.
- Following review, it was identified that we had previously purchased insufficient EACs in relation to our electricity consumption for two of our offices in 2023. Subsequently, additional 2024 vintage energy attribute certificates have been purchased to account for this historic shortfall. We consider the vintage of these certificates to be reasonably close to the reporting year of the electricity consumption to which they are applied in accordance with RE100.
- Renewable electricity has not generally been procured for sites operated by companies that Janus Henderson acquired in 2024. However, where excess EACs purchased by Janus Henderson have been available, these have been applied to our acquisition companies who operate facilities within equivalent geographies.
- Electricity consumption in our Edinburgh office has previously been underreported due to issues in how the data was received from the data provider. These issues have been amended for 2024, and we will review whether it is appropriate to make further amendments to our historic data as part of future reporting.
- In prior reporting, 2023 electricity consumption for our Geneva, Zurich, Brisbane, New York offices was estimated based on incorrectly calculated regional averages. The data reported here has been subsequently corrected.
- Prior reporting of 2023 electricity consumption for our Chicago office had been overreported. The data reported here has subsequently been amended.
- The calculation of Scope 2 emissions associated with electricity consumption in our Chicago, Victory Park Capital office has utilised the EPA emission factor for the US average, as opposed to the RFCW eGRID subregion due to observed anomalies in our emission factor reporting software.
- Since our reporting published in 2024, our 2023 Scope 2 data for the London and Denver offices has been updated to include metered data where previous reporting included partial estimates due to data unavailability.
- Apportioned base building electricity consumption has been accounted for from 2023 onwards for several of our offices, and a review will be conducted of the need to amend historical data to account for this.
- The use of heating and cooling networks via our Paris office was previously recorded as electricity consumption. This data has been amended for 2023 and 2024, and a review will be conducted of the need to amend further historic data.
- Our calculation of Scope 2 emissions associated with cooling utilises emission factors for district heating. A review will be conducted to explore whether more appropriate emission factors are available.
- Reported Scope 3 category 1 data is only inclusive of JHG's paper purchases.
- Reported Scope 3 category 3 data is only inclusive of emissions associated with electricity transmission losses. Category 3 emissions have not been reported for all our offices as relevant emission factors are not available in all geographies.
- Scope 3 category 4 includes the purchase of air and road freight services by JHG but does not include the distribution of goods to JHG from its tier 1 suppliers. Additionally, following review, it has been identified that freight data relating to one of our vendors, in addition to the use of two warehouses where purchased product is stored have not been incorporated into our existing reporting. The implication of this will be assessed, and included in future reporting as appropriate.
- Calculation of air freight emissions prior to 2024 has likely been overreported due to inconsistent data collection methodologies. This data has not yet been amended, but a review will be conducted to assess the materiality of this error and make amendments where necessary.
- In prior reporting, a small volume of road freight data has been mislabelled as business travel across multiple years. This has subsequently been amended as reported here.
- Reported Scope 3 category 5 data includes waste disposal, as well as water withdrawal and discharge.
- Since 2023, waste data we receive from our Denver office has been estimated rather than measured, and a review will be undertaken to determine its accuracy and the need for amendment.
- Since 2024, waste data from our London office has been apportioned from building level data rather than specifically measured due to malfunctioning equipment.
- Water data has not been reported for 2022 and has been largely estimated in 2019 where it is deemed to have likely been over reported. A future review will consider the accuracy of this data.
- Water withdrawal data for our Frankfurt and Dubai offices in 2024 has been estimated as meter readings provided by our landlords have been assessed as anomalous. This will be reviewed and amended in future reporting, as necessary.
- Since 2023, Scope 3 category 6 includes the use of personal vehicles for business travel purposes. A future review will consider the need to retrospectively update our baseline and other reporting years to include this data source. Category 6 additionally includes JHG's use of hire cars, whereby distance has been estimated based on an assumed travel distance per hire day and a future review will consider whether this data should be reported in category 8. Category 6 emissions associated with taxi use are estimated from cost data based on an assumed typical cost per mile travelled. Radiative forcing has not been accounted for in our calculation of emissions associated with air business travel.
- Reported Scope 3 category 7 data includes the emissions associated with teleworking but does not include the emissions associated with staff commuting. Our method for calculating homeworking emissions has been amended since 2024 to use Defra's homeworking (office equipment + heating) emission factors in accordance with our data verifiers recommendation.
- Category 7 data for 2023 does not currently account for permanent homeworkers, and this will be reviewed and amended as part of future reporting if deemed material.
- Due to the unavailability of accurate occupancy data prior to 2023, homeworking hours have been estimated by extrapolating 2023 data according to the number of FTE.
- No homeworking emissions have been reported in 2019, as it is expected that homeworking was not material to JHG's operations prior to the COVID-19 pandemic.
- The intensity metrics for waste and water are in terms of full-time equivalents (FTE), excluding contractors.
- As part of historic reporting processes, changes to our assets such as the closing of offices has resulted in the removal of the emission figures associated with this closed asset from our base year and other historic reporting years. This process has not been applied to our 2024 data, and a review will be conducted to explore whether this process was appropriate or whether our reported base year emissions require recalculation.

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