# PUBLIC TRANSPARENCY REPORT

## 2024

## Janus Henderson Investors

Generated 25-11-2024

# About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2024 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

# Disclaimers

## Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

## Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

## Data accuracy

This document presents information reported directly by signatories in the 2024 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented. The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible e that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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# SENIOR LEADERSHIP STATEMENT (SLS)

## SENIOR LEADERSHIP STATEMENT

### SENIOR LEADERSHIP STATEMENT

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| SLS 1 | CORE | N/A | N/A | PUBLIC | Senior Leadership Statement | GENERAL |

**Section 1. Our commitment**

■ Why does your organisation engage in responsible investment?
■ What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Companies and society face an array of challenges in the 21st century. Climate change, pollution and other environment crises are compounding existing social issues like access to food, water, and healthcare. The rise of big tech and artificial intelligence could unlock enormous benefits to humanity but could also threaten jobs, cybersecurity, and data privacy. All of these are environmental, social and governance issues. The are complex, often interlinked, and can pose long-term financially material risks – and opportunities – for investors.

Janus Henderson has a three-pronged approach to Responsibility.

-The first is our own corporate responsibility. 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.

-The second is ESG integration. We believe integrating financially material environmental, social, and governance (ESG) factors is instrumental to fulfilling our fiduciary duty to our clients. Global environmental challenges such as climate change, biodiversity loss and pollution, and societal issues such as wealth and income inequality, access to education and healthcare, and cyberwarfare represent substantial long-term material risks to investor portfolios. We believe integrating these financially material ESG considerations into our investment decisions and stewardship processes allows us to better manage these risks to achieve the best outcomes for our clients.

-The third is our JHI Brighter Future Funds. For clients who want to invest for a purpose beyond risk and return, we continue to build our suite of ESG-focused strategies that have dual objectives – an explicit ESG objective, alongside a financial objective.

Stewardship is an integral part of Janus Henderson's long-term, active approach to investment management. Strong ownership practices through engagement with issuers and voting proxies can help protect and enhance long-term shareholder or bondholder value. Our investment teams engage with the issuers in which they invest to improve performance on material sustainability issues, with a particular focus on our three core engagement themes: climate change; diversity, equity, and inclusion (DEI); and corporate governance. These themes were chosen based on input from our investment teams and clients as key material investment themes across our portfolios and represent major areas of financial risk or opportunity.

Our firmwide ESG Investment Principles are based on four key beliefs:

· Investment portfolios are built to maximise long-term risk-adjusted returns for our clients.

· Evaluation of financially material climate and ESG factors is a fundamental component of the investment process for most of our actively managed strategies.

· Issuer engagement is vital to understanding and promoting business practices that position the issuers 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.

Overall Responsible Investment Approach

Our approach to ESG integration at Janus Henderson is thoughtful, practical, research-based, and forward-looking. We identify financially material ESG issues, and leveraging JH's long-standing focus on deep research, assess the impact of these issues on cash flows, valuations, discount rates, etc. Our investment teams (analysts and portfolio managers) are at the heart of this process. They are sector and company experts and are best place to assess the impact of ESG issues on their holdings. Our investment teams are supported by our central Responsibility team, who are ESG subject matter experts. This team manages ESG strategy and operations, client solutions, and responsible investment and governance, including partnering with the investment teams on research and engagement. This partnership leads to enhanced research and decision-making – marrying the sector and industry expertise of the investment teams with the ESG skills of the Responsibility team.

ESG industry initiatives

In 2023, we joined Nature Action 100, a global investor-led initiative working to drive the necessary corporate action to reverse nature loss. We also participated in roundtables for the Assessing Sovereign Climate-related Opportunities and Risks (ASCOR) Project, which aims to develop a tool that assesses sovereign exposure to climate risk and how governments plan to transition to a low-carbon economy. As a founding member of the PRI, we have long been active in the Responsible Investing industry and have a strong heritage of involvement with sustainability-related organisations and initiatives. A full list is available in our Responsibility Report attached later in this assessment.

## Section 2. Annual overview

■ Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
■ Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
• refinement of ESG analysis and incorporation
• stewardship activities with investees and/or with policymakers
• collaborative engagements
• attainment of responsible investment certifications and/or awards

In 2023, we implemented our revised Responsible Investment Policy, which sets out our approach to ESG investing and ESG Governance and Oversight. Additionally, we added specialist resources to our central Responsibility team to better align our resourcing with our strategic priorities, focusing on four key areas:

Our ESG Strategy & Operations pillar supports our investment and non-investment teams in four areas - Strategic Initiatives, ESG Data and Analytics, Content and Learning and Regulatory/Operations.

Our Responsible Investment & Governance pillar provides direct support to our investment teams, with a focus on equipping and supporting our analysts and portfolio managers in researching industries and securities to select the most attractive candidates for inclusion in our portfolios.

Our ESG Solutions pillar focuses on partnering with our product, distribution, and investment teams to enhance existing portfolios and deliver new portfolios to clients across varying levels of ESG needs, from robust integration to ESG-focused strategies.

Our Diversity & Community Relations pillar focuses on diversity, equity, and inclusion (DEI) and community relations - fostering inclusion, promoting cultural awareness, and establish equitable policies, benefits, and training to support our people and DEI goals.

ESG governance & oversight

We are continually enhancing the governance and oversight of sustainability and climate issues.

Formal oversight of sustainability, climate and ESG issues was put under the remit of the Board of Directors' Governance & Nominations Committee in 2023. Our CRO established tangible metrics with the Committee and will be providing quarterly updates on their progress.

Our ESG Oversight Committee, chaired by our CRO, provides oversight for a range of issues at a portfolio and security level, including monitoring of issuer-level positions for investments identified as having outsized sustainability, climate, or ESG risks. Its remit includes:

- Review of ESG-related metrics & commitments for new funds & mandates and changes to ESG-related existing mandates
- Review of ESG-related processes, systems and resources
- Review of the effectiveness of sustainability controls
- Monitoring of key ESG-related metrics and exceptions

Equipping our teams

In 2023, we finalised a firm-wide proprietary portfolio ESG and Climate Dashboard, which shows portfolio-level analytics for the sustainability factors we believe to be most material for sectors and companies.

In early 2024, our team launched our highly anticipated ESG data tool, ESG Explore (ESGX). This is tool is embedded in the 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 and climate metrics. Work is underway to roll out more modules in the coming quarters, including information like controversial business involvement, regulatory indicators and proprietary engagement data.

Additionally, members of the Responsibility Team continue to upskill. With Janus Henderson support, some team members have recently completed the CFA Program, the Certificate in ESG Investing from the CFA, and the Climate-related Financial Risk Program with the University of Oxford. Multiple members across our investment teams have participated in biodiversity training in partnership with the Durrell Wildlife Conservatory. An onsite for the Responsibility Team in November 2023 focused on building both ESG and non-ESG related skills. Training efforts extend beyond the Responsibility Team and investment teams. For example, over 90% of client-facing Distribution personnel have obtained an external ESG certification.

ESG insights & engagement

In 2023, we generated 28 thought leadership and educational pieces on ESG topics. The insights included our recent conference event hosted by Janus Henderson in October 2023, where analysts from Janus Henderson's Responsible Investment and Governance team discussed their research of water-intensive sectors and the impact of growing water scarcity on businesses.

Janus Henderson's investment teams also engage on a broad range of environmental issues that are most material to the companies and sectors in which they invest. In 2023, we recorded more than 1,000 company engagements with a distinct ESG component.

JHI Brighter Future Funds

Finally, in 2023, product development work focused on strengthening Janus Henderson's existing ESG product suite by delivering on product commitments and setting a foundation for future innovation. Driven by ongoing client interest, Janus Henderson continued to align products with the European Union's Sustainable Finance Disclosure Regulation (SFDR). We converted 41 funds to Article 8 and 9 status as at 31 March 2024.

## Section 3. Next steps

■ What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

We recognise that in a fast-paced world, standing still means being left behind. As a result, we are continually striving to strengthen our ESG capabilities and governance to enable our clients to benefit from leading ESG research, data, and tools. In addition, we aim to continue to equip clients with the latest insights from our investment and Responsibility teams in the form of thought leadership, educational guides, and videos, as well as panels, conferences, and other interactive client events. Over the next two years, we will continue to advance our commitment to Responsible Investing through the following:

1) Continuing to invest in our central Responsibility team to ensure our firm is properly resourced to support both our investment and non-investment teams. Hires over the past year include an experienced ESG executive to lead our ESG Strategy and Operations area, and incremental resources supporting ESG data, client solutions, reporting, regulatory, and marketing/communications.

2) Ensuring our ESG governance and oversight structure remains robust. We recently reviewed of our ESG Oversight Committee and framework to ensure our practices and procedures remain best-in-class and sufficiently robust to provide appropriate oversight of the expanding breadth of ESG areas and regulations, while simultaneously being efficient. We also enhanced board-level ESG capabilities and oversight, with short-and long-term targets, quarterly reviews and quarterly board education. We are now adding reporting and other areas to the remit of our ESG Oversight Committee and expanding it to include a Strategic ESG Advisory Council.

3) Enhancing proprietary ESG data and tools. We continue to strengthen our data visualisation and analysis tools to provide easy access to interactive issuer and portfolio-level ESG insights and drill-down capabilities. While our analysts and portfolios managers are the primary users of these tools, they are also used by our oversight functions, including risk, and for client reporting. ESG Explore, which was launched in April 2023, enables our investment teams to conduct analysis of financially material ESG issues in a way that aligns with their current research process and in a similar way to how they access non-ESG issuer and portfolio data. We will build on the current suite of issuer and portfolio-level modules. Overview, ESG ratings, and climate pages were included in the initial launch; controversial business involvement, engagement, climate transition, and sustainability / regulatory modules are in development.

4) Strengthening and sharing our ESG thought leadership. Through the collaboration and partnership of our investment teams and central Responsibility Team, we will continue to develop ESG research insights across a variety of topics. We hope to enhance the depth of these insights through a partnership with an academic institution that will provide support on both training and research. We also aim to share these insights more broadly with our clients and other external stakeholders, through more personal and interactive events. After hosting a Water Security event in conjunction with the CDP and a Credible Climate Transition webinar, we have events planned on Responsible AI, Food & Nutrition, and Deforestation.

5) Enabling client solutions. We have investing significant effort towards developing a tool kit of “ESG building blocks” to satisfy our clients’ need for strategies that meet both their financial and ESG objectives. This includes ensuring we are continually improving the robustness of our ESG integration and delivering ESG-focused strategies that align with regional and global regulatory requirements. Increasingly, our clients are seeking bespoke solutions for custom ESG objectives; we have developed a flexible “menu” of options that will allow clients to align portfolios – including thematic portfolios – to deliver against those objectives. We have recently seeded an equities Climate Transition strategy using this toolkit, and are actively developing other equities and fixed income strategies.

## Section 4. Endorsement

**'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.**

Name

Michelle Dunstan

Position

Chief Responsibility Officer

Organisation’s Name

Janus Henderson Investors

◉ **A**

**'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.**

○ B

# ORGANISATIONAL OVERVIEW (OO)

## ORGANISATIONAL INFORMATION

### REPORTING YEAR

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 1 | CORE | N/A | N/A | PUBLIC | Reporting year | GENERAL |

**What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?**

| | Date | Month | Year |
|---|---|---|---|
| Year-end date of the 12-month period for PRI reporting purposes: | 31 | 03 | 2024 |

## SUBSIDIARY INFORMATION

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 2 | CORE | N/A | OO 2.1 | PUBLIC | Subsidiary information | GENERAL |

**Does your organisation have subsidiaries?**

○ (A) Yes
◉ **(B) No**

# ASSETS UNDER MANAGEMENT

## ALL ASSET CLASSES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 4 | CORE | OO 3 | N/A | PUBLIC | All asset classes | GENERAL |

**What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?**

| | USD |
|---|---|
| (A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only | US$ 353,595,769,865.00 |
| (B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2] | US$ 0.00 |
| (C) AUM subject to execution, advisory, custody, or research advisory only | US$ 0.00 |

## ASSET BREAKDOWN

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 5 | CORE | OO 3 | Multiple indicators | PUBLIC | Asset breakdown | GENERAL |

**Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].**

| | (1) Percentage of Internally managed AUM | (2) Percentage of Externally managed AUM |
|---|---|---|
| (A) Listed equity | >50-75% | 0% |
| (B) Fixed income | >10-50% | 0% |
| (C) Private equity | 0% | 0% |
| (D) Real estate | 0% | 0% |
| (E) Infrastructure | 0% | 0% |
| (F) Hedge funds | 0% | 0% |
| (G) Forestry | 0% | 0% |
| (H) Farmland | 0% | 0% |
| (I) Other | >10-50% | 0% |
| (J) Off-balance sheet | 0% | 0% |

**(I) Other - (1) Percentage of Internally managed AUM - Specify:**

Multi-asset, alternatives

## ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 5.3 LE | CORE | OO 5 | Multiple | PUBLIC | Asset breakdown: Internally managed listed equity | GENERAL |

**Provide a further breakdown of your internally managed listed equity AUM.**

| | |
|---|---|
| (A) Passive equity | >0-10% |
| (B) Active – quantitative | 0% |
| (C) Active – fundamental | >75% |
| (D) Other strategies | 0% |

## ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 5.3 FI | CORE | OO 5 | Multiple | PUBLIC | Asset breakdown: Internally managed fixed income | GENERAL |

**Provide a further breakdown of your internally managed fixed income AUM.**

| | |
|---|---|
| (A) Passive – SSA | 0% |
| (B) Passive – corporate | 0% |
| (C) Active – SSA | >10-50% |
| (D) Active – corporate | >50-75% |
| (E) Securitised | >10-50% |
| (F) Private debt | 0% |

## GEOGRAPHICAL BREAKDOWN

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 7 | CORE | Multiple, see guidance | N/A | PUBLIC | Geographical breakdown | GENERAL |

**How much of your AUM in each asset class is invested in emerging markets and developing economies?**

| | AUM in Emerging Markets and Developing Economies |
|---|---|
| (A) Listed equity | (2) >0 to 10% |
| (B) Fixed income – SSA | (2) >0 to 10% |
| (C) Fixed income – corporate | (2) >0 to 10% |
| (D) Fixed income – securitised | (1) 0% |

# STEWARDSHIP

## STEWARDSHIP

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 8 | CORE | Multiple, see guidance | Multiple indicators | PUBLIC | Stewardship | GENERAL |

**Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?**

| | (1) Listed equity - active | (2) Listed equity - passive | (3) Fixed income - active | (11) Other |
|---|---|---|---|---|
| (A) Yes, through internal staff | ☑ | ☑ | ☑ | ☑ |
| (B) Yes, through service providers | ☐ | ☐ | ☐ | ☐ |
| (C) Yes, through external managers | ☐ | ☐ | ☐ | ☐ |
| (D) We do not conduct stewardship | ○ | ○ | ○ | ○ |

## STEWARDSHIP: (PROXY) VOTING

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 9 | CORE | Multiple, see guidance | Multiple indicators | PUBLIC | Stewardship: (Proxy) voting | GENERAL |

**Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?**

| | (1) Listed equity - active | (2) Listed equity - passive |
|---|---|---|
| (A) Yes, through internal staff | ☑ | ☑ |
| (B) Yes, through service providers | ☑ | ☑ |
| (C) Yes, through external managers | ☐ | ☐ |
| (D) We do not conduct (proxy) voting | ○ | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 9.1 | CORE | OO 9 | PGS 10.1, PGS 31 | PUBLIC | Stewardship: (Proxy) voting | GENERAL |

**For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?**

| | Percentage of your listed equity holdings over which you have the discretion to vote |
|---|---|
| (A) Listed equity – active | (11) >90 to <100% |
| (B) Listed equity - passive | (11) >90 to <100% |

# ESG INCORPORATION

## INTERNALLY MANAGED ASSETS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 11 | CORE | Multiple, see guidance | Multiple indicators | PUBLIC | Internally managed assets | 1 |

**For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?**

| | (1) Yes, we incorporate ESG factors into our investment decisions | (2) No, we do not incorporate ESG factors into our investment decisions |
|---|---|---|
| (A) Listed equity - passive | ○ | ◉ |
| (C) Listed equity - active - fundamental | ◉ | ○ |
| (E) Fixed income - SSA | ◉ | ○ |
| (F) Fixed income - corporate | ◉ | ○ |
| (G) Fixed income - securitised | ◉ | ○ |
| (V) Other: Multi-asset, alternatives | ◉ | ○ |

## ESG IN OTHER ASSET CLASSES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 15 | CORE | OO 11, OO 12–14 | N/A | PUBLIC | ESG in other asset classes | 1 |

**Describe how your organisation incorporates ESG factors into the following asset classes.**

Internally managed
(C) Other

Our approach to ESG integration at Janus Henderson is thoughtful, practical, research-based, and forward-looking. We identify financially material ESG issues, and leveraging Janus Henderson's long-standing focus on deep research, assess the impact of these issues on cash flows, valuations, discount rates, etc. Our investment teams (analysts and portfolio managers) are at the heart of this process. They are sector and company experts and are best place to assess the impact of ESG issues on their holdings.

Our investment teams are supported by our central Responsibility team, who are ESG subject matter experts. This team manages ESG strategy and operations, client solutions, and responsible investment and governance, including partnering with the investment teams on research and engagement. This partnership leads to enhanced research and decision-making – marrying the sector and industry expertise of the investment teams with the ESG skills of the Responsibility team.

Our 'other' strategies include multi-asset and alternatives. Multi-asset strategies comprise the majority of the AUM in this bucket and we incorporate ESG factors in the majority of the assets in these strategies.

## ESG NOT INCORPORATED

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 16 | CORE | OO 11, OO 12–14 | N/A | PUBLIC | ESG not incorporated | 1 |

**Describe why your organisation does not currently incorporate ESG factors into your investment decisions and/or in the selection, appointment and/or monitoring of external investment managers.**

Internally managed
(A) Listed equity – passive

We offer a range of passive products according to client needs. Some products do not incorporate ESG factors into investment decisions due to the nature of those products and client requirements. Increasingly, we can offer passive products that incorporate ESG factors, in line with client demand

# ESG STRATEGIES

## LISTED EQUITY

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 17 LE | CORE | OO 11 | OO 17.1 LE, LE 12 | PUBLIC | Listed equity | 1 |

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?**

| | Percentage out of total internally managed active listed equity |
|---|---|
| (A) Screening alone | 0% |
| (B) Thematic alone | 0% |
| (C) Integration alone | >50-75% |
| (D) Screening and integration | >10-50% |
| (E) Thematic and integration | 0% |
| (F) Screening and thematic | 0% |
| (G) All three approaches combined | >0-10% |
| (H) None | 0% |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 17.1 LE | CORE | OO 17 LE | LE 9 | PUBLIC | Listed equity | 1 |

**What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?**

| | **Percentage coverage out of your total listed equity assets where a screening approach is applied** |
|---|---|
| (A) Positive/best-in-class screening only | 0% |
| (B) Negative screening only | >75% |
| (C) A combination of screening approaches | >10-50% |

## FIXED INCOME

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 17 FI | CORE | OO 5.3 FI, OO 11 | Multiple, see guidance | PUBLIC | Fixed income | 1 |

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?**

| | **(1) Fixed income - SSA** | **(2) Fixed income - corporate** | **(3) Fixed income - securitised** |
|---|---|---|---|
| (A) Screening alone | 0% | 0% | 0% |
| (B) Thematic alone | 0% | 0% | 0% |
| (C) Integration alone | >75% | >75% | >75% |
| (D) Screening and integration | >10-50% | >10-50% | 0% |
| (E) Thematic and integration | 0% | 0% | 0% |
| (F) Screening and thematic | 0% | 0% | 0% |

| | | | |
|---|---|---|---|
| (G) All three approaches combined | 0% | 0% | 0% |
| (H) None | 0% | 0% | 0% |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 17.1 FI | CORE | OO 17 FI | N/A | PUBLIC | Fixed income | 1 |

**What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?**

| | (1) Fixed income - SSA | (2) Fixed income - corporate |
|---|---|---|
| (A) Positive/best-in-class screening only | 0% | 0% |
| (B) Negative screening only | >75% | >75% |
| (C) A combination of screening approaches | 0% | 0% |

# ESG/SUSTAINABILITY FUNDS AND PRODUCTS

## LABELLING AND MARKETING

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 18 | CORE | OO 11–14 | OO 18.1 | PUBLIC | Labelling and marketing | 1 |

**Do you explicitly market any of your products and/or funds as ESG and/or sustainable?**

◉ **(A) Yes, we market products and/or funds as ESG and/or sustainable**
Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>0-10%

○ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
○ (C) Not applicable; we do not offer products or funds

**Additional information: (Voluntary)**

The percentage above represents Janus Henderson's Brighter Future Funds, a suite of solutions and products which are tailored to meet the needs of our clients who want to invest in ESG focused strategies. These products have an explicit E, S or G objective in addition to a financial objective. This can be evidenced, for example, by thematic selection criteria, focus on investing in ESG leaders or improvers, or targeting a positive environmental or social impact.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 18.1 | CORE | OO 18 | OO 18.2 | PUBLIC | Labelling and marketing | 1 |

**Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?**

◉ **(A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications**
Provide the percentage of AUM that your labelled and/or certified products and/or funds represent:

>0-10%

○ (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 18.2 | CORE | OO 18.1 | N/A | PUBLIC | Labelling and marketing | 1 |

**Which ESG/RI certifications or labels do you hold?**

☐ (A) Commodity type label (e.g. BCI)
☐ (B) GRESB
☐ (C) Austrian Ecolabel (UZ49)
☐ (D) B Corporation
☐ (E) BREEAM
☐ (F) CBI Climate Bonds Standard
☐ (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
☐ (H) DDV-Nachhaltigkeitskodex-ESG-Impact
☐ (I) EU Ecolabel
☐ (J) EU Green Bond Standard
☑ **(K) Febelfin label (Belgium)**
☐ (L) Finansol
☐ (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
☐ (N) Greenfin label (France)
☐ (O) Grüner Pfandbrief
☐ (P) ICMA Green Bond Principles
☐ (Q) ICMA Social Bonds Principles
☐ (R) ICMA Sustainability Bonds Principles
☐ (S) ICMA Sustainability-linked Bonds Principles
☐ (T) Kein Verstoß gegen Atomwaffensperrvertrag
☑ **(U) Le label ISR (French government SRI label)**
☐ (V) Luxflag Climate Finance
☐ (W) Luxflag Environment
☐ (X) Luxflag ESG
☐ (Y) Luxflag Green Bond
☐ (Z) Luxflag Microfinance
☐ (AA) Luxflag Sustainable Insurance Products
☑ **(AB) National stewardship code**
Specify:

Janus Henderson is a UK Stewardship Code Signatory

☐ (AC) Nordic Swan Ecolabel
☐ (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)

☐ (AE) People's Bank of China green bond guidelines
☑ **(AF) RIAA (Australia)**
☑ **(AG) Towards Sustainability label (Belgium)**
☐ (AH) Other

# SUMMARY OF REPORTING REQUIREMENTS

## SUMMARY OF REPORTING REQUIREMENTS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 21 | CORE | Multiple indicators | Multiple indicators | PUBLIC | Summary of reporting requirements | GENERAL |

**The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.**

| Applicable modules | (1) Mandatory to report (pre-filled based on previous responses) | (2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module | (2.2) Voluntary to report. No, I want to opt-out of reporting on the module |
|---|---|---|---|
| Policy, Governance and Strategy | ◉ | ○ | ○ |
| Confidence Building Measures | ◉ | ○ | ○ |
| (C) Listed equity – active – fundamental | ◉ | ○ | ○ |
| (E) Fixed income – SSA | ◉ | ○ | ○ |
| (F) Fixed income – corporate | ◉ | ○ | ○ |
| (G) Fixed income – securitised | ◉ | ○ | ○ |

# SUBMISSION INFORMATION

## REPORT DISCLOSURE

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| OO 32 | CORE | OO 3, OO 31 | N/A | PUBLIC | Report disclosure | GENERAL |

**How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?**

○ (A) Publish as absolute numbers
◉ **(B) Publish as ranges**

# POLICY, GOVERNANCE AND STRATEGY (PGS)

## POLICY

### RESPONSIBLE INVESTMENT POLICY ELEMENTS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 1 | CORE | OO 8, OO 9 | Multiple indicators | PUBLIC | Responsible investment policy elements | 1, 2 |

**Which elements are covered in your formal responsible investment policy(ies)?**

☑ **(A) Overall approach to responsible investment**
☑ **(B) Guidelines on environmental factors**
☐ (C) Guidelines on social factors
☐ (D) Guidelines on governance factors
☐ (E) Guidelines on sustainability outcomes
☐ (F) Guidelines tailored to the specific asset class(es) we hold
☑ **(G) Guidelines on exclusions**
☐ (H) Guidelines on managing conflicts of interest related to responsible investment
☑ **(I) Stewardship: Guidelines on engagement with investees**
☐ (J) Stewardship: Guidelines on overall political engagement
☐ (K) Stewardship: Guidelines on engagement with other key stakeholders
☑ **(L) Stewardship: Guidelines on (proxy) voting**
☑ **(M) Other responsible investment elements not listed here**
Specify:

Governance and Oversight, Escalation Requirements, Stewardship and Engagement, Proxy Voting, Conflicts of Interest

○ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 2 | CORE | PGS 1 | Multiple, see guidance | PUBLIC | Responsible investment policy elements | 1 |

**Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?**

☐ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
☐ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
☐ (C) Specific guidelines on other systematic sustainability issues
◉ **(D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues**

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 3 | CORE | PGS 1, PGS 2 | N/A | PUBLIC | Responsible investment policy elements | 6 |

**Which elements of your formal responsible investment policy(ies) are publicly available?**

☑ **(A) Overall approach to responsible investment**
Add link:

https://cdn.janushenderson.com/webdocs/Responsible+Investment+Policy+2024.pdf

☑ **(B) Guidelines on environmental factors**
Add link:

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

☑ **(J) Guidelines on exclusions**
Add link:

https://cdn.janushenderson.com/webdocs/Responsible+Investment+Policy+2024.pdf

☑ **(L) Stewardship: Guidelines on engagement with investees**
Add link:

https://cdn.janushenderson.com/webdocs/Responsible+Investment+Policy+2024.pdf

☑ **(O) Stewardship: Guidelines on (proxy) voting**
Add link:

https://cdn.janushenderson.com/webdocs/v8+JH+Proxy+Voting+Policy+and+Procedures+-+February+2024+-+Final.pdf

☑ **(P) Other responsible investment aspects not listed here**
Add link:

https://cdn.janushenderson.com/webdocs/Responsible+Investment+Policy+2024.pdf

○ (Q) No elements of our formal responsible investment policy(ies) are publicly available

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 4 | PLUS | PGS 1 | N/A | PUBLIC | Responsible investment policy elements | 1 – 6 |

**Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?**

◉ **(A) Yes**
Elaborate:

As investment professionals, our first responsibility is, and always has been, to our clients' interests and goals – growing and smartly managing their capital and fulfilling our fiduciary responsibilities. As an active manager, integrating environmental, social and governance (ESG) factors into our investment decision making and ownership practices is fundamental to delivering the results our clients seek. ESG issues can have a material impact on the financial outcomes of our investments.

○ (B) No

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 5 | CORE | PGS 1 | N/A | PUBLIC | Responsible investment policy elements | 2 |

**Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?**

☑ **(A) Overall stewardship objectives**
☑ **(B) Prioritisation of specific ESG factors to be advanced via stewardship activities**
☑ **(C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts**
☑ **(D) How different stewardship tools and activities are used across the organisation**
☑ **(E) Approach to escalation in stewardship**
☑ **(F) Approach to collaboration in stewardship**
☑ **(G) Conflicts of interest related to stewardship**
☑ **(H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa**
☑ **(I) Other**
Specify:

As outlined in our UK Stewardship Code report and Proxy Voting Policy.

○ (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 6 | CORE | PGS 1 | N/A | PUBLIC | Responsible investment policy elements | 2 |

**Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?**

☐ (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
☐ (B) Yes, it includes voting principles and/or guidelines on specific social factors
☑ **(C) Yes, it includes voting principles and/or guidelines on specific governance factors**
○ (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 7 | CORE | OO 9 | N/A | PUBLIC | Responsible investment policy elements | 2 |

**Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?**

◉ **(A) We have a publicly available policy to address (proxy) voting in our securities lending programme**
Add link(s):

https://cdn.janushenderson.com/webdocs/v8+JH+Proxy+Voting+Policy+and+Procedures+-+February+2024+-+Final.pdf

○ (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
○ (C) We rely on the policy of our external service provider(s)

- ○ (D) We do not have a policy to address (proxy) voting in our securities lending programme
- ○ (E) Not applicable; we do not have a securities lending programme

## RESPONSIBLE INVESTMENT POLICY COVERAGE

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 8 | CORE | PGS 1 | N/A | PUBLIC | Responsible investment policy coverage | 1 |

**What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?**

| | Combined AUM coverage of all policy elements |
|---|---|
| (A) Overall approach to responsible investment<br>(B) Guidelines on environmental factors | (5) >80% to 90% |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 10 | CORE | OO 8, OO 9, PGS 1 | N/A | PUBLIC | Responsible investment policy coverage | 2 |

**Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?**

☑ **(A) Listed equity**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(B) Fixed income**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%

- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(I) Other**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 10.1 | CORE | OO 9.1, PGS 1 | N/A | PUBLIC | Responsible investment policy coverage | 2 |

**What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?**

☑ **(A) Actively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(B) Passively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

# GOVERNANCE

## ROLES AND RESPONSIBILITIES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 11 | CORE | N/A | Multiple indicators | PUBLIC | Roles and responsibilities | 1 |

**Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?**

☑ **(A) Board members, trustees, or equivalent**
☑ **(B) Senior executive-level staff, or equivalent**
Specify:

Chief Responsibility Officer

☑ **(C) Investment committee, or equivalent**
Specify:

ESG Oversight Committee, and Executive Committee

☑ **(D) Head of department, or equivalent**
Specify department:

Chief Responsibility Officer

○ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 11.1 | CORE | PGS 1, PGS 2, PGS 11 | N/A | PUBLIC | Roles and responsibilities | 1, 2 |

**Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?**

| | (1) Board members, trustees, or equivalent | (2) Senior executive-level staff, investment committee, head of department, or equivalent |
|---|---|---|
| (A) Overall approach to responsible investment | ☑ | ☑ |
| (B) Guidelines on environmental, social and/or governance factors | ☐ | ☑ |
| (H) Guidelines on exclusions | ☐ | ☑ |

| | | |
|---|---|---|
| (J) Stewardship: Guidelines on engagement with investees | ☐ | ☑ |
| (M) Stewardship: Guidelines on (proxy) voting | ☐ | ☑ |
| (N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies) | ○ | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 11.2 | CORE | N/A | N/A | PUBLIC | Roles and responsibilities | 1 – 6 |

**Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?**

○ (A) Yes
○ (B) No
◉ **(C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties**

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 12 | CORE | N/A | N/A | PUBLIC | Roles and responsibilities | 1 |

**In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?**

☑ **(A) Internal role(s)**
Specify:

Chief Responsibility Officer; Global Head of ESG Strategy & Operations, Global Head of Responsible Investing & Governance, Global Head of ESG Solutions & Strategic Initiatives

☐ (B) External investment managers, service providers, or other external partners or suppliers
○ (C) We do not have any internal or external roles with responsibility for implementing responsible investment

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 13 | CORE | PGS 11 | N/A | PUBLIC | Roles and responsibilities | 1 |

**Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?**

○ (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

◉ **(B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent**

Explain why: (Voluntary)

While we do not use responsible investment KPIs to evaluate the performance of our board members or trustees, ESG considerations are included in the remuneration process for staff with ESG-specific responsibilities. In addition, we believe that creating a diverse and inclusive environment is a cultural value and is everyone's responsibility, and this measure of ESG is included in all staff performance evaluations which ties directly to the remuneration process.

Regarding sustainability KPIs for senior managers, sustainability risks are included as part of the Company's annual risk assessment, which is considered by the Compensation Committee to address types of risk relevant to the firm, and where required to adjust variable compensation pools. The Compensation Committee retains overall approval of senior manager compensation and will consider the annual risk assessment as part of the individual approval of variable compensation awards to senior managers.

Finally, our Governance and Nominations Committee, which has formal oversight of ESG and climate issues, consists of several members with significant expertise in ESG, including climate change, although their compensation is not linked to responsible investment KPIs.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 14 | CORE | PGS 11 | N/A | PUBLIC | Roles and responsibilities | 1 |

**Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?**

◉ **(A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)**

Indicate whether these responsible investment KPIs are linked to compensation

- ◉ **(1) KPIs are linked to compensation**
- ○ (2) KPIs are not linked to compensation as these roles do not have variable compensation
- ○ (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

The compensation of Janus Henderson's CEO is assessed using a scorecard, and in 2023, the scorecard included ESG-related objectives. These targets are rolled out to the performance scorecards of other members of the Executive Committee where this is relevant to their role. ESG considerations are included in the remuneration process for staff with ESG-specific responsibilities. In addition, we believe that creating a diverse and inclusive environment is a cultural value and is everyone's responsibility and this measure of ESG is included in all staff performance evaluations which ties directly to the remuneration process. Regarding sustainability KPIs for senior managers, sustainability risks are included as part of the Company's annual risk assessment, which is considered by the Compensation Committee to address types of risk relevant to the firm, and where required to adjust variable compensation pools. The Compensation Committee retains overall approval of senior manager compensation and will consider the annual risk assessment as part of the individual approval of variable compensation awards to senior managers.

○ (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 15 | PLUS | PGS 11 | N/A | PUBLIC | Roles and responsibilities | 1 |

**What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?**

| | (1) Board members, trustees or equivalent | (2) Senior executive-level staff, investment committee, head of department or equivalent |
|---|---|---|
| (A) Specific competence in climate change mitigation and adaptation | ☑ | ☑ |
| (B) Specific competence in investors' responsibility to respect human rights | ☐ | ☑ |
| (C) Specific competence in other systematic sustainability issues | ☑ | ☑ |
| (D) The regular training of this senior leadership role does not include any of the above responsible investment competencies | ○ | ○ |

## EXTERNAL REPORTING AND DISCLOSURES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 16 | CORE | N/A | N/A | PUBLIC | External reporting and disclosures | 6 |

**What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?**

☑ **(A) Any changes in policies related to responsible investment**
☑ **(B) Any changes in governance or oversight related to responsible investment**
☑ **(C) Stewardship-related commitments**
☑ **(D) Progress towards stewardship-related commitments**
☑ **(E) Climate–related commitments**
☑ **(F) Progress towards climate–related commitments**
☑ **(G) Human rights–related commitments**
☐ (H) Progress towards human rights–related commitments
☐ (I) Commitments to other systematic sustainability issues
☐ (J) Progress towards commitments on other systematic sustainability issues
○ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 17 | CORE | N/A | N/A | PUBLIC | External reporting and disclosures | 6 |

**During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?**

☑ **(A) Yes, including all governance-related recommended disclosures**
☑ **(B) Yes, including all strategy-related recommended disclosures**
☑ **(C) Yes, including all risk management–related recommended disclosures**
☑ **(D) Yes, including all applicable metrics and targets-related recommended disclosures**
○ (E) None of the above
Add link(s):

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 18 | PLUS | N/A | N/A | PUBLIC | External reporting and disclosures | 6 |

**During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?**

☑ **(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**
Link to example of public disclosures

https://www.janushenderson.com/en-lu/advisor/eu-sfdr-absolute-return-fund/

☐ (B) Disclosures against the European Union's Taxonomy
☐ (C) Disclosures against the CFA's ESG Disclosures Standard
☑ **(D) Disclosures against other international standards, frameworks or regulations**
Specify:

CDP

Link to example of public disclosures

https://www.cdp.net/en/responses/8237

☑ **(E) Disclosures against other international standards, frameworks or regulations**
Specify:

TCFD

Link to example of public disclosures

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

☑ **(F) Disclosures against other international standards, frameworks or regulations**
Specify:

UK Stewardship Code

Link to example of public disclosures

https://cdn.janushenderson.com/webdocs/2023%2520JHI%2520UK%2520Stwardship%2520Code%2520Report_FINAL.pdf

☑ **(G) Disclosures against other international standards, frameworks or regulations**

Specify:

Modern Slavery and Human Trafficking, SASB

Link to example of public disclosures

https://s25.q4cdn.com/573549252/files/doc_downloads/2024/05/2023-year-end-jhi-modern-slavery-and-human-trafficking-statement.pdf

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 19 | CORE | N/A | N/A | PUBLIC | External reporting and disclosures | 6 |

**During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?**

◉ **(A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement**

Add link(s):

https://www.ici.org/member-organizations

○ (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

○ (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

# STRATEGY

## CAPITAL ALLOCATION

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 20 | CORE | N/A | N/A | PUBLIC | Capital allocation | 1 |

**Which elements do your organisation-level exclusions cover?**

☐ (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services

☐ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries

☐ (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact

☐ (D) Exclusions based on our organisation’s climate change commitments

☑ **(E) Other elements**

Specify:

Issuers Excluded:

A direct manufacturer of and / or minority shareholding of 20% or greater in a manufacturer of:

-Cluster munitions

-Anti-personnel mines

-Chemical weapons

-Biological weapons

○ (F) Not applicable; our organisation does not have any organisation-level exclusions

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 21 | CORE | N/A | N/A | PUBLIC | Capital allocation | 1 |

**How does your responsible investment approach influence your strategic asset allocation process?**

☑ **(A) We incorporate ESG factors into our assessment of expected asset class risks and returns**
Select from dropdown list:
○ (1) for all of our AUM subject to strategic asset allocation
◉ **(2) for a majority of our AUM subject to strategic asset allocation**
○ (3) for a minority of our AUM subject to strategic asset allocation

☑ **(B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns**
Select from dropdown list:
○ (1) for all of our AUM subject to strategic asset allocation
◉ **(2) for a majority of our AUM subject to strategic asset allocation**
○ (3) for a minority of our AUM subject to strategic asset allocation

☑ **(C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns**
Select from dropdown list:
○ (1) for all of our AUM subject to strategic asset allocation
◉ **(2) for a majority of our AUM subject to strategic asset allocation**
○ (3) for a minority of our AUM subject to strategic asset allocation

☐ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

○ (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns

○ (F) Not applicable; we do not have a strategic asset allocation process

## STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 22 | CORE | OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

**For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?**

| | (1) Listed equity | (2) Fixed income |
|---|---|---|
| (A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues. | ◉ | ◉ |
| (B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues. | ○ | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 23 | PLUS | OO 5, OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

**How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?**

Janus Henderson prioritises investee engagement based primarily on our assessment of the materiality of ESG factors on financial/operational performance and input from our clients. Individual investment teams establish their own priorities best aligned with their investment process and client base. Additional factors include consideration of systemic sustainability issues such as climate change, one of our core engagement themes that we have identified based on input from our investment teams and our clients. Our other core themes are diversity, equity and inclusion, and corporate governance.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 24 | CORE | OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

**Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?**

○ (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
◉ **(B) We collaborate on a case-by-case basis**
○ (C) Other
○ (D) We do not join collaborative stewardship efforts

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 24.1 | PLUS | OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

**Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.**

We recognise that in some instances joint action by shareholders has the potential to be more effective than acting alone. This is especially so in relation to systemic sustainability issues. Janus Henderson proactively collaborates with other investors on sustainability issues, directly and through industry bodies. Collaborative stewardship represents a unified effort by shareholders and stakeholders to push companies towards more responsible and sustainable practices that will enhance long term cash flows and valuations. It combines direct joint actions, such as engaging in dialogues, with the sharing of insights and strategies to improve company transparency on sustainability issues. We review all proposals for collective engagement initiatives on a case-by-case basis. Alongside our usual criteria based on the size of our shareholding, the materiality of the issues and our ability to influence, the core criteria for collective engagement are the alignment of interests of participants and the potential for collaborative action to be more effective than acting alone. Janus Henderson's decision to engage in collaborative stewardship, and any action taken as a result of such collaboration, will be in what JHI believes to be in the best interests of its clients and shareholders.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 25 | PLUS | OO 5, OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

**Rank the channels that are most important for your organisation in achieving its stewardship objectives.**

☑ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**
Select from the list:
◉ **1**
○ 5

☑ **(B) External investment managers, third-party operators and/or external property managers, if applicable**
Select from the list:
◉ **4**
○ 5

☐ (C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers
☑ **(D) Informal or unstructured collaborations with investors or other entities**
Select from the list:
◉ **3**
○ 5
☑ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**
Select from the list:
◉ **2**
○ 5
○ (F) We do not use any of these channels

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 26 | PLUS | OO 8, OO 9, PGS 1 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

**How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?**

☐ (A) Example(s) of measures taken when selecting external service providers:
☐ (B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:
☑ **(C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:**

None of our engagement is outsourced. For proxy voting, we leverage external providers to facilitate voting logistics and help implement policy. We do not outsource voting decisions to external service providers. Within the existing proxy landscape, there is currently no mechanism by which vote confirmations are provided by the issuer/tabulator to the voting investor/beneficial owner. As such, ISS is able to verify the following: -The proxy delivery agent has delivered ballots that match its clients' reported holdings -The proxy delivery agent has received the voting instructions sent by ISS on behalf of its clients -The proxy delivery agent has delivered the votes (in aggregate) to the tabulator

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 27 | PLUS | OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

**How are your organisation's stewardship activities linked to your investment decision making, and vice versa?**

Aside from expectations outlined under our ESG investment principles, the precise approach to and depth of ESG integration is down to the discretion and judgement of our investment teams, who apply their differentiated perspectives, insight and experience to identify sustainable business practices that can generate long-term value for investors.

We place our investment team analysts at the heart of the research process; they are sector / industry experts and best positioned to effectively conduct and integrate ESG analysis. They are the ones with primary responsibility for idea generation, identifying key controversies / areas of research, conducting detailed research, financial modelling / forecasting and engagement. To be truly integrated, ESG must be embedded throughout this process - and therefore driven by the investment teams. They are supported by the ESG subject-matter experts on our central Responsibility Team. The Responsibility Team's role is first to help equip the investment teams to conduct ESG analysis with training and toolsets, and then to partner with them to enhance the quality and depth of ESG research and engagement, where the investment teams need support.

We encourage and support investment teams in embedding ESG factors in their work. This support includes centralised functions, such as data management, research, investment platforms and risk management tools:

- Internal Research Platform: Investment teams are responsible for sharing relevant ESG research produced in-house by analysts on centralised research platforms.

- Responsibility Team: A central specialised group of ESG subject-matter experts that supports both the investments teams and non-investment teams on a range of ESG issues. The Responsibility Team equips investors with ESG training and toolsets, and supports them on ESG research, ESG engagements, proxy voting, and other ESG integration topics.

- ESG Risk Reporting: ESG data is incorporated into our risk reporting tools, covering issues such as exposure to companies with low ESG ratings, controversies, weak corporate governance, and climate risk.

- ESG Research, Data, and Ratings: Janus Henderson subscribes to a broad range of external ESG information providers and makes this information available directly to the investment teams

As it relates to our engagement activities, each investment team is responsible for assessing the ESG issues applicable to their portfolio holdings, with each investment team developing different objectives for their company engagements. Investment teams hold meetings with companies throughout the year, many of which cover ESG issues. 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 Responsibility 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.

The impact of voting on corporate behaviour is reviewed by investment teams where relevant as part of their broader company engagement work. In addition, the Responsible Investment and Governance team within the central Responsibility team reviews proxy voting results on an ongoing basis and monitor progress in support of company engagement work. While we do not seek to systematically track this across investments, we have numerous case studies where significant opposition to company proposals has likely contributed to change. Examples would include actions taken in response to voting on remuneration policies, director elections and shareholder proposals attracting a high degree of support.

All research and engagements, including ESG research and engagements, are documented by analysis in our existing fundamental research platform systems, Quantum (Fixed Income) and EQuantum (Equities). We distinguish between different types of engagement:

- Engaging for insight: where we strive to learn more about a company's ESG risks/opportunities and how they are managing them to leverage that information in the research and investment process

- Engaging for action: where we have identified an area where a company is not managing an ESG risk, we encourage them to take specific action that are in the best-interest of their long-term sustainable cash flows (outcome-oriented engagements)

This enables us to track these action-oriented engagements across multiple interactions, in order to assess progress and outcomes. It will also allow us to better capture the themes or topics engaged upon and will enable better reporting on engagements to our clients.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 28 | PLUS | OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

**If relevant, provide any further details on your organisation's overall stewardship strategy.**

Further details about our stewardship approach can be found in our 2023 UK Stewardship Code report:
https://cdn.janushenderson.com/webdocs/2023%2520JHI%2520UK%2520Stwardship%2520Code%2520Report_FINAL.pdf

## STEWARDSHIP: (PROXY) VOTING

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 29 | CORE | OO 9, PGS 1 | N/A | PUBLIC | Stewardship: (Proxy) voting | 2 |

**When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?**

☑ **(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

◉ **(1) in all cases**
○ (2) in a majority of cases
○ (3) in a minority of cases

☑ **(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**

Select from the below list:

◉ **(1) in all cases**
○ (2) in a majority of cases
○ (3) in a minority of cases

○ (D) We do not review external service providers' voting recommendations
○ (E) Not applicable; we do not use external service providers to give voting recommendations

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 30 | CORE | OO 9 | N/A | PUBLIC | Stewardship: (Proxy) voting | 2 |

**How is voting addressed in your securities lending programme?**

○ (A) We recall all securities for voting on all ballot items
○ (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
◉ **(C) Other**

Specify:

-Stock lending makes an important contribution to market liquidity and provides additional investment return potential for our clients. Voting rights are transferred with any stock that is lent, however, Janus Henderson adopts a minimum recall policy to automatically recall all stock for Special meetings, and Mergers and Acquisitions. In addition, Portfolio Managers have the ability to automatically recall stock based on a company's governance risk rating and/or on an ad hoc basis. JPM offer an automated recall service in order to recall shares based on the PM's election.

-Minimum Requirement: At a minimum each fund will have loans automatically recalled prior to record date for Special meetings, Mergers and Acquisitions, known as ISS's SSR (Special Situations Research).

-ISS's Special Situations Research monitors economic proposals, Mergers and Acquisitions activity and is applied across both Annual and Special meetings.

-In addition to the minimum requirement, PM's can elect either to not recall, recall all shares or recall based on a moderate or high rating using the ISS Governance Quality Score, scoring methodology indicating a company's governance risk, relative to its index and region for Annual meetings.

○ (D) We do not recall our securities for voting purposes
○ (E) Not applicable; we do not have a securities lending programme

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 31 | CORE | OO 9.1 | N/A | PUBLIC | Stewardship: (Proxy) voting | 2 |

**For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?**

○ (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
◉ **(B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal**
○ (C) We vote in favour of shareholder resolutions only as an escalation measure
○ (D) We vote in favour of the investee company management's recommendations by default
○ (E) Not applicable; we do not vote on shareholder resolutions

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 32 | CORE | OO 9 | N/A | PUBLIC | Stewardship: (Proxy) voting | 2 |

**During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?**

☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
☐ (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
☑ **(C) We privately communicated our voting decision to investee companies prior to the AGM/EGM**
○ (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
○ (E) Not applicable; we did not cast any (proxy) votes during the reporting year

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 33 | CORE | OO 9 | PGS 33.1 | PUBLIC | Stewardship: (Proxy) voting | 2 |

**After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?**

- ○ (A) Yes, for all (proxy) votes
- ◉ **(B) Yes, for the majority of (proxy) votes**

  Add link(s):

  https://cdn.janushenderson.com/webdocs/v8+JH+Proxy+Voting+Policy+and+Procedures+-+February+2024+-+Final.pdf
  https://nam02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fvds.issgovernance.com%2Fvds%2F%23%2FMjA0NQ%3D%3D&data=05%7C02%7COnon.Wedum%40janushenderson.com%7Cf0a24b67d9054c4d7c2008dcaa5c49d8%7C09d5c224c6244040ba7bdcfa64d7b17a%7C0%7C0%7C638572560555168676%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=cIDCZt5KOU8r1I01%2BSHSI%2BUMe%2FB41OOPfNwMtfiI2sM%3D&reserved=0

- ○ (C) Yes, for a minority of (proxy) votes
- ○ (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 33.1 | CORE | PGS 33 | N/A | PUBLIC | Stewardship: (Proxy) voting | 2 |

**In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?**

- ○ (A) Within one month of the AGM/EGM
- ○ (B) Within three months of the AGM/EGM
- ○ (C) Within six months of the AGM/EGM
- ◉ **(D) Within one year of the AGM/EGM**
- ○ (E) More than one year after the AGM/EGM

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 34 | CORE | OO 9 | N/A | PUBLIC | Stewardship: (Proxy) voting | 2 |

**After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?**

| | (1) In cases where we abstained or voted against management recommendations | (2) In cases where we voted against an ESG-related shareholder resolution |
|---|---|---|
| (A) Yes, we publicly disclosed the rationale | (3) for a minority of votes | (3) for a minority of votes |
| (B) Yes, we privately communicated the rationale to the company | (3) for a minority of votes | (3) for a minority of votes |
| (C) We did not publicly or privately communicate the rationale, or we did not track this information | ○ | ○ |
| (D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year | ○ | ○ |

**(A) Yes, we publicly disclosed the rationale - Add link(s):**

https://cdn.janushenderson.com/webdocs/ESG+Company+Engagement+and+Voting+Review_FINAL.pdf

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 35 | PLUS | OO 9 | N/A | PUBLIC | Stewardship: (Proxy) voting | 2 |

**How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?**

Within the existing proxy landscape, there is currently no mechanism by which vote confirmations are provided by the issuer/tabulator to the voting investor/beneficial owner. As such, ISS is able to verify the following:

-The proxy delivery agent has delivered ballots that match its clients' reported holdings
-The proxy delivery agent has received the voting instructions sent by ISS on behalf of its clients
-The proxy delivery agent has delivered the votes (in aggregate) to the tabulator

## STEWARDSHIP: ESCALATION

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 36 | CORE | OO 8, OO 9 HF, OO 9 | N/A | PUBLIC | Stewardship: Escalation | 2 |

**For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

| | (1) Listed equity |
|---|---|
| (A) Joining or broadening an existing collaborative engagement or creating a new one | ☑ |
| (B) Filing, co-filing, and/or submitting a shareholder resolution or proposal | ☐ |
| (C) Publicly engaging the entity, e.g. signing an open letter | ☑ |
| (D) Voting against the re-election of one or more board directors | ☑ |
| (E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director | ☑ |
| (F) Divesting | ☑ |
| (G) Litigation | ☐ |
| (H) Other | ☐ |
| (I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 37 | CORE | Multiple, see guidance | N/A | PUBLIC | Stewardship: Escalation | 2 |

**For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

☑ **(A) Joining or broadening an existing collaborative engagement or creating a new one**
☐ (B) Publicly engaging the entity, e.g. signing an open letter
☑ **(C) Not investing**
☑ **(D) Reducing exposure to the investee entity**
☑ **(E) Divesting**
☐ (F) Litigation
☐ (G) Other
○ (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 38 | PLUS | Multiple, see guidance | N/A | PUBLIC | Stewardship: Escalation | 2 |

**Describe your approach to escalation for your SSA and/or private debt fixed income assets.**

(A) SSA - Approach to escalation

Our focus regarding escalation and stewardship for SSA is on emerging market debt countries and quasi-sovereigns. In order to be a stronger voice in our pursuit of ESG principles and their application by investee countries and quasi-sovereigns, which form the focus of our Emerging Markets Debt Hard Currency strategy, we have joined the Emerging Markets Investors Alliance (EMIA), which “enables institutional emerging market investors to support good governance, promote sustainable development, and improve investment performance in the governments and companies in which they invest”. There are over 30 leading investment managers members of the EMIA, running 10 programmes. Additionally, during our road trips to investee countries and issuers, we focus on discussing social and governance aspects with the relevant government and central bank officials.

## STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 39 | CORE | OO 8, OO 9 | PGS 39.1, PGS 39.2 | PUBLIC | Stewardship: Engagement with policy makers | 2 |

**Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?**

☑ **(A) Yes, we engaged with policy makers directly**
☑ **(B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI**
☑ **(C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI**

○ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 39.1 | CORE | PGS 39 | N/A | PUBLIC | Stewardship: Engagement with policy makers | 2 |

**During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?**

☑ **(A) We participated in 'sign-on' letters**
☑ **(B) We responded to policy consultations**
☑ **(C) We provided technical input via government- or regulator-backed working groups**
Describe:

Janus Henderson's technology team provided technical inputs to the European Commission's call for feedback on the EU Taxonomy Environmental Delegated Act. We also provided input to the EU SFDR consultation and submitted to the UK Investment Association on the SDR implementation.

☐ (D) We engaged policy makers on our own initiative
☐ (E) Other methods

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 39.2 | CORE | PGS 39 | N/A | PUBLIC | Stewardship: Engagement with policy makers | 2 |

**During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?**

☐ (A) We publicly disclosed all our policy positions
☐ (B) We publicly disclosed details of our engagements with policy makers
◉ **(C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year**
Explain why:

We report on membership of key ESG policy initiatives and provide examples of our work contributing to these initiatives, but do not report publicly on all of this work.

## STEWARDSHIP: EXAMPLES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 40 | PLUS | OO 8, OO 9 | N/A | PUBLIC | Stewardship: Examples | 2 |

**Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.**

(A) Example 1:
Title of stewardship activity:

Mining

(1) Led by
◉ **(1) Internally led**
○ (2) External service provider led
○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager
(2) Primary focus of stewardship activity
☑ **(1) Environmental factors**
☐ (2) Social factors
☐ (3) Governance factors
(3) Asset class(es)
☐ (1) Listed equity
☑ **(2) Fixed income**
☐ (3) Private equity
☐ (4) Real estate
☐ (5) Infrastructure
☐ (6) Hedge funds
☐ (7) Forestry
☐ (8) Farmland
☐ (9) Other
(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Rationale for Engagement

We engaged with a multinational mining company on a range of sustainability topics all of which could affect the company's long-term prospects. We focused on 1) Corporate culture and legacy bribery/corruption allegations, 2) Environmental litigation risk particularly pertaining to methane pollution and, 3) Energy transition commitments and Timeframes.

What did we do?

Historically, it has been difficult to engage with the company. After persistent attempts to engage with the company, we finally managed to have a discussion with its head of sustainability. The discussion was held on topics such as energy transition, labour relations and legacy bribery lawsuits. One of the objectives was to assess if the company's actions, its capital allocation / acquisition strategy were aligned with its publicly set climate strategy.

Outcome and next steps

Through our engagement, it became apparent that the Board has a relatively limited role in reviewing / overseeing the company's transition strategy. The discussion also highlighted concerns over the potential risk from methane

pollution/impending legislation. We encouraged improvements to management of methane emissions, especially considering increased regulations in this space.

Following the engagement, one fund manager took the decision to divest due to sustainability concerns and lack of progress towards sustainability goals.

We plan to monitor how the company is managing the risks associated with environmental litigation and the energy

transition and to continue engagement.

(B) Example 2:
Title of stewardship activity:

Consumer Staples

(1) Led by
- ◉ **(1) Internally led**
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
- ☑ **(1) Environmental factors**
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)
- ☑ **(1) Listed equity**
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Rationale for Engagement

We engaged with a Chinese manufacturing and distribution company of dairy products. This was a follow-up to

our initial engagement on the company's carbon footprint and water risk. One concern from this meeting was

the company's response to increasingly strict environmental regulations for cattle farmers. Other issues covered

included deforestation and antibiotic usage within the company's dairy farming supply chain.

The objective of the follow-up engagement was to understand progress made by the company on material

sustainability issues that could impact its long-term financial performance.

What did we do?

We previously encouraged disclosure to CDP Water, so we were happy to see the company disclosing to both CDP

Water and CDP Forests. The company is in regular dialogue with plans to improve disclosure (and ratings) year-onyear.

Going forward, we encouraged improved disclosures and setting carbon emissions targets, deforestation

targets, water intensity and recycling targets.

Outcome and next steps

The company has listened to investor feedback, improved transparency, and has had discussions at the senior

management level on how to improve supply chain oversight, ensure accountability, and set stronger commitments.

Given that the company is exposed to material sustainability risks, we will continue to monitor and engage with it on progress and improvements made.

(C) Example 3:
Title of stewardship activity:

Industrials - Capital Goods and Electrical Equipment

(1) Led by
- ◉ **(1) Internally led**
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☑ **(3) Governance factors**

(3) Asset class(es)
- ☑ **(1) Listed equity**
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Rationale for Engagement

The US created the Uyghur Forced Labour Prevention Act (UFLPA), which took effect in June 2022. Implementation

of the UFLPA will require brands and retailers to have systems in place for tracing the source for the entire apparel

production process, starting from cotton picking to finished goods shipment and including every stage from

cotton sourcing, yarn spinning, fabric knitting, and the cutting and sewing of garments. Failure to provide the

required disclosures can result in US Customs & Border patrols detaining, excluding, or seizing imported goods and

assessing monetary penalties.

What did we do?

We engaged with a Chinese industrial company to understand its exposure to this legislation, and encouraged further disclosure regarding human rights policies and practices, where appropriate. Our discussions in this area focused on how companies are auditing their supply chain and addressing potential human rights violations.

Outcome and next steps

We will continue to monitor and engage with companies on this issue, which is complex and politically sensitive. Encouragingly, the company is trying to improve its transparency and disclosure around human rights within its supply chain.

(D) Example 4:
Title of stewardship activity:

Consumer Discretionary

(1) Led by
- ◉ **(1) Internally led**
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☑ **(3) Governance factors**

(3) Asset class(es)
- ☑ **(1) Listed equity**
- ☑ **(2) Fixed income**
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Rationale for Engagement

In 2022, the company was amid a controversy that resulted in a change of chief executive officer (CEO). We used the opportunity to meet the new CEO and his team to learn about the future direction of travel for the company.

What did we do?

We have engaged with the company over many years on a range of social and environmental issues that we believe are relevant to the company's long-term growth prospects. We met the new CEO and other management team

members at the start of 2023, to discuss strategy, brand management, innovation, and marketing. We also met other executives at the company to discuss brand reputation, and relationships with influencers and sports bodies. We also held discussions on the use of plastic and recycled polyester and progress made against publicly announced targets.

Outcome and next steps

Discussions with the new CEO and management team allowed us to gain insight into the company's crisis management practices. We also had the opportunity to receive updates on changes made and the rationale behind those changes. We used the meeting to discuss company strategy, innovation, brand management, and corporate culture, and to understand the work in progress to re-establish the brand. We are satisfied with the progress made by the new CEO thus far. We will continue to engage with the company and monitor progress against topics discussed.

(E) Example 5:
Title of stewardship activity:

Utilities

(1) Led by
- ◉ **(1) Internally led**
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
- ☑ **(1) Environmental factors**
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)
- ☐ (1) Listed equity
- ☑ **(2) Fixed income**
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Rationale for Engagement

We engaged with an American utility company to understand progress towards its 2025 emissions reductions target, a key target in the company's net zero plan. We also wanted to determine impact on company's announced targets and

ESG credentials pursuant to a recent acquisition which could subsequently affect company's long-term prospects.

What did we do?

Discussion was held with the company to understand 2022 emissions data and progress towards its 2025 emissions reduction target. The company explained their approach to meet emissions objectives via the retirement or divesture of carbon intensive assets and signing of power purchase agreements (PPAs).

Outcome and next steps

Following this engagement, the company continued to be flagged due to its higher than peers' emissions level because of its coal exposure.

Furthermore, the company recently published its sustainability report which showed a 42% reduction in carbon emissions in 2022 including a shift away from coal as a primary fuel to natural gas, as well as reductions in fleetwide annual net generation, which form part of the company's overall strategy.

We will continue to engage with the company on ensuring the sustainability targets are monitored consistently and challenged appropriately. In our next engagement we will also review progress in the integration of a recently acquired company and new ESG targets related to the acquisition.

## CLIMATE CHANGE

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 41 | CORE | N/A | PGS 41.1 | PUBLIC | Climate change | General |

**Has your organisation identified climate-related risks and opportunities affecting your investments?**

☑ **(A) Yes, within our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

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. These risks and opportunities factor into the climate models we have in our toolset.

TRANSITION

Policy - Long-term (15 years)

- 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 from the Integrated Assessment Model

- 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

- 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

Technology - Long-term (15 years)

- Technology Opportunities - Benefits from current low-carbon revenues and future green revenue associated with current patents

PHYSICAL

Acute - Short-long term (1-75 years)

- Tropical Cyclones - Annually expected damage from severe wind and flood damage

- 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 - Short-long term (1-75 years)

- Extreme Heat - Costs associated with business interruption when daily maximum heat is >30C or >35C

- 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

☑ **(B) Yes, beyond our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

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. These risks and opportunities factor into the climate models we have in our toolset.

TRANSITION

Policy - Long-term (15 years)

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 from the Integrated Assessment Model

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

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

Technology - Long-term (15 years)

Technology Opportunities - Benefits from current low-carbon revenues and future green revenue associated with current patents

PHYSICAL

Acute - Short-long term (1-75 years)

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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 - Short-long term (1-75 years)

Extreme Heat - Costs associated with business interruption when daily maximum heat is >30C or >35C

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

- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 41.1 | CORE | PGS 41 | N/A | PUBLIC | Climate change | General |

**Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?**

◉ **(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Climate change is a global crisis, and addressing it requires the collaboration of many stakeholders, including government, business, academia and society as a whole. We believe asset managers, including Janus Henderson, have an important role to play, both in managing their own operations responsibly and as investors in thousands of companies and issuers. As investors, 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—that can help drive better outcomes for clients, as well as a transition to a lower carbon economy.

Our journey toward climate resilience and sustainability is ongoing and multifaceted. Recognising the intricate nature of effectively managing the risks and opportunities posed by ESG factors, we have embarked on several key initiatives:

-We take pride in being certified CarbonNeutral® since 2007 across all our operations and business travels, demonstrating our longstanding commitment to environmental stewardship.

-Our recent engagement as a founding participant in Nature Action 100 in 2023 highlights our belief that nature loss and biodiversity decline are increasingly financially material to our investments and our growing commitment to combating nature loss and biodiversity decline through our research and engagement.

-We co-hosted the 'Uncharted Waters' conference in October 2023 with CDP (formerly the Carbon Disclosure Project), during which we facilitated discussions on water scarcity's impact on businesses, especially in water-intensive sectors, highlighting research and ESG integration by our central Responsibility team collaborating with our investment teams.

-In 2023, product development work focused on strengthening Janus Henderson’s existing ESG-focused product suite by delivering on product commitments and setting a foundation for future innovation. We continued to increase our ESG integration practices, with 84% of our firmwide assets under management now considered to be ESG integrated, and we developed new ESG focused products within our suite of JHI Brighter Future Funds, including ones that help drive progress on a climate transition.

We also understand the importance of aiding our clients in mitigating material climate risks within their portfolios and equally recognise the uniqueness of each client's objectives. We are dedicated to collaborating closely with our clients to tailor ESG and climate-related strategies effectively across regions, asset classes, sectors and investment styles, always mindful of their broader objectives.

In 2023, we launched a firm-wide proprietary portfolio ESG and Climate Dashboard, which shows portfolio-level analytics for the sustainability factors we believe to be most material for all sectors and companies, including several metrics focused on climate change. It also helps us uncover underappreciated risks and opportunities for the companies in which we invest. Our data capabilities continue to evolve in 2024 and beyond, including the launch of ESG Explore, a comprehensive ESG data tool that provides interactive drill-down issuer and portfolio level data to our investment teams. ESG Explore includes modules on ESG ratings and climate, and will eventually include climate transition, business involvement, engagement, regulatory sustainability metrics, proxy voting, and more.

We also place our own corporate responsibility at the heart of our Mission, Values and Purpose by '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 belief and our actions supporting it are long held. In 2007, we recognised that as a business we had a responsibility to limit our own greenhouse gas ("GHG") emissions as much as possible to combat climate change and became one of the first asset managers to become a CarbonNeutral® company and we've proudly maintained this status every year since 2007.

We also recognise that being CarbonNeutral® is just the beginning, and that significant carbon reductions are needed to meet the net zero goals of the Paris Agreement, which is why we have used guidance from the Science-Based Target Initiative (SBTi) to set carbon reduction targets for our upstream corporate emissions. In 2022 we set ambitious new five-year reduction targets for our own operations versus a 2019 baseline and per full-time employee:

-Reduction target of 29.4% in Scope 1 (fuel) and Scope 2 (electricity) 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 full time employees

○ (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 42 | PLUS | N/A | N/A | PUBLIC | Climate change | General |

**Which sectors are covered by your organisation's strategy addressing high-emitting sectors?**

☐ (A) Coal
☐ (B) Gas
☐ (C) Oil
☐ (D) Utilities
☐ (E) Cement
☐ (F) Steel
☐ (G) Aviation
☐ (H) Heavy duty road
☐ (I) Light duty road
☐ (J) Shipping
☐ (K) Aluminium
☐ (L) Agriculture, forestry, fishery
☐ (M) Chemicals

☐ (N) Construction and buildings
☐ (O) Textile and leather
☐ (P) Water
☐ (Q) Other
◉ **(R) We do not have a strategy addressing high-emitting sectors**

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 43 | CORE | N/A | N/A | PUBLIC | Climate change | General |

**Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?**

☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
☐ (B) Yes, using the One Earth Climate Model scenario
☐ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
☑ **(D) Yes, using other scenarios**
Specify:

Network for Greening the Financial System (NGFS) scenarios

○ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 44 | CORE | N/A | N/A | PUBLIC | Climate change | General |

**Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?**

☑ **(A) Yes, we have a process to identify and assess climate-related risks**
(1) Describe your process

Integration of climate and ESG considerations needs to align with existing investment processes. Our investment teams are primarily responsible for the research, financial modelling, portfolio construction and stewardship activities. Having investment teams lead the integration process for ESG risks and opportunities ensures that there is integration at each appropriate stage of the investment process, including portfolio decisions. Our investment teams are supported by our central Responsibility team, who are ESG subject matter experts. This team manages ESG data and training, and partners with the investment teams on research and engagement. This partnership leads to enhanced research and decision-making – marrying the sector and industry expertise of the investment teams with the ESG skills of the Responsibility team.

This process is a combination of bottom-up analysis, starting at the issuer level and is increasingly leveraging portfolio-level data for an incremental lens and layer of oversight. For bottom-up analysis, our investment teams have access to the issuer-level third-party data described previously. They leverage this data to identify potentially financially material climate and ESG risks and opportunities as they research their issuers. Investment teams may utilize proprietary and third-party frameworks to focus on the issues most likely to be material. Then, investment teams analyse the impact to ESG and climate metrics at the portfolio level, understanding how particular issuers or sector exposures contribute to aggregate risks and opportunities.

The investment teams conduct engagements to both obtain further insight on the climate or ESG issue and often to encourage the issuer to better manage financially material issues to best-position the company for future success. As part of the research process, investment teams assess the materiality and the impact on relevant financial metrics for the issuer, which could include cash flows, valuation, cost of capital, or credit ratings. A company's sector or geographic domicile can impact the financial materiality of climate change considerations; investment teams incorporate these factors into their research and engagement process. This research and insight can flow into the investment decision, similar to how an investment team would consider any other financially material factor. Should a material unmanaged risk be identified and quantified, we evaluate the impact on a security's price and risk-adjusted return. Should we believe the risk is not fully priced in, the portfolio impact could include escalation through further engagement, reweighting of position sizes, changing target prices, or divestment for outsized, unmanaged risks. In general, we seek to reframe the use of exclusionary policies, preferring instead to engage with companies where we have identified investment risks – including financially material ESG factors. Where such risks warrant it, our Financial Risk team may review and challenge the risks identified by our investment teams. Additionally, investment teams may escalate risks to the ESG Oversight Committee (ESGOC).

(2) Describe how this process is integrated into your overall risk management

Board of Directors

Oversight of Responsibility and Responsible Investing, including climate considerations, are part of the formal remit of the Governance and Nominations Committee ("the Group Governance Committee") of the Janus Henderson Group plc board ("the Group Board"). The Group Governance Committee has established tangible ESG and climate metrics and targets for both our operational and investment activities the implementation of which at entity level is overseen by the relevant board of the UK Regulated Entities.

Executive Committee

The Executive Committee is in place under the leadership of Chief Executive Officer Ali Dibadj. The Executive Committee comprises 11 executives and provides cross-functional oversight and decision-making support to the CEO in the performance of his duties and fulfilment of obligations to Janus Henderson Group.

ESG Oversight Committee

Our ESG Oversight Committee (ESGOC), which reports to Janus Henderson's Executive Committee, provides direct oversight of ESG investment matters. The ESGOC, chaired the Chief Responsibility Officer, provides oversight over ESG investment processes including portfolio design, portfolio management, various ESG data & 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.

Internal Audit

Janus Henderson has an independent internal audit function, which reports to the Group Audit Committee, that 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

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 course, 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 embed sustainability risk into the risk profiles of our funds, as appropriate.

More details on our risk management approach can be found under Risk Management in the Corporate Environmental Practices section or 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 our TCFD report.

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 (FOCG) 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 are ESG subject-matter experts that partner with our analysts and portfolio managers on climate, and ESG research and data, engagements, integration, and other activities.

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.

☑ **(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

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 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. Going forward, we are strengthening our data visualization 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.

We believe that active research and engagement, the foundation of Janus Henderson's investment processes, is the optimal way to identify and manage financially material climate and ESG risks and opportunities. 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 judgment. Our investment teams, who understand their portfolio holdings extremely well, and in partnership with the ESG subject matter experts on our central Responsibility team, are best positioned to provide the necessary distinctive actionable insight.

(2) Describe how this process is integrated into your overall risk management

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 course, 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 embed sustainability risk into the risk profiles of our funds, as appropriate.

More details on our risk management approach can be found under Risk Management in the Corporate Environmental Practices section or 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.

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 (FOCG) 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 are ESG subject-matter experts that partner with our analysts and portfolio managers on climate, and ESG research and data, engagements, integration, and other activities.

The Responsibility team is structured around four pillars:

- Our Responsible Investment & Governance pillar supports our analysts and portfolio managers to research industries and securities to select the most financially attractive candidates for inclusion in our portfolios, delivers ESG training, plans and conducts engagements, and supports research on financially material ESG issues.

- Our ESG Strategy & Operations pillar supports our investment and non-investment teams in four areas: Strategic Initiatives, ESG Data and Analytics, Content and Learning, and Regulatory/Operations.

- Our ESG Solutions pillar focuses on partnering with our product, distribution, and investment teams to enhance existing portfolios and deliver new portfolios to clients across varying levels of ESG needs, from robust integration to ESG-focused strategies.

- Our Diversity & Community Relations pillar is committed to fostering inclusion, promoting cultural awareness, and establishing equitable policies, benefits, and training that support our people, and our Diversity, Equity, and Inclusion (DEI) goals.

The Responsibility team is led by our Chief Responsibility Officer (CRO), Michelle Dunstan, an experienced leader in ESG strategy and investing. To emphasise the importance of our Responsibility efforts and embed them across our entire firm, the CRO 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, 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.

○ (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 45 | CORE | N/A | N/A | PUBLIC | Climate change | General |

**During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?**

☑ **(A) Exposure to physical risk**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
◉ **(2) Metric or variable used and disclosed**
○ (3) Metric or variable used and disclosed, including methodology
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

☑ **(B) Exposure to transition risk**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
◉ **(2) Metric or variable used and disclosed**
○ (3) Metric or variable used and disclosed, including methodology
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

☐ (C) Internal carbon price
☑ **(D) Total carbon emissions**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
○ (2) Metric or variable used and disclosed
◉ **(3) Metric or variable used and disclosed, including methodology**
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://cdn.janushenderson.com/webdocs/Annual_%2520Responsibility_Report_2023_FINAL.pdf

☑ **(E) Weighted average carbon intensity**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
◉ **(2) Metric or variable used and disclosed**
○ (3) Metric or variable used and disclosed, including methodology
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

☐ (F) Avoided emissions
☑ **(G) Implied Temperature Rise (ITR)**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
◉ **(2) Metric or variable used and disclosed**
○ (3) Metric or variable used and disclosed, including methodology
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities
☑ **(J) Other metrics or variables**
Specify:

Climate Value at Risk

(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
◉ **(2) Metric or variable used and disclosed**
○ (3) Metric or variable used and disclosed, including methodology
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

○ (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 46 | CORE | N/A | N/A | PUBLIC | Climate change | General |

**During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?**

☑ **(A) Scope 1 emissions**
(1) Indicate whether this metric was disclosed, including the methodology
○ (1) Metric disclosed
◉ **(2) Metric and methodology disclosed**
(2) Provide links to the disclosed metric and methodology, as applicable

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

☑ **(B) Scope 2 emissions**
(1) Indicate whether this metric was disclosed, including the methodology
○ (1) Metric disclosed
◉ **(2) Metric and methodology disclosed**
(2) Provide links to the disclosed metric and methodology, as applicable

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

☑ **(C) Scope 3 emissions (including financed emissions)**
(1) Indicate whether this metric was disclosed, including the methodology
○ (1) Metric disclosed
◉ **(2) Metric and methodology disclosed**
(2) Provide links to the disclosed metric and methodology, as applicable

https://cdn.janushenderson.com/webdocs/H051804_0624_Brochure_TCFDEntityReport_FINAL.pdf

○ (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

## SUSTAINABILITY OUTCOMES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 47 | CORE | N/A | Multiple indicators | PUBLIC | Sustainability outcomes | 1, 2 |

**Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?**

◉ **(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
○ (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 47.1 | CORE | PGS 47 | N/A | PUBLIC | Sustainability outcomes | 1, 2 |

**Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?**

☑ **(A) The UN Sustainable Development Goals (SDGs) and targets**
☑ **(B) The UNFCCC Paris Agreement**
☐ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
☑ **(D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors**
☐ (E) The EU Taxonomy
☐ (F) Other relevant taxonomies
☐ (G) The International Bill of Human Rights
☐ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
☐ (I) The Convention on Biological Diversity
☑ **(J) Other international framework(s)**
Specify:

UN Global Compact

☐ (K) Other regional framework(s)
☐ (L) Other sectoral/issue-specific framework(s)
○ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 47.2 | CORE | PGS 47 | PGS 48 | PUBLIC | Sustainability outcomes | 1, 2 |

**What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?**

☑ **(A) Identify sustainability outcomes that are closely linked to our core investment activities**
☑ **(B) Consult with key clients and/or beneficiaries to align with their priorities**
☐ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
☑ **(D) Identify sustainability outcomes that are closely linked to systematic sustainability issues**
☐ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
☑ **(F) Understand the geographical relevance of specific sustainability outcome objectives**
☐ (G) Other method
○ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 48 | CORE | PGS 47.2 | PGS 48.1, SO 1 | PUBLIC | Sustainability outcomes | 1, 2 |

**Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?**

◉ **(A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities**
○ (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 48.1 | PLUS | PGS 48 | N/A | PUBLIC | Sustainability outcomes | 1, 2 |

**Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?**

☑ **(A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons**
☐ (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
☑ **(C) We have been requested to do so by our clients and/or beneficiaries**
☑ **(D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes**
☑ **(E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments**
☐ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
☐ (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
☐ (H) Other

## HUMAN RIGHTS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 49 | PLUS | PGS 47 | PGS 49.1 | PUBLIC | Human rights | 1, 2 |

**During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?**

☑ **(A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

Most of our strategies integrate financially material ESG considerations, including those related to human rights impact. Where an investment team has identified a material or potentially material issue, they typically conduct research and possibly engagement, often in conjunction with the central Responsibility Team. This applies to both Fixed Income and Equities teams.

One area we have continued to engage with companies has been in relation to the US Uyghur Forced Labour Prevention Act. Calls have been organised with relevant companies to understand potential business exposure to the Xinjiang province, where there is evidence of modern slavery practices. Two engagements were with Chinese companies that operate within the solar supply chain. Discussions focused on human rights due diligence, employee training and grievance mechanisms. Although both companies confirmed they had no exposure to this province, the team encouraged full supply chain traceability in line with the regulatory requirements.

We have also continued to engage with apparel companies regarding human rights within their supply chains. These calls were in light of an NGO report which flagged certain suppliers that have exposure to the Xinjiang Uyghur province. The discussions focused on traceability technology and supply chain visibility to understand how prepared these European companies were to comply with emerging EU supply chain due diligence regulation. All companies gave very detailed answers to disprove sourcing allegations made against them in the NGO report. After these discussions, the investment teams felt more comfortable that these companies had good oversight of their supply chains.

Also engaged with companies regarding mining supply chain and associated human rights risks. One company engagement focused on the level of transparency on cobalt sourcing and relationships with artisanal miners in the DRC. We were also part of a longer-term collaborative initiative engaging with a Chinese mining company which is focused on improving a number of environmental and social indicators including better labour management standards. The discussion included a focus on human rights risk mitigation including board oversight of the issue and Uyghur labour violations.

☐ (B) We assessed whether individuals at risk or already affected might be at heightened risk of harm
☐ (C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts
☐ (D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities
○ (E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 49.1 | PLUS | PGS 49 | N/A | PUBLIC | Human rights | 1, 2 |

**During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potentially negative outcomes for people connected to your investment activities?**

☑ **(A) Workers**
Sector(s) for which each stakeholder group was included
- ☐ (1) Energy
- ☑ **(2) Materials**
- ☐ (3) Industrials
- ☑ **(4) Consumer discretionary**
- ☐ (5) Consumer staples
- ☐ (6) Healthcare
- ☐ (7) Finance
- ☑ **(8) Information technology**
- ☐ (9) Communication services
- ☐ (10) Utilities
- ☐ (11) Real estate

☑ **(B) Communities**
Sector(s) for which each stakeholder group was included
- ☑ **(1) Energy**
- ☑ **(2) Materials**
- ☐ (3) Industrials
- ☐ (4) Consumer discretionary
- ☐ (5) Consumer staples
- ☐ (6) Healthcare
- ☐ (7) Finance
- ☐ (8) Information technology
- ☐ (9) Communication services
- ☐ (10) Utilities
- ☐ (11) Real estate

☐ (C) Customers and end-users
☐ (D) Other stakeholder groups

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 49.2 | PLUS | PGS 47 | N/A | PUBLIC | Human rights | 1, 2 |

**During the reporting year, what information sources did your organisation use to identify the actual and potentially negative outcomes for people connected to its investment activities?**

☑ **(A) Corporate disclosures**
Provide further detail on how your organisation used these information sources:

Investment teams have access to multiple different sources to conduct their research. Analysts leverage quantitative and qualitative information from both primary and secondary research to develop proprietary views and insights on critical factors and their potential impacts.

☑ **(B) Media reports**
Provide further detail on how your organisation used these information sources:

Investment teams have access to multiple different sources to conduct their research. Analysts leverage quantitative and qualitative information from both primary and secondary research to develop proprietary views and insights on critical factors and their potential impacts.

☑ **(C) Reports and other information from NGOs and human rights institutions**
Provide further detail on how your organisation used these information sources:

Investment teams have access to multiple different sources to conduct their research. Analysts leverage quantitative and qualitative information from both primary and secondary research to develop proprietary views and insights on critical factors and their potential impacts.

☐ (D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank
☑ **(E) Data provider scores or benchmarks**
Provide further detail on how your organisation used these information sources:

Investment teams have access to multiple different sources to conduct their research. Analysts leverage quantitative and qualitative information from both primary and secondary research to develop proprietary views and insights on critical factors and their potential impacts.

☑ **(F) Human rights violation alerts**
Provide further detail on how your organisation used these information sources:

Investment teams have access to multiple different sources to conduct their research. Analysts leverage quantitative and qualitative information from both primary and secondary research to develop proprietary views and insights on critical factors and their potential impacts.

☑ **(G) Sell-side research**
Provide further detail on how your organisation used these information sources:

Investment teams have access to multiple different sources to conduct their research. Analysts leverage quantitative and qualitative information from both primary and secondary research to develop proprietary views and insights on critical factors and their potential impacts.

☑ **(H) Investor networks or other investors**
Provide further detail on how your organisation used these information sources:

Investment teams have access to multiple different sources to conduct their research. Analysts leverage quantitative and qualitative information from both primary and secondary research to develop proprietary views and insights on critical factors and their potential impacts.

☐ (I) Information provided directly by affected stakeholders or their representatives
☐ (J) Social media analysis
☐ (K) Other

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| PGS 50 | PLUS | PGS 47 | N/A | PUBLIC | Human rights | 1, 2 |

**During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?**

☐ (A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities
☐ (B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities
◉ **(C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year**
Explain why:

# LISTED EQUITY (LE)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 1 | CORE | OO 21 | N/A | PUBLIC | Materiality analysis | 1 |

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?**

| | **(3) Active - fundamental** |
|---|---|
| (A) Yes, our investment process incorporates material governance factors | (2) for a majority of our AUM |
| (B) Yes, our investment process incorporates material environmental and social factors | (2) for a majority of our AUM |
| (C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period | (2) for a majority of our AUM |
| (D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion | ○ |
| (E) No, we do not have a formal or informal process to identify and incorporate material ESG factors | ○ |

## MONITORING ESG TRENDS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 2 | CORE | OO 21 | N/A | PUBLIC | Monitoring ESG trends | 1 |

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?**

| | (3) Active - fundamental |
|---|---|
| (A) Yes, we have a formal process that includes scenario analyses | (2) for a majority of our AUM |
| (B) Yes, we have a formal process, but it does not include scenario analyses | |
| (C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion | ○ |
| (D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies | ○ |

**(A) Yes, we have a formal process that includes scenario analysis - Specify: (Voluntary)**

In April 2024, our team launched our highly anticipated ESG data tool, ESG Explore (ESGX). This is tool is embedded in the Quantum 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 and climate metrics. Work is underway to roll out more modules in the coming quarters, including information like controversial business involvement, regulatory indicators and proprietary engagement data.
We continue to refine the integration of ESG into our investment processes, leveraging a wide range of data and tools, as well as well-respected initiatives such as the International Financial Reporting Standards (IFRS)* (formerly known as Sustainability Accounting Standards Board (SASB)), Science Based Targets initiative (SBTi) and the Transition Pathway Initiative (TPI), in addition to multiple ESG data vendors and artificial intelligence-based news platforms. In addition, the Australian Fixed Interest Team has been using ESG data from MSCI and Sustainalytics for a number of years. This data is collected in a central database. It provides us with ESG data on an issuer such as GHG emissions, ESG risk ratings, product involvement, controversies, reporting used, UN Global compact screening, circular economy initiatives, customer satisfaction, gender statistics etc.

# PRE-INVESTMENT

## ESG INCORPORATION IN RESEARCH

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 3 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

**How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?**

| | **(2) Active - fundamental** |
|---|---|
| (A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process | (2) in a majority of cases |
| (B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process | (2) in a majority of cases |
| (C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process | (2) in a majority of cases |
| (D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 4 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

**What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?**

| | **(3) Active - fundamental** |
|---|---|
| (A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors | (2) in a majority of cases |
| (B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors | (2) in a majority of cases |
| (C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability | (2) in a majority of cases |
| (D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors | (3) in a minority of cases |
| (E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process | ○ |

## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 5 | PLUS | OO 21 | N/A | PUBLIC | ESG incorporation in portfolio construction | 1 |

**Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.**

The Global Sustainable Equity desk believes performance on ESG factors can have a material impact on financial returns. Pre-investment, all companies assessed for inclusion in the strategy must demonstrate acceptable management of their operational performance. Post-investment, the desk continues to monitor investee companies against certain metrics and the strategy's overall performance at the portfolio level to glean insight into changes in the ESG profile and to guide its engagement agenda. The desk also works closely with the Janus Henderson Responsible Investment & Governance team. An example of this is through the desk's position in a ride hailing and delivery platform which falls within the Global Sustainable Equity Strategy's Sustainable Transport theme.
The team believe that the company's platform drives higher utilisation of energy-efficient and low or zero-emissions vehicles, while its ride sharing products allow riders to reduce their travel costs. Independent research suggests that it also has a direct role in improving passenger safety by reducing drunk driving and alcohol-related traffic fatalities in the US. Some concerns pre-investment from the Responsible Investment & Governance team were related to the inherent risks of the ridesharing and delivery business model regarding product safety and labour management which have contributed to the company being placed on the UN GC/OECD MNE Watchlist according to one 3rd party data provider. There were also some concerns around the company's corporate governance and corporate culture from its earlier years, however, there was a major overhaul of the company's leadership in 2017 which provided sufficient comfort to the team that these issues have largely been addressed.
The new leadership has resulted in improved safety reporting in the US market since 2019 and the company's labour models now offer greater flexibility for different markets. Janus Henderson has engaged with the company on the aforementioned points of concern and will continue to engage and look for further improvements in the company's safety reporting and handling of labour-related risks. Janus Henderson has also encouraged the company to engage with Sustainalytics to address its ongoing watchlist status.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 6 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in portfolio construction | 1 |

**How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?**

| | **(3) Active - fundamental** |
|---|---|
| (A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process | (2) for a majority of our AUM |
| (B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process | (2) for a majority of our AUM |

| | |
|---|---|
| (C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process | (2) for a majority of our AUM |
| (D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process | (2) for a majority of our AUM |
| (E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors | ○ |

**(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process - Specify:**

Material ESG factors contribute to stewardship decisions related to company engagement and proxy voting. As an active owner, Janus Henderson identifies material ESG risks and opportunities to engage with companies on, aiming to improve our portfolios' risk-return profile.

# POST-INVESTMENT

## ESG RISK MANAGEMENT

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 9 | CORE | OO 17.1 LE, OO 21 | N/A | PUBLIC | ESG risk management | 1 |

**What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?**

☑ **(A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks**
☐ (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
☑ **(C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening**
○ (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 10 | CORE | OO 21 | N/A | PUBLIC | ESG risk management | 1 |

**For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

| | (2) Active - fundamental |
|---|---|
| (A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings | ☑ |
| (B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents | ☑ |
| (C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities | ☑ |
| (D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents | ☑ |
| (E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion | ○ |

| | |
|---|---|
| (F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process | ○ |

## PERFORMANCE MONITORING

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 11 | PLUS | OO 21 | N/A | PUBLIC | Performance monitoring | 1 |

**Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.**

Our Responsible Resources equity strategy integrates ESG factors into its investment process via negative and positive filters. The fund does not invest in fossil fuel producers or companies that violate the UN Global Compact. The fund seeks to invest in companies exposed to positive sustainability thematics in the energy transition, mobility, industry and agriculture. ESG or non-financial factors such as safety, emissions or water intensity are considered alongside financial measures to identify attractive investments and to assess their risks.

As an example, the fund is invested in, a leading provider of solar photovoltaic solutions. The company's thin film solar panels play a key role in the greening of utility scale electricity power generation. Onshore solar is now the cheapest form of electricity to install and produced. The US Inflation Reduction Act commits tax incentives for companies that build energy projects with domestic content and this company is one of few companies which can meet the scale of new demand. We have investigated their supply chain and discovered that the specialised metals used to make the panels are sourced from the only producer outside of China. They source waste material from the copper smelting process as the feedstock taking the residue and processing it into high purity minor metals (Tellurium, Germanium, Gallium, Selenium). The same process can be used to recycle old panels and recapture the metals thereby reducing the overall environmental footprint of the equipment, making this an interesting circular economy story. Alongside its sustainability related growth drivers, we have been impressed by the company's ability to retain market share and pricing whilst the costs and prices of competitor silicon based solar comes down. The company has reduced its carbon footprint and carbon intensity in the last 3yrs and has science-based targets approved to continue on its path to further carbon intensity reduction in the near and medium term. The incorporation of ESG and sustainability factors influenced our decision to invest in the company. Since making the initial investment our holding in the company, the holding has generated a positive contribution to portfolio returns.

## DISCLOSURE OF ESG SCREENS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| LE 12 | CORE | OO 17 LE, OO 21 | N/A | PUBLIC | Disclosure of ESG screens | 6 |

**For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

☑ **(A) We share a list of ESG screens**
☑ **(B) We share any changes in ESG screens**
☑ **(C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings**
○ (D) We do not share the above information for all our listed equity assets subject to ESG screens

# FIXED INCOME (FI)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 1 | CORE | OO 21 | N/A | PUBLIC | Materiality analysis | 1 |

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?**

| | (1) SSA | (2) Corporate | (3) Securitised |
|---|---|---|---|
| (A) Yes, our investment process incorporates material governance factors | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (B) Yes, our investment process incorporates material environmental and social factors | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion | ○ | ○ | ○ |
| (E) No, we do not have a formal or informal process to identify and incorporate material ESG factors | ○ | ○ | ○ |

## MONITORING ESG TRENDS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 2 | CORE | OO 21 | N/A | PUBLIC | Monitoring ESG trends | 1 |

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?**

| | (1) SSA | (2) Corporate | (3) Securitised |
|---|---|---|---|
| (A) Yes, we have a formal process that includes scenario analyses | | (1) for all of our AUM | |
| (B) Yes, we have a formal process, but does it not include scenario analyses | (1) for all of our AUM | | (1) for all of our AUM |
| (C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion | ○ | ○ | ○ |
| (D) We do not monitor and review the implications of changing ESG trends on our fixed income assets | ○ | ○ | ○ |

**(A) Yes, we have a formal process that includes scenario analyses - Specify: (Voluntary)**

Our teams leverage ESG Explore (our new Dashboard) to assess ESG trends. Specific datapoints include carbon emissions, carbon footprint, weighted average caron intensity, toxic emissions, water stress, board gender diversity, board independence, global norms controversies, ESG ratings, and more. We also include climate scenario analysis in this tool. At both the issuer and portfolio levels, investment teams can assess Climate Value at Risk and its underlying drivers (policy risk, technology opportunities, physical risk) across multiple warming scenarios. For more complex asset classes including SSAs and securitised there is limited coverage for scenario analysis from our third-party providers. We strive to address financially material climate change risks and opportunities for these asset classes through our integrated ESG frameworks and through issuer engagement. We continuously monitor the developments in this space and will look to include scenario analysis in our formal process when data is available.

# PRE-INVESTMENT

## ESG INCORPORATION IN RESEARCH

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 3 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

**For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?**

| | (1) SSA | (2) Corporate | (3) Securitised |
|---|---|---|---|
| (A) We incorporate material environmental and social factors | ☑ | ☑ | ☑ |
| (B) We incorporate material governance-related factors | ☑ | ☑ | ☑ |
| (C) We do not incorporate material ESG factors for the majority of our fixed income investments | ○ | ○ | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 4 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

**Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?**

| | (1) SSA | (2) Corporate | (3) Securitised |
|---|---|---|---|
| (A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices) | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (B) Yes, we have a framework that differentiates ESG risks by sector | (3) for a minority of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector | ○ | ○ | ○ |

| | | | |
|---|---|---|---|
| (D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers | ○ | ○ | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 6 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

**How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?**

| | (1) SSA | (2) Corporate |
|---|---|---|
| (A) We incorporate it into the forecast of financial metrics or other quantitative assessments | | |
| (B) We make a qualitative assessment of how material ESG factors may evolve | (1) for all of our AUM | (1) for all of our AUM |
| (C) We do not incorporate significant changes in material ESG factors | ○ | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 7 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

**At what level do you incorporate material ESG factors into the risks and/or returns of your securitised products?**

◉ **(A) At both key counterparties' and at the underlying collateral pool's levels**
Explain: (Voluntary)

As part of the Janus Henderson Fixed Income ESG framework for securitised products, we identify the most material ESG risks for each of the securitised 'sectors' (e.g. residential mortgage-backed securities (RMBS) consumer, autos – broken down into prime and non-prime, collateralised loan obligation (CLOs), and commercial mortgage-backed securities (CMBS), using the SASB materiality framework as a foundation, with the additional input of other frameworks / regulation. The analysis is performed at multiple layers. For example, for RMBS, loan terms are considered at borrower level, physical risk assessment is done at collateral level (floods and wildfires, for example), and risk management, while governance policies and lending practices are looked at originator level. For special purpose vehicles (SPVs), we consider the governance structure and its robustness.

The driver of the overall ESG profile may vary from transaction to transaction, even within the same asset class type. For example, in one transaction it could be that the negative ESG profile of the mortgage originator itself dominates our view, while in another it could be transaction governance weaknesses. One of the focus areas has been enhancing transparency and disclosure at CLO manager level, in order to improve further assessment of ESG risks and their incorporation into our investment decisions.

Janus Henderson has been co-chair of the CLO Investment Committee at the European Leveraged Finance Association (ELFA), which has launched the CLO ESG Questionnaire, focusing on carbon emissions disclosure and management, other aspects of decarbonisation, and key social and governance metrics, which form part of the CLO manager's own ESG profile.

- (B) At key counterparties' level only
- (C) At the underlying collateral pool's level only

## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 8 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in portfolio construction | 1 |

**How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?**

| | (1) SSA | (2) Corporate | (3) Securitised |
|---|---|---|---|
| (A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |

| | | | |
|---|---|---|---|
| (D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways | | | |
| (F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors | ○ | ○ | ○ |

# POST-INVESTMENT

## ESG RISK MANAGEMENT

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 11 | CORE | OO 21 | N/A | PUBLIC | ESG risk management | 1 |

**How are material ESG factors incorporated into your portfolio risk management process?**

| | (1) SSA | (2) Corporate | (3) Securitised |
|---|---|---|---|
| (A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |
| (C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors | (1) for all of our AUM | (1) for all of our AUM | (1) for all of our AUM |

| | | | |
|---|---|---|---|
| (D) We use another method of incorporating material ESG factors into our portfolio's risk management process | | | |
| (E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process | ○ | ○ | ○ |

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 12 | CORE | OO 21 | N/A | PUBLIC | ESG risk management | 1 |

**For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

| | (1) SSA | (2) Corporate | (3) Securitised |
|---|---|---|---|
| (A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings | ☑ | ☑ | ☑ |
| (B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents | ☑ | ☑ | ☑ |
| (C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities | ☑ | ☑ | ☑ |
| (D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents | ☑ | ☑ | ☑ |

| | | | |
|---|---|---|---|
| (E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion | ○ | ○ | ○ |
| (F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process | ○ | ○ | ○ |

## PERFORMANCE MONITORING

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 14 | PLUS | OO 5.3 FI, OO 21 | N/A | PUBLIC | Performance monitoring | 1 |

**Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.**

We exited a position in a UK credit card ABS after press headlines indicated the originator was in discussions to sell its banking and finance business, while there was uncertainty around what would happen to the reward card operations. The bond was rated ESG Green in line with sector score for credit card ABS.

We viewed the development as a potential heightened negative social risk which was not being appropriately priced in the market and valuations were initially unchanged. In particular, we were concerned that the if the reward card operations were separated or discontinued then borrower behaviour of the credit card would be negatively impacted as borrowers no longer derived the same utility from the reward card points. The implications being a shift in underlying borrower profile of the transaction due to its revolving nature which could ultimately drive adverse credit performance.

We sold our full position in October 2023 at a weighted average spread of +73 bps, before liquidity immediately deteriorated and by November was bid at a much wider spread of +100 bps and in smaller sizes of around 5mm.

## DISCLOSURE OF ESG SCREENS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| FI 18 | CORE | OO 17 FI, OO 21 | N/A | PUBLIC | Disclosure of ESG screens | 6 |

**For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

☑ **(A) We share a list of ESG screens**
☑ **(B) We share any changes in ESG screens**
☑ **(C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings**
○ (D) We do not share the above information for all our fixed income assets subject to ESG screens

# CONFIDENCE-BUILDING MEASURES (CBM)

## CONFIDENCE-BUILDING MEASURES

### APPROACH TO CONFIDENCE-BUILDING MEASURES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| CBM 1 | CORE | N/A | Multiple indicators | PUBLIC | Approach to confidence-building measures | 6 |

**How did your organisation verify the information submitted in your PRI report this reporting year?**

☐ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
☐ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
☑ **(D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report**
☐ (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
☐ (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
☑ **(G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI**
○ (H) We did not verify the information submitted in our PRI report this reporting year

### INTERNAL REVIEW

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|---|---|---|---|---|---|---|
| CBM 6 | CORE | CBM 1 | N/A | PUBLIC | Internal review | 6 |

**Who in your organisation reviewed the responses submitted in your PRI report this year?**

☐ (A) Board, trustees, or equivalent
☑ **(B) Senior executive-level staff, investment committee, head of department, or equivalent**
Sections of PRI report reviewed
◉ **(1) the entire report**
○ (2) selected sections of the report
○ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year