

The United Nations Principles for Responsible Investment (PRI)

Background

In April 2006 Janus Henderson Global Investors became a founding signatory to the United Nations Principles for Responsible Investment (PRI). The Principles, developed under the auspices of the UN Secretary-General, are a voluntary and aspirational framework for incorporating environmental, social and governance (ESG) issues into mainstream investment decision-making and ownership practices. They are not prescriptive, but instead provide a menu of possible actions that investors can take.

The sixth principle commits signatories to report on their activities and progress towards implementing the Principles. Below we summarise the steps Janus Henderson is taking to put the Principles into practice.

Principle 1: Incorporating ESG issues into investment analysis and decision-making processes

- The Janus Henderson Responsible Investment (RI) Policy sets out our approach to incorporating ESG issues into investment analysis and decision-making processes.
- The Janus Henderson Global Responsible Investment Committee oversees the implementation of the RI Policy. The Committee, which meets bi-annually, is composed of representatives of the various fund management teams within Janus Henderson Investment Management (equities & fixed income) as well as ESG specialists.
- We subscribe to specialist research on ESG issues from a range of different providers. We also buy-in ESG data, which is used by our in-house corporate governance and responsible investment team to screen companies and identify issues of concern.
- We integrate ESG data into our mainstream investment risk reports, ensuring that fund managers receive regular research highlighting companies considered by our research providers to be high risk according to their ESG exposure and management systems.
- We make ESG data directly available to fund managers and analysts across equities and fixed income via our main investment platform.
- Janus Henderson rewards brokers for research conducted on ESG themes and sectors through our own internal broker review process.

Principle 2: Being active owners and incorporate ESG issues into our ownership policies and practices

- We take an active approach to proxy voting both in the UK and abroad. In 2017 we voted at approximately 5,721 shareholder meetings in over 50 markets globally. There were in excess of 69,000 proposals from management and shareholders combined. We voted contrary to board recommendations on approximately 6.7% of these proposals.
- We regularly meet with the companies we invest in, and held in aggregate over 2,000 company meetings in 2017. Where appropriate, we raise specific ESG issues at the companies in which we invest. In 2015 we engaged with over 250 companies on a wide range of environmental, social and governance issues.

Principle 3: Seeking appropriate disclosure on ESG issues by the entities in which we invest

- We support a wide range of initiatives aimed at improving corporate disclosure on ESG issues including the Carbon Disclosure Project (CDP), the Extractive Industries Transparency Initiative (EITI) and the Global Reporting Initiative (GRI).

The United Nations Principles for Responsible Investment (PRI)

- A major element of our own engagement work with companies is to press for higher standards of reporting on ESG issues. We encourage companies as far as possible to integrate sustainability reporting with financial reporting, to improve the communication of material ESG factors to a mainstream audience.

Principle 4: Promoting acceptance and implementation of the Principles within the investment industry

- We are members of and participate in a number of collaborative initiatives aimed at promoting the importance of ESG issues in investment analysis including the UK Social Investment Forum (UKSIF), the European Sustainable Investment Forum (EUROSIF) and the Institutional Investors Group on Climate Change (IIGCC).

Principle 5: Working together to enhance our effectiveness in implementing the Principles

- We make extensive use of the PRI Engagement Clearinghouse, both participating in engagements led by other signatories and posting engagements ourselves.
- We organise and host seminars and joint investor meetings to discuss ESG issues, as well as present at conferences. Examples of seminar topics for investors hosted by Janus Henderson include communicating ESG issues effectively to fund managers, and trustee training in ESG.

Principle 6: Reporting on our activities and progress towards implementing the Principles

- We are committed to reporting on our progress in implementing the Principles both through the PRI assessment mechanism and through public disclosure.
- Further information on our RI work can be found on our website. We report in greater detail to clients on our RI work according to their requirements.

For further information on our responsible investment work, please contact Antony Marsden, Head of Governance and Responsible Investment, antony.marsden@janushenderson.com.

The United Nations Principles for Responsible Investment (PRI)

Janus Henderson Investors

201 Bishopsgate, London EC2M 3AE

Tel: 020 7818 1818 Fax: 020 7818 1819

Important information

Issued in the UK by Janus Henderson Investors. Janus Henderson Investors is the name under which Janus Capital International Limited (reg. no. 3594615), Henderson Global Investors Limited (reg. no. 906355), Henderson Investment Funds Limited (reg. no. 2678531), AlphaGen Capital Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no. 2606646), (each incorporated and registered in England and Wales with registered office at 201 Bishopsgate, London EC2M 3AE) are authorised and regulated by the Financial Conduct Authority to provide investment products and services.

© 2018, Janus Henderson Investors. The name Janus Henderson Investors includes HGI Group Limited, Henderson Global Investors (Brand Management) Sarl and Janus International Holding LLC.

G:\Ss\UK\2018\PIG18\PRI website text 2017.docx