



CLIMATE TRANSPARENCY REPORT 2020

Janus Henderson Investors

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2020 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2020 Reporting Framework response. The full Public Transparency Report is available here (<https://reporting.unpri.org/surveys/PRI-reporting-framework-2020/-2DB0B26D-3563-4F0D-A3F0-796DDEB8AD73/79894dbc337a40828d895f9402aa63de/html/2/?lang=en&a=1>). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2020 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	-	Public				
SG 07.7 CC	-	Public				
SG 07.8 CC	-	Public				
SG 13.1	✓	Public				
SG 13.2	-	Public				
SG 13.4 CC	-					
SG 13.5 CC	-					
SG 13.6 CC	-					
SG 13.7 CC	-					
SG 13.8 CC	-					
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.6 CC	✓	Public				
SG 14.7 CC	-	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
SG 15.1	✓	Public				
SG 15.2	✓	Public				
SG 15.3	✓	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS	
Name	Janus Henderson Investors
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ > 50 billion AUM
Main Asset Class	>50% Listed Equity Internally Managed
Signed PRI Initiative	2006
Region	Europe
Country	United Kingdom
Disclosure of Voluntary Indicators	27% from 38 Voluntary indicators

Janus Henderson Investors

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1	Indicate if you have an investment policy that covers your responsible investment approach.
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SG 01 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 01.6 CC	Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.
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Yes

Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.
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Climate related risks and opportunities are considered at the investment team level as part of each team's own individual investment process, rather than in a top down fashion. A range of different approaches are taken. For some strategies such as the Global Sustainability Fund climate considerations form a key part of the investment process, whereas in other strategies such as quantitative strategies these considerations may not be considered directly relevant.

We recognise that for many investment strategies there are significant climate related risks and opportunities present, both in the short and long term. This includes a wide range of factors including the potential for physical risk, regulation risk and adaptation strategies. We subscribe to various research providers such as ISS Climate Impact, Climetrics and Sustainalytics that assist us in analysing carbon risk. Data is available to investment teams through various channels including Bloomberg terminals as well as being integrated into our fund level ESG risk reports. It should be highlighted that our Fixed Income team only currently use Sustainalytics and are currently evaluating different climate data tools to improve research coverage and quality.

No

SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?
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Yes

Describe the associated timescales linked to these risks and opportunities.

Investment risks and opportunities related to climate change are considered at the investment team level rather than in a top down fashion. There is no 'house view' on the specific risks and opportunities and associated timescales.

No

**SG 01.8
CC**

Indicate whether the organisation publicly supports the TCFD?

- Yes
 No

**SG 01.9
CC**

Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

- Yes

Describe

Janus Henderson Investors recognises the importance of managing our operational activities in the most sustainable way possible and to minimise any adverse impact on our environment. To this end we have made the following commitments in our most recent Annual Impact Report:

- Maintain our Carbon Neutral Status
- Reduce our carbon use by 15% per FTE over a three year period - starting January 2019
- Maintain a CDP score of B

At the group operational level, we manage our climate change risks based on materiality. For example, our London office is the largest component of our carbon footprint and we have therefore invested additional time and resources in reducing energy consumption at this office. We continuously monitor possible risks and opportunities by measuring our emissions on a quarterly basis.

Regulatory risks such as carbon taxes have the potential to increase our operational costs in certain regions. We manage our exposure to this risk by continuously reviewing and improving energy efficiency with a particular focus on our London office (where we work with our landlord, Broadgate estates) as it is the most material to our business in terms of spend.

Operational risks relating to physical risks, such as changes in mean temperature, are managed by continuously reviewing climate change information and data, particularly trends in the countries in which we operate. To mitigate any future risks we are actively engaged in improving energy efficiency. As an example, 2016 Janus Henderson installed secondary blinds within its London Head office to reduce solar heat gain during working hours thus requiring less energy to cool the building.

Indirect exposure to climate-related transitional/regulatory risks through investment activities, via an increase of cost of doing business or decreased market opportunities for companies in which we are invested, is managed through the implementation of our Responsible Investment, Management and Development policies and continuous monitoring of market response to related issues. We also make investments in industries which are less likely to be affected by climate change legislation.

Similar policies are in place to manage transitional risks and opportunities arising from changes in consumer preferences as climate change effects become more severe. Janus Henderson publicly discloses our emissions and efforts to lower our environmental impact in our annual report.

We are managing this opportunity by taking a proactive stance on climate change and other issues. For example we are a founding member of the Institutional Investor Group on Climate Change (IIGCC) and an active member of the Carbon Disclosure Project (CDP). We are also members of global initiatives such as Climate Action 100+.

- No

**SG 1.10
CC**

Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

- Public PRI Climate Transparency Report
 Annual financial filings
 Regular client reporting
 Member communications
 Other

	specify
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Carbon Disclosure Project

We currently do not publish TCFD disclosures

Governance and human resources

SG 07 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
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	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Portfolio managers
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Investment analysts
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Dedicated responsible investment staff
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1

Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities
- No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.3

Additional information. [OPTIONAL]

We do not conduct scenario analyses for our different strategies at the group level. Investment teams have sole responsibility for taking account of all material long term issues when constructing portfolios including climate change, demographic trends or governance trends. The use of scenario analyses will vary by team.

SG 14

Mandatory to Report Voluntary to Disclose

Public**Additional Assessed****PRI 1****SG 14.1**

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

SG 14.3

Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 14.5

Additional information [Optional]

In terms of investments, individual teams have responsibility to assess climate risks in regards to their strategies. However, tools and systems are in place to assist PMs and analysts in this task. The GRI team helps in this by:

- Providing equity ESG Risk Reports including carbon footprint and third party research covering climate risks
- Sharing of broker research with teams regarding climate risks and opportunities
- Providing internal research regarding climate risks and opportunities
- Coordinating engagements with companies to highlight climate risk to companies in our portfolios

SG 14 CC

Voluntary

Public

General

**SG 14.6
CC**

Provide further details on the key metric(s) used to assess climate-related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Weighted average carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Looks at the average carbon intensity for a fund	Tons/\$ invested in the fund	ISS Climetrics data combined with fund holding data
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Looks at carbon intensity across portfolios compared to fund's benchmark	Tons of CO2 equivalent	ISS Climetrics data combined with fund holding data
Portfolio carbon footprint	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Looks at carbon intensity across portfolios compared to fund's benchmark	Tons of CO2 equivalent	ISS Climetrics data combined with fund holding data
Total carbon emissions	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Looks at Scope 1,2 &3 data across portfolios.	Tons of CO2 equivalent	ISS Climetrics data combined with fund holding data

**SG 14.8
CC**

Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.

- Processes for climate-related risks are integrated into overall risk management

Please describe

Climate risk, as it relates to investment risk is primarily reviewed at the investment team level. Climate data sourced from ISS Climetrics and Sustainalytics is integrated into fund level ESG risk reporting and subject to review at risk oversight meetings for relevant funds.

- Processes for climate-related risks are not integrated into overall risk management

**SG 14.9
CC**

Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.

- Yes

Please describe

Janus Henderson have encouraged the adoption of TCFD to many companies throughout 2019, when engaging with them, highlighting that it is best industry standard and the importance of enhance climate disclosures.

- No, we do not undertake active ownership activities.
- No, we do not undertake active ownership activities to encourage TCFD adoption.

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1 Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

Yes

SG 15.2 Indicate the percentage of your total AUM invested in environmental and social themed areas.

%

0.4

SG 15.3 Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

- Energy efficiency / Clean technology
- Renewable energy
- Green buildings
- Sustainable forestry
- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health
- Water
- Other area, specify

Various

Asset class invested

Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

0.4

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised

Brief description and measures of investment

The Janus Henderson Global Sustainable Equity Fund invests across a wide range of sustainability themes. They assess companies to see if they lie within at least one of their ten environmental and social themes that encompass positive criteria. The fund seeks to strongly align with the UN SDGs and they regard the UN SDGs as an impact measurement of the fund.

No

SG 15.4

Please attach any supporting information you wish to include. [OPTIONAL]

[File 1:Investment Principles Sept 2019 OIEC.pdf](#)