

SFDR website disclosures: Janus Henderson Japan High Conviction Equity UCITS ETF

SFDR classification: Article 8

A. Summary

No sustainable investment objective	This financial product is categorised as meeting the provisions set out in Article 8 of SFDR. It promotes environmental and/or social characteristics and does not have a sustainable investment objective.	
Environmental or Social (“E/S”) characteristics of the financial product	<ul style="list-style-type: none"> ▪ Supporting the UN Global Compact principles (which cover matters including human rights, labor, corruption, and environmental pollution) ▪ Minimising exposure to issuers deemed to have high ESG risk ▪ Avoiding exposure to companies involved with certain activities with the potential to cause harm to human health and wellbeing, as follows: <ul style="list-style-type: none"> - Gambling, military contracting, small arms, thermal coal, tobacco (companies generating 10% or more of revenue from these activities are excluded) - Adult entertainment (companies generating 5% or more of revenue are excluded) - Any activities listed in the Investment Manager’s Firmwide Exclusion Policy (currently controversial weapons) 	
Investment strategy	The Sub-Fund aims to provide capital growth over the long term by investing in a concentrated, actively managed portfolio of shares in Japanese companies. The Investment Manager uses both exclusionary screens and engagement to implement the E/S characteristics. The good governance practices of investee companies are also assessed prior to making an investment and periodically thereafter’	
Proportion of investments	Minimum share of investments aligned with E/S characteristics	80%
	Minimum share of sustainable investments	0%
	Minimum share of sustainable investments with an environmental objective not aligned with EU Taxonomy	0%
	Minimum share of sustainable investments with an environmental objective aligned with EU Taxonomy	0%
	Minimum share of sustainable investments with a social objective	0%
Monitoring of E/S characteristics	E/S characteristics are monitored both pre-trade and on an ongoing basis, Exclusionary screens are coded into the Investment Manager’s order management system. Any company engagements are subject to periodic review against agreed engagement plans.	
Methodologies	The Sub-Fund uses both exclusionary screens and engagement to implement the E/S characteristics.	
Data sources and processing	The Investment Manager uses ESG data from a variety of third-party sources, including but not limited to MSCI ESG. The Investment Manager receives weekly automated data feeds from external ESG data vendors. Data is subject to quality checks and mapped to the Investment Manager’s internal data structure before it is made available to investment teams.	
Limitations to methodologies and data	The Investment Manager acknowledges that there may be limitations to data provided by ESG data providers. Where third-party data is used to apply ESG exclusionary screens, the Investment Manager may only invest in companies that would be excluded by the screens if it believes, based on its own research and as approved by its ESG Oversight Committee, that the third-party data is insufficient or inaccurate.	

Due diligence	The Investment Manager completes due diligence processes ahead of making any investment decisions, using internal and external tools and research. In addition, the Investment Manager's Front Office Controls & Governance, Financial Risk and Investment Compliance teams conduct ongoing review and oversight.
Engagement policies	The Investment Manager uses tailored engagement plans as part of its implementation of the E/S characteristics, described in sections C and K. It also applies Janus Henderson's firmwide Stewardship & Engagement and Proxy Voting policies, as described in section K.
Designated reference benchmark	No index has been designated as a reference benchmark in relation to the Sub-Fund's attainment of its E/S characteristics.

B. No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

C. Environmental or social (“E/S”) characteristics of the financial product

The Sub-Fund promotes a range of E/S characteristics through (i) binding elements of its stock selection process, including exclusionary screens and (ii) engagement with issuers. The table below details the specific characteristics and how they are implemented within the investment strategy.

Characteristics	Implementation												
<p>Supporting the UN Global Compact principles (which cover matters including human rights, labor, corruption, and environmental pollution)</p>	<ul style="list-style-type: none"> ▪ Engagement and divestment/exclusion of issuers in breach of UNGC principles: The Sub-Fund will only invest or continue to be invested if the Investment Manager considers that, through such engagement, an issuer is on track to improve. If an issuer does not achieve a “pass” rating within 24 months, the Sub-Fund will divest, and exclusionary screens will be applied. Further details on the Investment Manager’s engagement policy can be found in section K of this document and at https://cdn.janushenderson.com/webdocs/2024%2520Responsible%2520Investment%2520Policy.pdf. 												
<p>Minimising exposure to issuers deemed to have high ESG risk</p>	<ul style="list-style-type: none"> ▪ Exclusionary screens to ensure that, of the portfolio invested in equities, at least 80% have an ESG risk rating of BB or higher (MSCI or equivalent) ▪ Engagement with issuers with an ESG risk rating of B or CCC (MSCI or equivalent). The Sub-Fund will only invest or continue to be invested if the Investment Manager considers that, through such engagement, an issuer is on track to improve and receive a rating upgrade. If the issuer’s rating is not upgraded within 24 months, the Sub-Fund will divest, and exclusionary screens will be applied. Further details on the Investment Manager’s engagement policy can be found in section K of this document and at https://cdn.janushenderson.com/webdocs/2024%2520Responsible%2520Investment%2520Policy.pdf. 												
<p>Avoiding companies involved with certain activities with the potential to cause harm to human health and wellbeing</p>	<p>These characteristics are implemented via exclusionary screens:</p>												
	<table border="1"> <tr> <td>Gambling</td> <td>>=10% of revenue</td> </tr> <tr> <td>Military contracting</td> <td>>=10% of revenue</td> </tr> <tr> <td>Small arms</td> <td>>=10% of revenue</td> </tr> <tr> <td>Thermal coal</td> <td>>=10% of revenue</td> </tr> <tr> <td>Tobacco</td> <td>>=10% of revenue</td> </tr> <tr> <td>Adult entertainment</td> <td>>=5% of revenue</td> </tr> </table>	Gambling	>=10% of revenue	Military contracting	>=10% of revenue	Small arms	>=10% of revenue	Thermal coal	>=10% of revenue	Tobacco	>=10% of revenue	Adult entertainment	>=5% of revenue
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<p>Controversial weapons</p>	<p>The Investment Manager’s Firmwide Exclusion Policy currently requires the exclusion of entities involved in the current manufacture of, or minority shareholding of 20% or greater in a manufacturer of controversial weapons, namely:</p> <ul style="list-style-type: none"> • Cluster munitions • Anti-Personnel mines • Chemical weapons • Biological weapons <p>Classification of issuers is primarily based on activity identification fields supplied by the Investment Manager’s third-party ESG data</p>												

		<p>providers. This classification is subject to an investment research override in cases where sufficient evidence exists that the third-party data field is not accurate or appropriate. In any scenario where a portfolio position is identified as not meeting this exclusion criteria for any reason (legacy holding, transition holding, etc.) the Investment Manager shall be granted 90 days to review or challenge the classification of the issuer if appropriate. After this period, in the event an investment research override is not granted, divestment is required immediately under normal market trading circumstances.</p>
	<p>Other activities listed in the Investment Manager's Firmwide Exclusion Policy</p>	<p>The Sub-Fund applies the Investment Manager's Firmwide Exclusions Policy (which currently includes the controversial weapons exclusion described above). This policy applies to all the investment decisions made by the Investment Manager and may be updated from time to time. The policy can be found at https://cdn.janushenderson.com/webdocs/2024%20Responsible%20Investment%20Policy.pdf.</p>

D. Investment Strategy

The Sub-Fund aims to provide capital growth over the long term by investing in a concentrated, actively managed portfolio of shares in Japanese Companies.

The Investment Manager seeks to achieve long-term capital appreciation by investing in undervalued, cash generative and capital-efficient businesses, which can create value for investors. The focus is on stock selection, which is a result of rigorous, fundamental research and a strict valuation discipline, and incorporates strong risk management.

The environmental and social characteristics described in section C are integrated into the stock selection process as binding elements.

The good governance practices of companies are also assessed, prior to making an investment and periodically thereafter, in accordance with the Investment Manager's Sustainability Risk Policy (available at <https://cdn.janushenderson.com/webdocs/2024%20Responsible%20Investment%20Policy.pdf>.) This policy sets minimum standards against which investee companies will be assessed and monitored. Such standards may include, but are not limited to, sound management structures, employee relations, remuneration of staff and tax compliance. In addition, the Investment Manager is a signatory to the UN Principles for Responsible Investment (UNPRI). As a signatory, the good governance practices of investee companies are also assessed by having regard to the UNPRI principles prior to making an investment and periodically thereafter.

The Sub-Fund will have a diversified portfolio of companies across a variety of sectors, which the Investment Manager believes has the potential to perform well over time.

Investors should read this section in conjunction with the Sub-Fund's investment strategy (as set out in the supplement for the Sub-Fund under the heading "Investment Objective and Policy").

E. Proportion of investments

A minimum of 80% of the investments of the financial product are used to meet the environmental or social characteristics promoted by the Sub-Fund. Any remaining investments relate to cash held as ancillary liquidity.

Minimum share of investments aligned with E/S characteristics	80%
Minimum share of sustainable investments	0%
Minimum share of sustainable investments with an environmental objective not aligned with EU Taxonomy	0%
Minimum share of sustainable investments with an environmental objective aligned with EU Taxonomy	0%
Minimum share of sustainable investments with a social objective	0%

F. Monitoring of E/S characteristics

The **exclusionary screens** described in section C are coded into the compliance module of an order management system utilising third-party data provider(s), on an ongoing basis. The exclusionary screens are implemented on both a pre- and post-trade basis enabling any proposed transactions in an excluded security to be blocked and to identify any changes to the status of holdings when third-party data is periodically updated.

The **engagement** activities described in section C are logged and monitored as described in section K.

The Investment Manager will produce **annual periodic reports** detailing how the Sub-Fund has attained the E/S characteristics described in section C, using the following indicators:

- % of assets invested in issuers with a UN Global Compact status of fail and/or subject to an engagement plan relating to UN Global Compact compliance
- % of assets invested in issuers with an ESG rating below BB (MSCI or equivalent) and/or subject to an engagement plan relating to their ESG rating
- % of assets invested in issuers complying with the ESG exclusionary screens described in section C (expected to be 100%)

The Sub-Fund also considers the following **Principal Adverse Impacts** on sustainability factors and will publish annual reports disclosing these impacts and its strategies for mitigating them:

- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10)
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (PAI 14)

Both the annual periodic reports and the disclosures relating to Principal Adverse Impacts will be published at jhetf.com.

G. Methodologies

The Sub-Fund promotes a range of E/S characteristics through (i) binding elements of its stock selection process, including **exclusionary screens** and (ii) **engagement** with issuers. Section C details the specific characteristics and how they are implemented within the investment strategy.

Exclusionary screens are coded into the compliance module of an order management system utilising third-party data provider(s), on an ongoing basis. The exclusionary screens are implemented on both a pre- and post-trade basis enabling any proposed transactions in an excluded security to be blocked and to identify any changes to the status of holdings when third-party data is periodically updated.

Engagement with companies is undertaken as described in section K.

H. Data sources and processing

The Investment Manager uses ESG data from a variety of third-party sources, including but not limited to MSCI ESG. The Investment Manager subscribes to a broad range of external ESG information providers and makes this information available directly to the investment teams.

The Investment Manager receives weekly automated data feeds from external ESG Data vendors, which are ingested into a cloud-based data warehouse. Once the data is ingested and Data Quality checks have been performed the raw data is mapped to the Investment Manager's internal data structure. This ensures that all ESG data from the data warehouse is made available consistently across all downstream applications supporting the different stages in the investment process.

The Investment Manager applies a series of Data Quality rules to ensure the integrity of the data being ingested into the central research alignment solution. Data that is not aligned correctly to the definition as provided by the data vendor is not ingested into the central cloud-based data warehouse and exceptions are raised. These exceptions are monitored and remediated by a central support team. Remediation includes challenging the data provider or internal operations supporting internally managed Systems of Records. Where appropriate the Data Owner responsible and accountable for the data is notified through the internal Data Governance process to resolve outstanding exceptions.

I. Limitations to methodologies and data

The Investment Manager acknowledges that there may be limitations to data provided by ESG data providers. Where third-party data is used to apply ESG exclusionary screens, the Investment Manager may only invest in companies that would be excluded by the screens if it believes, based on its own research and as approved by its ESG Oversight Committee, that the third-party data is insufficient or inaccurate.

The Investment Manager may consider that the data is insufficient or inaccurate if, for example, the third-party data provider research is historic, vague, based on out-of-date sources, or the Investment Manager has other information to make them doubt the accuracy of the research.

If the Investment Manager wishes to challenge the third-party data, then the challenge is presented to a cross-functional ESG Oversight Committee who must sign off on the "override" of the third-party data.

If a third-party data provider does not provide research on a specific issuer or excluded activity, the Investment Manager may invest if, through its own research, it is satisfied that the issuer is not involved in the excluded activities.

J. Due diligence

Each investment desk at the Investment Manager completes its own due diligence processes ahead of making any investment decisions, using internal and external tools and research. In addition, the Investment Manager's Front Office Controls & Governance team provide ongoing assurance that investment products are managed in line with documented sustainability commitments. The Financial Risk team reviews and challenges investment management in light of ESG-related risks, alongside traditional market risk metrics. The Investment Compliance team implements exclusionary screening and monitors this on an ongoing basis, in addition to elements of manual oversight where relevant.

In particular, the **exclusionary screens** described in section C are coded into the compliance module of an order management system utilising third-party data provider(s), on an ongoing basis. The exclusionary screens are implemented on both a pre- and post-trade basis enabling any proposed transactions in an excluded security to be blocked and to identify any changes to the status of holdings when third-party data is periodically updated.

K. Engagement policies

Where an issuer is subject to engagement relating to UNGC compliance or ESG risk (as described in section C), the Investment Manager will draw up an engagement plan. These plans are agreed and periodically reviewed for engagement activity, including progress against the plan during a 24-month period.

The Sub-Fund also applies the Investment Manager's Responsible Investment Policy (<https://cdn.janushenderson.com/webdocs/Responsible+Investment+Policy+2024.pdf>), which incorporates its policies on Stewardship & Engagement and Proxy Voting. These can be summarised as follows:

Stewardship & Engagement

Stewardship and a commitment to good governance is an integral and natural part of Janus Henderson's long-term, active approach to investment management. Strong ownership practices, such as management engagement, can help protect and enhance long-term shareholder value. We support several stewardship codes, such as the UK and Japanese stewardship codes, and broader initiatives around the world including the Principles for Responsible Investment.

The primary route for engagement on stewardship-related issues is the regular meetings analysts and portfolio managers have with the issuers in which they invest. Janus Henderson's analysts and portfolio managers hold thousands of issuer meetings each year. Meetings incorporate a wide range of topics including strategy, capital allocation, performance, risk, management succession, board composition, corporate governance and environmental and social issues where relevant.

Methods of engagement may vary depending on the level and nature of interaction required. We broadly classify our engagements as: engagements for insight and engagements for action. Engagement for insight involves meetings where ESG issues form a meaningful part of the interaction. The goal is to understand an issuer's strategy and actions and leverage that insight in our investment research and decision-making. Engagement for action is outcome-oriented, where we encourage issuers to take decisions that we consider to be in the best long-term interests of shareholders and/or bondholders. Results of company engagement are documented and shared via an internal centralised research platform.

Voting

Key voting decisions are made by portfolio managers, with support provided by in-house corporate governance specialists. Janus Henderson has a Proxy Voting Committee, which is responsible for establishing positions on major voting issues and creating guidelines to oversee the voting process. The Committee is comprised of representatives with experience in investment portfolio management, corporate governance, accounting, legal, and compliance. Public links to our voting records are available on company websites in applicable jurisdictions. Janus Henderson's Proxy Voting Policy is available on our website.

L. Designated reference benchmark

No index has been designated as a reference benchmark in relation to the Sub-Fund's attainment of its E/S characteristics.

Principal adverse impacts (PAI)

The Legal Entity Identifier (LEI) for the product is 635400BDHBCI7GIXDC10

The Sub-Fund considers the following PAIs at the product level¹:

Adverse Sustainability Indicator	Metric	How PAI is considered
10. Violations of UN Global Compact principles and	Share of investments in investee companies that have been	Engagement

¹Effective as of 21 October 2024. Periodic reporting will commence for the reference period 31 December 2024 to 31 December 2025.

Social and employee matters	Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	Exclusionary screening

Where a translated version of this disclosure differs from the English version, the English version prevails.