# PRODUCT KEY FACTS

## JANUS HENDERSON HORIZON FUND – GLOBAL SUSTAINABLE EQUITY FUND

- **This statement provides you with key information about the Global Sustainable Equity Fund (the "Sub-Fund").**
- **This statement is a part of the offering document and must be read in conjunction with the Prospectus and the Hong Kong Covering Document.**
- **You should not invest in this product based on this statement alone.**

## Quick facts

| | | | |
|---|---|---|---|
| **Fund Manager:** | Janus Henderson Investors Europe S.A. | | |
| **Investment Manager:** | Janus Henderson Investors UK Limited, London, UK (internal delegation) | | |
| **Sub-Investment Manager:** | Janus Henderson Investors US LLC, U.S.A. (internal delegation)<br>Janus Henderson Investors (Jersey) Limited, Jersey (internal delegation) | | |
| **Depositary:** | BNP Paribas, Luxembourg Branch | | |
| **Ongoing Charges over a year:** | Class A2 US$ | 1.87% | |
| | The ongoing charges figures are annualized figures calculated based on expenses chargeable to the respective Share Class of the Sub-Fund for the period from 1 July 2021 to 31 December 2021 expressed as a percentage of the average net asset value ("NAV") of the respective Share Class of the Sub-Fund over the same period. These figures may vary from year to year. | | |
| **Dealing frequency:** | Daily | | |
| **Base currency:** | US Dollar | | |
| **Distribution policy:** | **For Accumulation Share Classes (sub-class 2 or class A2):** There is no distribution for Accumulation Share Classes. Any gross income, net realised and unrealised capital gains will be accumulated and reflected in the capital value of the Share Class.<br><br>The directors may amend the distribution policy, where necessary, subject to the SFC's prior approval and by giving not less than one month's prior notice to investors. | | |
| **Financial year end:** | 30 June | | |
| **Minimum investment:** | | | **Class A** |
| | US$ | Initial<br>Additional | $2,500<br>$500 |

# JANUS HENDERSON HORIZON FUND – GLOBAL SUSTAINABLE EQUITY FUND

## What is this product?

The Global Sustainable Equity Fund is a sub-fund of the Janus Henderson Horizon Fund, constituted in the form of a mutual fund and domiciled in Luxembourg. Its home regulator is the Commission de Surveillance du Secteur Financier.

## Investment objective and investment strategy

### Investment objective

The Sub-Fund aims to provide capital growth over the long term by investing in companies whose products and services are considered by the Investment Manager ("IM") as contributing to positive environmental or social change and thereby have an impact on the development of a sustainable global economy.

### Investment strategy

The Sub-Fund invests at least 80% of its NAV in equities of companies worldwide, whose products and services are considered by the IM as contributing to positive environmental or social change and thereby have an impact on the development of a sustainable global economy. The Sub-Fund will avoid investing in companies that the IM considers to potentially have a negative impact on the development of a sustainable global economy in reference, but not limited, to the considerations noted below.

The Sub-Fund follows a 'sustainable investment approach', seeking to identify and invest in companies that are positioned to confront global megatrends (such as climate change, resource constraints, population growth and ageing populations), and those seeking to transform the industries in which they operate in order to support a sustainable global economy.

**The four pillars of a sustainability driven investment strategy**
The IM sees four key elements to an investment approach based on sustainability. Often there are conflicts between environmental and social sustainability and the IM's approach seeks to address this by using both positive and negative (avoidance) investment criteria and considering both the products and operations of a business, as further elaborated below. The IM also recognizes that company engagement and active portfolio management are essential features of any true sustainable investment strategy.

The four pillars:

1. **Environmental and social themes:** Environmental and social investment themes are positive selection criteria (positive screens) that guide idea generation. The IM targets investment in companies with goods and/or services that are beneficial to the development of a sustainable global economy; companies that are making a positive contribution to societal needs without damaging our 'natural capital'. Companies with goods and/or services that are not aligned to the investment themes are excluded from the IM's investment universe.

2. **Environmental and social avoidance criteria:** Clear exclusionary criteria based on environmental and social factors which are negative selection criteria (negative screens). The IM avoids allocating capital to companies with goods, services and/or business practices that contribute to environmental and societal harm. Accordingly, such companies are excluded from the IM's investment universe. Where possible, the IM will seek to achieve zero exposure in respect of the environmental and social avoidance criteria. However, there may be instances when the IM will apply a de minimis limit because sometimes avoiding an industry entirely may not be feasible as a company's business operations may be complex in nature.

3. **Fundamental research:** Fundamental research includes analysis of environmental and social factors relevant to a company's operations or business practices by referring to, for example, third-party research along with in-house analysis and other aspects of fundamental research on corporate publications, conversation with businesses, etc. The

   IM targets investment in companies that demonstrate good management of the environmental and social risks inherent to their business, while also contributing positively through their business practices and management.

4. **Engagement and Voting:** Active ownership with the management of the investee companies, which includes engagement by the IM with the management of the companies the Sub-Fund invests in, aiming to encourage improved performance on environmental and social issues.

Using the above four pillars, the Sub-Fund seeks to adopt an investment framework aligned with the UN Sustainable Development Goals; incorporating environmental and social considerations at all stages of the investment process while taking into account the many conflicts between environmental and social sustainability.

**Environmental and social themes**

Also referred to as 'idea generation', 'thematic framework' or 'positive selection criteria', the IM assesses companies to see if they lie within at least one of the Sub-Fund's ten environmental and social themes that encompass positive criteria, as listed below. This assessment is based on the impact of the product(s)/service(s) a company offers. It uses both quantitative data (e.g. by reference to relevant data in technical specifications, certifications and/or product safety documents, percentage of revenue or turnover of the company generated from activity(ies) falling within the environmental and/or social theme(s) listed below etc.) and qualitative data (e.g. by reference to case studies, customer reviews, etc.) and involves a rigorous look at the life cycle of such product(s) or service(s). Depending on a company's operational sector/industry, different quantitative factors and different key performance indicators may be considered; and the relevant quantitative and qualitative factors may also vary in importance.

***Five environmental themes:***
Cleaner Energy, Sustainable Transport, Water Management, Environmental Services, Efficiency

***Five social themes:***
Health, Sustainable Property & Finance, Knowledge & Technology, Safety, Quality of Life

The above environmental and social themes are used as a framework for ideas generation; however, for the purposes of the Sub-Fund's portfolio construction, there is no forced distribution of themes.

**Please refer to the Hong Kong Covering Document for further information on the 'environmental and social themes'.**

**Environmental and social avoidance criteria**

Also referred to as 'negative screening', 'negative criteria' or 'exclusion criteria', the IM believes that there are products and services that do not meet the ethos and philosophy of the sustainable investment strategy. Therefore, the IM will seek to avoid those businesses involved in activities contrary to the development of a sustainable economy. The IM considers such types of businesses as being at higher risk from government regulation or disruption. **Please refer to the Hong Kong Covering Document for a full list of the current environmental and social avoidance criteria (i.e. business areas which the IM will avoid investing the Sub-Fund's NAV in).**

Janus Henderson has appointed a specialist company to provide the negative screening of potential investments.

*Important information: 'De minimis' limits*

Where possible, the IM will seek to achieve zero exposure in respect of the environmental and social avoidance criteria. However, there may be instances when the IM will apply a *de minimis* limit because sometimes avoiding an industry entirely may not be feasible as a company's business operations may be complex in nature.

The *de minimis* limit relates to the scope of a company's business activity; the limit may be quantitative (e.g. expressed as a percentage of a company's revenues), or may involve a more qualitative assessment. A company's exposure to the environmental and social avoidance criteria will be determined using both qualitative and quantitative assessments and both must be satisfied before the IM will consider investing.

Qualitative and quantitative assessments

The IM will invest in a company only if the IM is satisfied that the 'avoided' activity (i.e. activity associated with the environmental and social avoidance criteria) forms a small part of the company's business (vis-a-vis the quantitative assessment as noted below), and when the IM's research shows that the company manages the activity in line with best practice.

For qualitative assessment, the IM will assess the company's activities for potential exposure to environmental and social avoidance criteria. This is done with the aid of third-party software performing a screen in line with our criteria. When the activity relates to a company's operations, the IM will seek to gain comfort that the company is taking action to improve its performance, or is managing it in an exemplary fashion. Any company with a persistent record of misconduct will be excluded unless there is clear evidence of significant progress.

For quantitative assessment, the IM will assess the level of the company's revenue that is associated with the environmental and social avoidance criteria. The IM uses a 5% threshold, unless otherwise stated in the Hong Kong Covering Document. Although the Sub-Fund has a global investment universe, the securities selected for investment based on the IM's approach as described herein may at times result in a portfolio that is concentrated in certain geographical area(s).

The Sub-Fund may invest in companies of any size, including smaller capitalisation companies, in any industry, in any country.

The Sub-Fund may use financial derivative instruments (such as futures, forwards, options and warrants) to reduce risk and to manage the Sub-Fund more efficiently. Under no circumstances shall the use of these instruments and techniques cause the Sub-Fund to diverge from its investment policy.

The Sub-Fund may invest up to 10% of its NAV in special purpose acquisition companies.

No more than 10% of the Sub-Fund's NAV may be invested in units of UCITS or other UCIs.

Separate from the above *de minimis* limits applicable to the Sub-Fund's principal asset class, the IM has the flexibility to invest the Sub-Fund's remaining assets outside its principal asset class.

For treasury management and/or defensive purposes (e.g. in case of unfavourable market conditions), the Sub-Fund may invest in::

- investment grade government bonds and associated derivative instruments;
- cash and money market instruments.

The Sub-Fund may engage in securities lending transactions. Lending transactions may not be carried out on more than 30% of the NAV of the Sub-Fund.

Currently, the Sub-Fund does not engage in repurchase transactions and/or reverse repurchase transactions (other than reverse repurchase transactions that may be entered into by the securities lending agent on behalf of the Sub-Fund in over-the-counter markets for reinvestment of cash collateral from the securities lending transactions for up to 30% of the NAV of the Sub-Fund).

The Sub-Fund may hold up to 20% of its net assets in ancillary liquid assets such as bank deposits at site, i.e. cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets, or for a period of time strictly necessary in case of unfavourable market conditions. This restriction may only be exceeded temporarily for a period of time strictly necessary if the Directors consider this to be in the best interest of the Shareholders (e.g. during exceptionally unfavourable market conditions such as a severe financial market collapse).

The Sub-Fund is actively managed with reference to the MSCI World Index, which is broadly representative of the companies in which it may invest, as this can provide a useful comparator for assessing the Sub-Fund's performance. The IM has discretion to choose investments for the Sub-Fund with weightings different to the index or not in the index, but at times the Sub-Fund may hold investments similar to the index.

The IM, within its thematic framework of environmental and social themes and positive/negative (avoidance) criteria screening, seeks to construct a differentiated and well diversified global portfolio of companies, based on the belief that superior returns can be generated by companies that are providing solutions to environmental and social challenges. These companies should have attractive financial attributes such as persistent revenue growth and durable cash flows, as well as exhibiting strong management of environmental, social and corporate governance risks. Companies will typically be strategically aligned with themes such as climate change, resource constraints, growing populations, and ageing populations. The Sub-Fund avoids investing in fossil fuels and companies that stand to be disrupted by the transition to a low-carbon economy.

**Use of derivatives / Investment in derivatives**

The Sub-Fund's Net Derivative Exposure may be up to 50% of the Sub-Fund's NAV.

## What are the key risks?

**Investment involves risks. Please refer to the Prospectus and Hong Kong Covering Document for details including the risk factors.**

### General investment risk

- The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

### Equity securities risk

- The value of equity securities may be affected by various economic, political, market and issuer-specific factors and changes in investment sentiment. As a result, the value of such securities may be volatile and decline in value over short or even extended periods of time as well as rise. A fall in the value of equity securities may adversely affect the NAV of the Sub-Fund.

### Risks relating to sustainable investment approach

- *Concentration risk*: The Sub-Fund follows a sustainable investment approach, which may cause it to be overweight and/or underweight in certain sectors and thus perform differently than funds that have a similar objective but which do not integrate sustainable investment criteria when selecting securities.

- *Subjective judgment in investment selection*: In pursuing the sustainable investment approach, the IM integrates certain environmental and social sustainability themes into the investment selection process, which involves analysis of potential investment based on certain "sustainability factors". Such assessment by the IM is subjective in nature and therefore it is possible that the IM may not apply the relevant sustainable investment criteria correctly which may lead to the Sub-Fund foregoing investment opportunities or investing in securities which do not meet the relevant sustainability criteria.

- *Exclusion risk:* The use of environmental and social criteria may affect the Sub-Fund's investment performance and, as such, the Sub-Fund may perform differently compared to similar funds that do not use such criteria. Environmental and social exclusion criteria used in the Sub-Fund's investment strategy may result in the Sub-Fund foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities due to their environmental and social characteristics when it might be disadvantageous to do so.

- *Reliance on corporate data or third-party information:* When assessing a potential investment based on the Sub-Fund's sustainability criteria, the IM is dependent upon information and data from the security issuer and/or third-parties (which may include providers for research, reports, screening, ratings and/or analysis such as index providers and consultants). Such information or data may be incomplete, inaccurate or inconsistent. The lack of a standardized taxonomy may also affect the IM's ability to measure and assess the environment and social impact of a potential investment.

- *Change in nature of investments:* The IM may have to sell a security held by the Sub-Fund at a disadvantageous price in the event the business nature of the security issuer changes such that it no longer meets the Sub-Fund's sustainability criteria.

### Risks relating to securities lending

- Investors should note that if the borrower of securities lent by the Sub-Fund becomes insolvent or refuses to honour its obligations to return the relevant securities in a timely manner, the Sub-Fund would experience delays in recovering its *securities* and may possibly incur a capital loss which may adversely impact investors. The collateral received may realise at a value less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of the issuers of the collateral, or the illiquidity of the market in which the collateral is traded. Further, delays in the return of securities on loan may restrict the ability of the Sub-Fund to meet delivery obligations under security sales or payment obligations arising from realisation requests.

### Risks relating to reverse repurchase transactions

- Reverse repurchase transactions may be entered into by the securities lending agent on behalf of the Sub-Fund for reinvestment of cash collateral received from the securities lending. In the event of the failure of the counterparty with which cash has been placed, the Sub-Fund may suffer loss as there may be delay in recovering cash placed out or difficulty in realising collateral or proceeds from the sale of the collateral may be less than the cash placed with the counterparty due to inaccurate pricing of the collateral or market movements.

### Market risk

- The value of the investments in the Sub-Fund may go up or down due to changing economic, political, regulatory, social development or market conditions that impact the share price of the companies that the Sub-Fund invests in. A fall in the value of the Sub-Fund's investment may cause a fall in the NAV of the Sub-Fund. There is no guarantee of the repayment of principal.

### Liquidity risk

- Any security could become hard to value or to sell at a desired time and price, increasing the risk of investment losses.

### Concentration risk

- Although the Sub-Fund has a global investment universe, the Sub-Fund may at times invest a large portion of its assets in certain geographical area(s). The Sub-Fund may be more susceptible to and may be adversely affected by any single economic market, political, policy, foreign exchange, liquidity, tax, legal or regulatory occurrence affecting certain markets. The value of the Sub-Fund will be more volatile than a fund that has a more diverse portfolio of investments.

### Derivatives risk

- The use of FDIs can involve a higher level of risk. In adverse situations, the Sub-Fund's use of FDIs may become ineffective and the Sub-Fund may suffer significant losses. The leverage element/component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. The use of FDIs also exposes the Sub-Fund to associated risks including counterparty risk, leverage risk, liquidity risk, volatility risk, valuation risk and over-the-counter transaction risk.

### Hedging risk

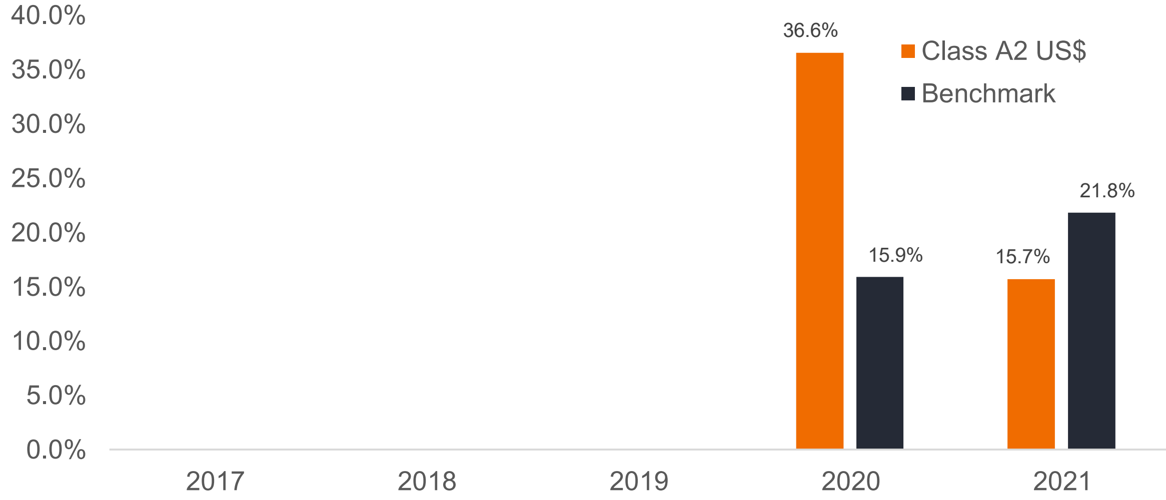
- Any attempts to reduce certain risks may not work as intended. Any measures that the Sub-Fund takes that are designed to offset specific risks may work imperfectly, may not be feasible at times, or may fail completely. To the extent that no hedge exists, the Sub-Fund or Share Class will be exposed to all risks that the hedge would have protected against.

### Currency risk

- Assets of the Sub-Fund may be denominated in a currency other than the base currency (i.e. US Dollar) of the Sub-Fund. Also, a Share Class may be designated in a currency other than the base currency of the Sub-Fund. Changes in exchange rate control and changes in the exchange rate between the base currency and these currencies may affect the value of the Sub-Fund's assets as expressed in the base currency. The exchange rate may also be affected by any changes in exchange control regulations, tax laws, economic or monetary policies and other applicable laws and regulations. Adverse fluctuations in currency exchange rates can result in a decrease in return and in a loss of capital which may have an adverse impact on the Sub-Fund.

# JANUS HENDERSON HORIZON FUND – GLOBAL SUSTAINABLE EQUITY FUND

## How has the Sub-Fund performed?




- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with distributions reinvested.
- These figures show by how much the Share Class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- The benchmark of the Sub-Fund is MSCI World Index.
- Sub-Fund launch date: 2019
- Share Class A2 US$ launch date: 2019
- The Investment Manager views Class A2 US$, being the retail Share Class denominated in the base currency of the Sub-Fund, as the most appropriate representative Share Class.

## Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

# JANUS HENDERSON HORIZON FUND – GLOBAL SUSTAINABLE EQUITY FUND

## What are the fees and charges?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Sub-Fund. A minimum prior notice period of 1 month except for management fee, will be provided to you in the event of a fee revision.

| Fee | What you pay |
|---|---|
| **Subscription fee (Initial charge):** | Class A: Up to 5% of the total amount invested by an investor. |
| **Switching fee:** | Up to 1% of the gross amount being switched between all sub-funds. |
| **Redemption fee:** | Nil |
| **Trading fee:** | Up to 1% of the gross amount being redeemed which is redeemed up to 90 calendar days after such shares have been purchased. |

### Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

| | Annual rate (as a % of the Sub-Fund's total net assets) |
|---|---|
| **Management fee:** | Class A: 1.20%<br>The management fee may be increased, to a maximum rate of 1.5%, subject to three months' notice to investors. |
| **Depositary fee:** | The Sub-Fund will pay to the Depositary a fee for fiduciary services, which is set at a rate of 0.006%, subject to a minimum fee of GBP1,200 (USD1,800). |
| **Performance fee:** | Not applicable. |
| **Custody fees:** | The Sub-Fund will pay to the Depositary custody fees of up to 0.65% (inclusive of the asset-based fees and the transaction-based fees), depending on the markets in which the Sub-Fund invests. |
| **Administration fee:** | Up to 0.18% |
| **Registrar and Transfer Agency fee:** | Up to 0.12% |

### Other fees

You may have to pay other fees when dealing in the shares of the Sub-Fund.

| | |
|---|---|
| **Shareholder servicing fee:** | 0.50%<br>Calculated daily on the Sub-Fund's average total net assets. |

## Additional information

- You generally buy and redeem shares at the Sub-Fund's next-determined NAV after the Hong Kong Representative receives your request in good order on or before 4:30 P.M. being the dealing cut-off time.
- Please note that the cut-off time for placing an order with the authorised distributors may be different from that of the Hong Kong Representative, please check with the authorised distributor who handles your application.
- The NAV of the Sub-Fund is calculated and the price of shares published each business day online at www.janushenderson.com.
- You may obtain the past performance information of other share classes offered to Hong Kong investors (if any) from www.janushenderson.com.

# JANUS HENDERSON HORIZON FUND – GLOBAL SUSTAINABLE EQUITY FUND

## Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

Note: The website: www.janushenderson.com, has not been reviewed or authorised by the SFC and may contain information of funds not authorised by the SFC.