

# INTERIM FINANCIAL REPORT

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Janus Henderson Global Sustainable Equity Fund  
ARSN: 651 993 118

For the half-year ended 31 December 2022

# Janus Henderson Global Sustainable Equity Fund

ARSN 651 993 118

## Interim financial report

### For the half-year ended 31 December 2022

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This interim financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made in respect of Janus Henderson Global Sustainable Equity Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This financial report covers Janus Henderson Global Sustainable Equity Fund (ARSN 651 993 118) as an individual entity.

The Responsible Entity of Janus Henderson Global Sustainable Equity Fund is Janus Henderson Investors (Australia) Funds Management Limited (ABN 43 164 177 244).

The Responsible Entity's registered office is:

Level 36, Grosvenor Place, 225 George Street, Sydney NSW 2000.

## Directors' report

The directors of Janus Henderson Investors (Australia) Funds Management Limited, the Responsible Entity of Janus Henderson Global Sustainable Equity Fund (the "Fund"), present their report together with the interim financial report of the Fund, for the half-year ended 31 December 2022.

### Principal activities

The Fund invests predominantly in listed equity securities in accordance with the provisions of the Fund's Constitution.

The Fund has three classes of units: the Wholesale Class, the Exchange Traded Fund (ETF) Class and the Institutional Class. The ETF Class units are traded on the AQUA market of the Australian Securities Exchange (ASX) under the code "FUTR".

There were no significant changes in the nature of the Fund's activities during the half-year.

### Directors

The following persons held office as directors of Janus Henderson Investors (Australia) Funds Management Limited during or since the end of the half-year and up to the date of this report:

MJ Gaden  
EYL Cheung  
GJ Clarke

### Review and results of operations

The Fund continued to invest in accordance with target asset allocations as set out in the Product Disclosure Statement and in accordance with the provisions of the Fund's Constitution.

#### Results

The performance of the Fund, as represented by the results of its operations, was as follows:

	<b>Half-year ended</b>	
	<b>31 December 2022</b>	31 December 2021
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	<u>990</u>	<u>708</u>
<i>Distributions - Wholesale Class</i>		
Distribution paid and payable (\$'000)	<u>60</u>	<u>103</u>
Distribution (cents per unit - CPU)	<u>0.175</u>	<u>0.385</u>
<i>Distributions - ETF Class</i>		
Distribution paid and payable (\$'000)	<u>2</u>	<u>12</u>
Distribution (cents per unit - CPU)	<u>6.557</u>	<u>17.731</u>
<i>Distributions - Institutional Class</i>		
Distribution paid and payable (\$'000)	<u>0</u>	<u>-</u>
Distribution (cents per unit - CPU)	<u>0.301</u>	<u>-</u>

#### Geopolitical events

Market disruptions associated with current geopolitical events have had a global impact, and uncertainty exists as to their implications. Such disruptions can adversely affect assets of the Fund and thus performance of the Fund. Management is continuing to monitor this development and evaluate its impact on the Fund.

### Rounding of amounts to the nearest thousand dollars

Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

**Directors' report (continued)**

This report is made in accordance with a resolution of the directors of Janus Henderson Investors (Australia) Funds Management Limited.



MJ Gaden  
Director

On behalf of all the directors of Janus Henderson Investors (Australia) Funds Management Limited

3 March 2023

Sydney, Australia



## Auditor's Independence Declaration

As lead auditor for the review of Janus Henderson Global Sustainable Equity Fund for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'Adrian Gut', with a small flourish at the end.

Adrian Gut  
Partner  
PricewaterhouseCoopers

Sydney  
3 March 2023

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**Janus Henderson Global Sustainable Equity Fund**  
**Statement of comprehensive income**  
**For the half-year ended 31 December 2022**

	Notes	Half-year ended	
		31 December 2022 \$'000	31 December 2021 \$'000
<b>Investment income</b>			
Interest income		10	-
Dividend income		174	76
Distribution income		17	9
Net gains/(losses) on financial instruments at fair value through profit or loss		932	718
Other investment income		<u>1</u>	<u>10</u>
<b>Total net investment income/(loss)</b>		<b><u>1,134</u></b>	<b><u>813</u></b>
<b>Expenses</b>			
Management fees		118	70
Transaction costs		5	23
Withholding tax		<u>21</u>	<u>12</u>
<b>Total operating expenses</b>		<b><u>144</u></b>	<b><u>105</u></b>
<b>Operating profit/(loss) for the half-year</b>		<b>990</b>	<b>708</b>
<b>Finance costs attributable to unitholders</b>			
Distributions to unitholders	4	(62)	(115)
(Increase)/decrease in net assets attributable to unitholders	3	<u>(928)</u>	<u>(593)</u>
<b>Profit/(loss) for the half-year</b>		<b>-</b>	<b>-</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the half-year</b>		<b><u>-</u></b>	<b><u>-</u></b>

*The above statement of comprehensive income should be read in conjunction with the Notes to the financial statements.*

**Janus Henderson Global Sustainable Equity Fund**  
**Statement of financial position**  
**As at 31 December 2022**

	Notes	As at	
		31 December 2022 \$'000	30 June 2022 \$'000
<b>Assets</b>			
Cash and cash equivalents		651	993
Receivables		32	19
Financial assets at fair value through profit or loss	5	<u>28,351</u>	<u>25,251</u>
<b>Total assets</b>		<u>29,034</u>	<u>26,263</u>
<b>Liabilities</b>			
Distribution payable		18	19
Due to brokers - payable for securities purchased		24	-
Payables		<u>20</u>	<u>17</u>
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<u>62</u>	<u>36</u>
<b>Net assets attributable to unitholders - Liability</b>	3	<u>28,972</u>	<u>26,227</u>

*The above statement of financial position should be read in conjunction with the Notes to the financial statements.*

**Janus Henderson Global Sustainable Equity Fund**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2022**

	<b>Half-year ended</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Total equity at the beginning of the half-year</b>	-	-
<b>Comprehensive income for the half-year</b>		
Profit/(loss) for the half-year	-	-
Other comprehensive income	-	-
<b>Total comprehensive income for the half-year</b>	-	-
<b>Total transactions with unitholders</b>	-	-
<b>Total equity at the end of the half-year</b>	-	-

*The above statement of changes in equity should be read in conjunction with the Notes to the financial statements.*



**Janus Henderson Global Sustainable Equity Fund**  
**Statement of cash flows**  
**For the half-year ended 31 December 2022**

	Half-year ended	
	31 December 2022	31 December 2021
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Proceeds from sale of financial instruments at fair value through profit or loss	3,857	1,179
Payment for purchase of financial instruments at fair value through profit or loss	(6,001)	(29,308)
Dividends received	162	65
Distributions received	17	9
Interest received	9	-
GST paid	-	(3)
Other investment income received	1	10
Management fees paid	(115)	(51)
Withholding tax paid	(21)	(12)
Transaction costs paid	(5)	(23)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(2,096)</b>	<b>(28,134)</b>
<b>Cash flows from financing activities</b>		
Proceeds from applications by unitholders	2,818	28,903
Payments for redemptions by unitholders	(1,046)	-
Distributions paid to unitholders	(18)	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>1,754</b>	<b>28,903</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(342)</b>	<b>769</b>
Cash and cash equivalents at the beginning of the half-year	993	-
<b>Cash and cash equivalents at the end of the half-year</b>	<b>651</b>	<b>769</b>

*The above statement of cash flows should be read in conjunction with the Notes to the financial statements.*

## 1 Summary of significant accounting policies

### (a) Basis of preparation

This interim financial report for the half-year ended 31 December 2022 has been prepared in accordance with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This financial report does not include all of the notes normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made in respect of Janus Henderson Global Sustainable Equity Fund during the interim financial reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The financial statements were authorised for issue by the directors on 3 March 2023. The directors of the Responsible Entity have the power to amend and reissue the interim financial report.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated in the following text.

#### *New and amended standards adopted by the Fund*

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the half-year beginning 1 July 2022 that would be expected to have a material impact on the Fund.

### (b) Rounding of amounts

The Fund is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the 'rounding off' amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

### (c) Accounting period

The Fund commenced operations on 1 September 2021, the comparative information relates to the period 1 September 2021 to 30 June 2022.

## 2 Fair value measurement

The Fund measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets/liabilities at fair value through profit or loss (FVPL) (see Note 5).

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy:

- a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in fair value recognised in the Statement of comprehensive income.

- Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at balance date without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in the financial statements. For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets held by the Fund is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

## 2 Fair value measurement (continued)

- Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds.

The determination of what constitutes "observable" requires judgment by the Responsible Entity. The Responsible Entity considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and not provided by independent sources that are actively involved in the relevant market.

The table below sets out the Fund's financial assets and liabilities measured at fair value according to the fair value hierarchy.

<b>31 December 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	<u>28,351</u>	<u>-</u>	<u>-</u>	<u>28,351</u>
<b>Total</b>	<u><b>28,351</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>28,351</b></u>
30 June 2022	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss:				
Listed equity securities	<u>25,251</u>	<u>-</u>	<u>-</u>	<u>25,251</u>
<b>Total</b>	<u><b>25,251</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>25,251</b></u>

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

### *(i) Transfers between levels*

There were no transfers between the levels of the fair value hierarchy for the half-year ended 31 December 2022.

### *(ii) Valuation process*

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities. Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values due to their short term nature.

### *(iii) Movement in Level 3 instruments*

There were no investments classified as Level 3 within the Fund as at 31 December 2022 and 30 June 2022.

### 3 Net assets attributable to unitholders

Movements in the number of units and net assets attributable to unitholders during the half-year were as follows:

	31 December 2022		31 December 2021	
	No.	\$'000	No.	\$'000
<b>Opening balance</b>	<b>32,281,524</b>	<b>26,227</b>	-	-
<b>Wholesale Class</b>				
Applications	3,015,688	2,559	26,862,143	26,945
Redemptions	(1,229,854)	(1,046)	-	-
Reinvested distributions	<u>52,982</u>	<u>44</u>	<u>95,799</u>	<u>98</u>
	<b>1,838,816</b>	<b>1,557</b>	<b>26,957,942</b>	<b>27,043</b>
<b>ETF Class</b>				
Applications	10,000	259	65,000	1,959
Redemptions	(3)	-	-	-
Reinvested distributions	<u>24</u>	<u>1</u>	<u>374</u>	<u>12</u>
	<b>10,021</b>	<b>260</b>	<b>65,374</b>	<b>1,971</b>
<b>Institutional Class</b>				
Reinvested distributions	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>
Increase/(decrease) in net assets attributable to unitholders	<u>-</u>	<u>928</u>	<u>-</u>	<u>593</u>
<b>Closing balance</b>	<b>34,130,364</b>	<b>28,972</b>	<b>27,023,316</b>	<b>29,607</b>

As stipulated in the Fund's Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets in the Fund. There are two separate classes of units. Each unit has the same rights as all the other units within that class.

Units are redeemed on demand at the unitholder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

### 4 Distributions to unitholders

The distributions for the half-year were as follows:

	Half-year ended			
	31 December 2022		31 December 2021	
	\$'000	CPU	\$'000	CPU
<b>Distributions - Wholesale Class</b>				
Distribution paid and payable - December	<u>60</u>	<u>0.175</u>	<u>103</u>	<u>0.385</u>
	<b>60</b>	<b>0.175</b>	<b>103</b>	<b>0.385</b>
<b>Distributions - ETF Class</b>				
Distribution paid and payable - December	<u>2</u>	<u>6.557</u>	<u>12</u>	<u>17.731</u>
	<b>2</b>	<b>6.557</b>	<b>12</b>	<b>17.731</b>
<b>Distributions - Institutional Class</b>				
Distribution paid and payable - December	<u>0</u>	<u>0.301</u>	<u>-</u>	<u>-</u>
	<b>0</b>	<b>0.301</b>	<b>-</b>	<b>-</b>
<b>Total distributions</b>	<b>62</b>		<b>115</b>	

### 5 Financial assets at fair value through profit or loss

	As at	
	31 December 2022	30 June 2022
	Fair value \$'000	Fair value \$'000
Listed equity securities	<u>28,351</u>	<u>25,251</u>
<b>Total financial assets at fair value through profit or loss</b>	<b>28,351</b>	<b>25,251</b>

## **6 Events occurring after the reporting period**

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the statement of financial position as at 31 December 2022 or on the results and cash flows of the Fund for the half-year ended on that date.

## **7 Contingent assets and liabilities or commitments**

There are no outstanding contingent assets or liabilities or commitments as at 31 December 2022 and 30 June 2022.

## **Directors' declaration**

In the opinion of the directors of the Responsible Entity:

- (a) The interim financial statements and notes set out on pages 5 - 12 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Fund's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.
- (b) There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



MJ Gaden  
Director

On behalf of all the directors of Janus Henderson Investors (Australia) Funds Management Limited  
3 March 2023  
Sydney, Australia



## Independent auditor's review report to the unitholders of Janus Henderson Global Sustainable Equity Fund

### Report on the half-year financial report

#### **Conclusion**

We have reviewed the half-year financial report of Janus Henderson Global Sustainable Equity Fund (the Registered Scheme) which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Janus Henderson Global Sustainable Equity Fund does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Registered Scheme's financial position as at 31 December 2022 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### **Basis for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### **Responsibilities of the directors of the Responsible Entity for the half-year financial report**

The directors of the Responsible Entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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### ***Auditor's responsibilities for the review of the half-year financial report***

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Registered Scheme's financial position as at 31 December 2022 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'Adrian Gut'.

Adrian Gut  
Partner

Sydney  
3 March 2023