

GLOBAL SUSTAINABLE EQUITY ACTIVE ETF (MANAGED FUND)

As at June 2023

Fund objective

The Fund seeks to provide capital growth over the long term and to achieve a total return after fees that exceeds the total return of the Benchmark over rolling five year periods.

Investment approach

The Fund seeks to provide exposure to a diversified global portfolio of equities considered by the Manager as contributing to positive environmental or social change, and thereby have an impact on the development of a sustainable global economy.

Benchmark

MSCI World Index (net dividends reinvested) in AUD

Risk profile

High

Suggested timeframe

5 years

Inception date

20 September 2021

Active ETF size

\$1.0 million

Underlying fund size

\$34.9 million

Management cost (%)

0.80 p.a.

Buy/sell spread (%)^

0.10/0.10

Base currency

AUD

Distribution frequency

Semi-annually (if any)

ARSN code

651 993 118

APIR code

HGI8931AU

ISIN

AU0000169229

ASX ticker

FUTR

Performance	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	Since inception (% p.a.)
Fund (net)	3.04	6.48	19.10	23.80	-	-	-0.24
Benchmark	3.10	7.49	17.25	22.43	-	-	5.12
Excess return	-0.06	-1.01	1.85	1.37	-	-	-5.36

Past performance is not a reliable indication of future results.

Fund performance – net (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep*	Oct	Nov	Dec	YTD
2021	-	-	-	-	-	-	-	-	-2.77	1.46	4.06	0.06	2.72
2022	-5.95	-5.29	-1.47	-4.51	-1.54	-5.12	9.12	-4.02	-4.20	6.37	3.02	-5.46	-18.61
2023	5.01	2.07	4.36	0.56	2.76	3.04	-	-	-	-	-	-	19.10

*Fund inception date is 20 September 2021, therefore part month performance is shown.

Top 10 Holdings	(%)	Country Weightings	(%)
Microsoft	7.05	Australia	0.29
NVIDIA	3.92	Canada	5.55
Westinghouse Air Brake Technologies	3.48	China	0.16
Xylem	3.25	France	5.30
Aon	3.09	Germany	3.11
Schneider Electric	2.75	Hong Kong	2.11
Humana	2.66	Ireland	2.64
ICON	2.64	Japan	9.91
Intact Financial	2.62	Netherlands	3.82
Legrand	2.54	United Kingdom	3.72
		United States	61.48
		Cash	1.91

Characteristics

Number of Holdings	52
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Sector Weightings

	(%)
Information Technology	35.55
Industrials	17.73
Financials	16.45
Health Care	8.94
Consumer Discretionary	6.18
Utilities	5.07
Communication Services	3.07
Real Estate	3.06
Materials	1.57
Consumer Staples	0.47
Cash	1.91

^ For more information and most up to date buy/sell spread information visit www.janushenderson.com/en-au/investor/buy-sell-spreads

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**Head of Global
Sustainable Equities**
Hamish Chamberlayne



Portfolio Manager
Aaron Scully

Fund commentary

The Janus Henderson Global Sustainable Equity Active ETF (Managed Fund) returned 3.04% in June, compared with a 3.10% return from the MSCI World Index (net dividends reinvested) in AUD (Benchmark).

The Fund's underperformance was largely driven by stock selection. In utilities, the Fund's holdings in renewable energy firms Innergex and Boralex underperformed compared to traditional utilities, which generally have a lower growth profile. In the materials sector, only our holding in DS Smith underperformed, and traditional companies in the sector, such as miners, benefitted from the rallies in commodity prices. Stock selection in information technology was also unfavourable, with much of this due to the Fund's lack of exposure to sector heavyweight Apple.

Positive contribution came from the Fund's stock selection in industrials, with strong performance in particular from Wabtec, Xylem and Advanced Drainage Systems. The Fund's underweight position in the relatively weak consumer staples sector, where many companies fail our exclusionary criteria, was a further positive.

Top performers included railway locomotive and components manufacturer Wabtec, laser manufacturer IPG Photonics and clinical research organisation (CRO) Icon.

Wabtec clawed back some of its recent underperformance. News flow surrounding locomotive sales and railway capital expenditure was generally positive and did nothing to alter our belief that we are at the beginning of an upcycle in North American rail investment. Part of this could come from green legislation, as improved rail infrastructure will play a key role in reducing emissions. Wabtec has high market share across its products and a dominant leadership position across emerging rail technologies. The firm has historically shown impressive cash flow generation and margin expansion throughout the rail cycle.

IPG Photonics outperformed after a research report highlighted the company's growth opportunities in electric vehicle manufacturing. We continue to value IPG's status as a leading supplier of fibre lasers, which are up to 20 times more energy efficient than traditional industrial lasers. IPG's products deliver compelling cost, waste and energy savings. We feel IPG has major growth opportunities in several end-markets as firms look to increase efficiency and cut emissions.

Shares in Icon rose after the company was admitted into the Russell 3000 Index. Icon's services encourage innovation and life-saving breakthroughs in medicine by helping biotechnology and pharmaceutical firms navigate the ever-increasing costs and complexity of clinical trials. We believe Icon's solid track record and use of technology set it apart from its peers and could help the firm secure further partnerships with major drug makers.

Notable detractors included health insurer Humana, cardboard packaging company DS Smith and renewable energy firm Innergex.

Humana's share price fell with several other US health insurers after the company and its peer UnitedHealth said that the number of elective surgery procedures has increased in recent months, leading to concerns that insurers could see increasing medical costs and lower profits. Despite this, Humana's business continues to demonstrate strong growth and retention rates in its core Medicare Advantage (MA) business. As the dominant provider of MA plans, Humana is well exposed to the ageing population in the US. The firm is a pioneer in integrated care and aims to lower costs by encouraging healthy choices that prevent future medical problems.

DS Smith posted higher-than-expected annual profits, but this was overshadowed by concerns of weakening volume in the firm's end-markets. DS Smith's recycling and packaging operations are closely integrated – to the extent that it takes as little as 14 days for a cardboard box to be made, used, collected, recycled, pulped, pressed and made back into a cardboard box again. We believe the company stands to benefit from growing ecommerce volumes and demand from firms seeking to decrease their environmental impact through sustainable packaging. DS Smith boasts a strong financial position and notable scale advantages.

Innergex underperformed along with other utility firms as higher interest rates weighed on valuations and defensive sectors lagged the broader market. As a leading developer and operator of renewable power facilities, Innergex could benefit from increased demand as investments in renewable energy continue to accelerate. We believe the scale and longer-term potential of these investments continue to be underestimated by investors.

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(continued)

Janus Henderson
INVESTORS

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finished higher in
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Market review

Global equities finished higher in June. US stocks drove much of this performance as the Federal Reserve (Fed) paused interest rate hikes and the strength of the US economy continued to exceed expectations. Consumer discretionary, industrials and materials were the strongest sectors, while utilities, communication services and health care were the weakest.

Important information

The Product Disclosure Statement for the Fund, dated 30 September 2022, and the Additional Information Guide, dated 30 May 2023, are available at www.janushenderson.com/australia.

Past performance is not a reliable indicator of future performance. Performance source: Morningstar, Janus Henderson. Performance figures are calculated using the exit price net of fees and assume distributions are reinvested. Due to rounding the figures in the holdings, breakdowns may not add up to 100%. The information in this monthly report was prepared by Janus Henderson Investors (Australia) Funds Management Limited ABN 43 164 177 244, AFS Licence 444268 and should not be considered a recommendation to purchase, sell or hold any particular security. Securities and sectors mentioned in this monthly report are presented to illustrate companies and sectors in which the Fund has invested. Holdings are subject to change daily. This monthly report contains general information only and does not take account of your individual objectives, financial situation or needs. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. None of Janus Henderson Investors (Australia) Funds Management Limited nor any of the Janus Henderson group entities nor their respective related bodies corporate, associates, affiliates, officers, employees, agents or any other person are, to the extent permitted by law, responsible for any loss or damage suffered as a result of any reliance by any reader or prospective investor. You should consider the current PDS, available at www.janushenderson.com/australia, before making a decision about the Fund. Target Market Determinations for funds issued by Janus Henderson are available here: www.janushenderson.com/TMD. Dollar figures shown are in Australian Dollars (AUD), unless otherwise stated.

Further information

www.janushenderson.com/australia