

# SUSTAINABLE AND RESPONSIBLE INVESTMENT

Janus Henderson  
INVESTORS

**Janus Henderson Global Sustainable Equity Strategy**  
Positive impact companies\*, 31 March 2019













For promotional purposes

\*See page 4 for definition.



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# Janus Henderson Global Sustainable Equity Strategy

## Hamish Chamberlayne, manager of Janus Henderson's Global Sustainable Equity Strategy, introduces his team's approach to company selection.

Investment principles lead the team to invest in businesses that may have a positive impact on society and the environment by virtue of the products or services sold, and by the way in which operations are managed, thereby supporting the United Nations Sustainable Development Goals (UN SDGs). We use a thematic framework (see diagram below) to identify those businesses that are strategically aligned with the four megatrends of climate change, resource constraints, population growth and an ageing population and, by virtue of this, offer the potential for sustainable revenue growth.

There are two sides to sustainable investing, however. We believe it is equally important to avoid investing in companies whose products or services negatively impact the environment or society and which are contrary to the UN SDGs. For this reason, we have made a conscious decision to avoid direct investments in fossil fuels, tobacco, weapons, alcohol, meat and dairy production, fast food and sugary drinks, toxic chemicals and fur. It is a sad fact that many of the world's largest companies have products that are contrary to the development of a sustainable economy. Many consumer brands manufacture food and drink products that contribute to poor human health and environmental destruction: sugary snacks and drinks contribute to rising rates of obesity and heart disease; snacks and cosmetics often contain palm oil from unsustainable sources; while beef farming has an extremely high negative environmental impact (with cattle feed production contributing to deforestation, excessive pesticide and

fertilizer application, and unsustainable fresh water use). Many global cosmetic companies test their products on animals even though we believe it is no longer necessary, and some well known companies support the fur trade. Global chemical companies produce chemicals that are banned in certain jurisdictions or that are on non-governmental organisations' (NGOs) lists of concern.

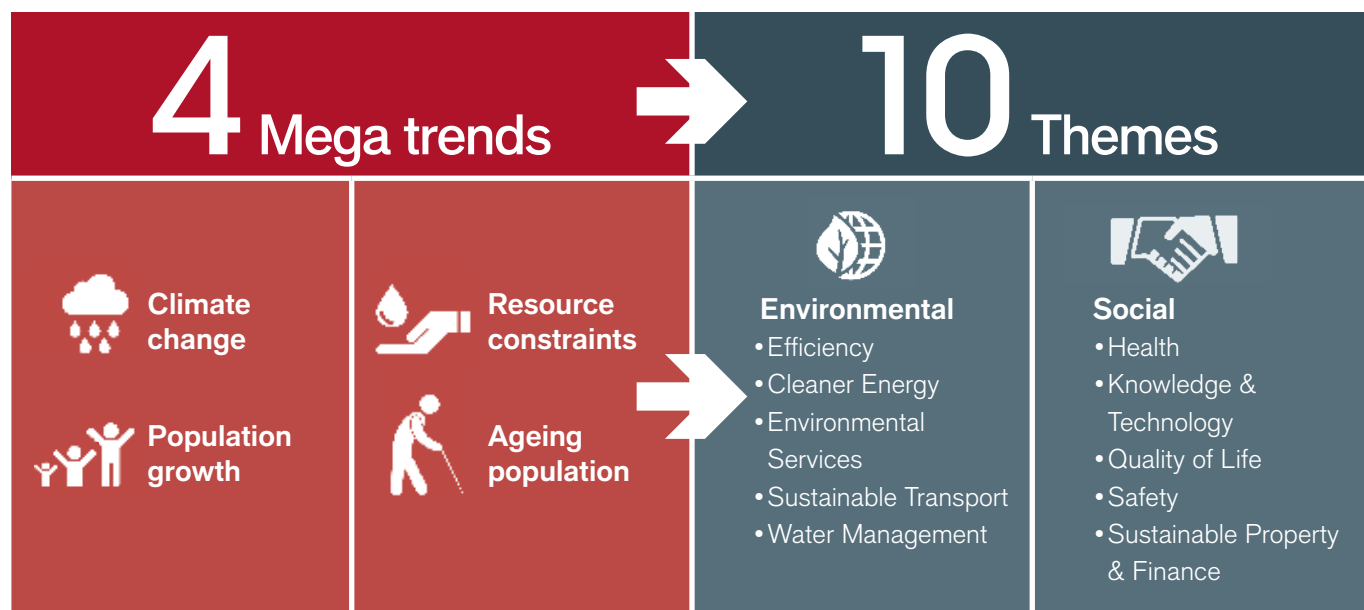
Yet there are plenty of companies that have come to recognise that a sustainable approach to delivering goods and services and providing solutions to social and environmental problems can be a profitable enterprise.

The following pages introduce companies, grouped by theme, together with an explanation of the positive environmental and/or social impact that the manager has identified for each company.

**Positive impact companies = 1.** These are companies identified as providing products or services that contribute in a beneficial way to the environment and/or society.

**2.** The manager believes this type of investing promotes a responsible economy, supporting sustainable industry.


**3.** The manager's view is that these types of companies confront the challenges posed by key megatrends: climate change, resource constraints, population growth and ageing populations.




Source: Janus Henderson Investors, as at 31 March 2019.

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# Positive impact companies

THEME	COMPANY	POSITIVE IMPACT
 Cleaner Energy	<b>Boralex</b>	<b>Boralex</b> develops and operates renewable power facilities in Canada, France, and the US. It specialises in wind and run-of-river hydroelectric projects. It is committed to minimising the environmental impact of its projects, avoiding encroachment on farmland and threats to biodiversity.

THEME	COMPANY	POSITIVE IMPACT
 Efficiency	<b>IPG Photonics</b>	<b>IPG Photonics</b> is the leading global manufacturer of high-performance fibre lasers, and is headquartered in North America. Fibre lasers are up to 20 times more energy efficient than traditional industrial lasers and their use leads to material energy savings and a reduction in carbon emissions. They also have low running costs, requiring no consumables or scheduled maintenance, such as lamps or bars to replace, meaning less waste is produced. Fibre lasers have a large number of applications and they are transforming industrial manufacturing processes, medical technology, and consumer entertainment.
	<b>Kingspan</b>	<b>Kingspan</b> , headquartered in Ireland, is the global leader in high performance insulation, building fabric and solar-integrated building envelopes. Buildings account for more than one third of primary energy consumption and therefore it is imperative to increase their efficiency in order to meet carbon reduction targets. Kingspan calculates that its existing installed base of insulation systems are contributing to an annual saving of 27 million tonnes of CO <sub>2</sub> . That is equivalent to the annual output of 47 power stations, 14 million cars or roughly three times the annual electricity consumption of Greater London.
	<b>Microchip</b>	<b>Microchip</b> designs and manufactures microcontrollers and analogue semiconductors. Its embedded control solutions are the foundational building blocks of the IoT. Microcontrollers are small, low cost, computing devices that are embedded into products to help control and manage their operations. They are being used in a wide variety of applications from household appliances, such as air conditioning, fridges and cookers, to cars and industrial machinery. In all cases, they are improving the efficiency with which energy and power are generated and consumed.
	<b>National Instruments</b>	<b>National Instruments</b> designs, manufactures and sells systems to engineers and scientists that accelerate productivity, innovation, and discovery. The company's software-centric platform provides integrated software and modular hardware that speeds the development of systems requiring measurement and control. The company appears well placed to benefit from electrification-led innovation in the auto industry, the movement to 5G (fifth generation wireless systems) in the communications industry, and growth in the IoT.
	<b>Nidec</b>	<b>Nidec</b> is the world-leading manufacturer of high efficiency brushless DC (direct current) motors and has a global market share of more than 50%. These types of motors can reduce power consumption by 20-30% and are used in many different applications including data centre memory storage, household appliances, electric vehicles, and robotics. By some estimates, motors account for approximately half of the world's power consumption and so increasing their efficiency will have a positive impact on reducing carbon dioxide emissions.
	<b>Schneider Electric</b>	<b>Schneider</b> is a world-leading electrical goods and automation technology company, headquartered in France. It has a broad product offering including low voltage and building automation technology for residential and commercial buildings, medium voltage and grid automation equipment for utility and infrastructure customers, discrete and process automation services for industrial customers, and critical power and cooling technology for datacentre customers. All of its products and services are designed to increase efficiency and reduce the carbon intensity of its customers' operations.


# Positive impact companies

THEME	COMPANY	POSITIVE IMPACT
 Environmental Services	<b>Avery Dennison</b>	<b>Avery Dennison</b> is a global provider of packaging and label solutions, headquartered in the US. Its products are designed to reduce waste and increase the recyclability of packaging. It also offers an environmental impact analysis tool that enables customers to perform lifecycle analysis on their label and packaging materials. 'Greenprint' allows customers to calculate the consumption of water, electricity, fossil material and bio-material necessary for a product, along with the amount of solid waste and greenhouse gas emissions that will result. Avery Dennison can then show customers how to reduce these impacts through more efficient design or the use of recycled materials.
	<b>DS Smith</b>	<b>DS Smith</b> is a leading manufacturer and recycler of corrugated packaging products in Europe. Its 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. The company aims to create a completely circular supply chain, thereby achieving zero waste. This commitment to sustainable packaging solutions is enabling customers to reduce the environmental impact of their products.

THEME	COMPANY	POSITIVE IMPACT
 Health	<b>Encompass Health</b>	<b>Encompass Health</b> is a leading provider of post-acute care in the US. It operates more than 120 inpatient rehabilitation centres across 29 states. It also offers home health and hospice services; it is the fourth largest provider of Medicare-certified skilled home health services in the US. With an ageing demographic pressuring healthcare costs in the US, Encompass Health is benefiting from its ability to offer more cost-effective solutions: inpatient rehabilitation centres and home care services offer a cost advantage over senior nursing facilities (where rehabilitation is not as much of a focus and patients often spend extended periods of time).
	<b>Humana</b>	<b>Humana</b> is a health insurance company with a primary focus on providing Medicare Advantage plans (a type of health plan) to senior citizens in the US. It is a pioneer in integrated care, aiming to lower costs for its members through better prevention of health problems and programmes to encourage healthier lifestyles. It has a range of clinical capabilities and resources such as in-home care, behavioural health, pharmacy services, data analytics, and wellness solutions. Ageing demographics are driving growth in demand for retirees' health care and Humana is catering to this by offering affordable products with a service that is consistent with private health insurance.
	<b>Physicians Realty Trust</b>	<b>Physicians Realty Trust</b> is a US-based real estate investment trust that owns buildings used by medical practices and healthcare providers. These properties play a crucial role in delivering essential healthcare services. Physicians Realty Trust brings best practices and more efficient systems to the properties that it acquires.
	<b>Teladoc</b>	Teladoc is a virtual healthcare platform that provides telemedicine services in many countries around the world. Its mission is to transform how people access healthcare by offering an experience with greater convenience, outcomes, and value. Its network of healthcare professionals can prescribe medical treatment for a wide range of conditions across general medical, dermatology and behavioural health. Across the globe, healthcare services are under enormous strain, with millions of people not receiving care. Telemedicine enables more people to access these services in a more timely and convenient manner and at a lower cost.
	<b>Waters</b>	<b>Waters</b> is a leading global supplier of high performance scientific analytical equipment and consumables, including liquid chromatography, mass spectrometry, thermal analysis, and rheology (flow of materials) instrumentation. Its products are fundamental to the advancement of scientific knowledge across all disciplines, as well as being of critical use in quality assurance, product safety, and environmental testing. Waters provides the technology that gives scientists insight into the physical properties of materials and the composition of natural products and synthetic chemical mixtures; this thereby helps them make profound discoveries and advances in areas such as healthcare delivery, environmental management, food safety and water quality, consumer products, and high value chemicals. At the same time, Waters products are essential for customers to meet regulatory requirements around quality and safety.

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# Positive impact companies


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 Knowledge & Technology	<b>Adobe Systems</b>	<b>Adobe</b> is a North American technology company that develops and sells software and services for content creation and measurement of digital advertising and marketing. Adobe inventions are helping to drive the creation of ideas and exchange of information – presenting new ways of solving social and environmental problems. One of Adobe's largest end markets is education. The shift to digital media also enables customers to reduce waste and save natural resources. Adobe is benefiting as it transforms its business to a cloud-based subscription model. This shift to cloud computing has a beneficial environmental impact due to Adobe's policy of using renewable energy to power its datacentres, thereby enabling customers to reduce the energy intensity of their operations and therefore their carbon emissions.
	<b>ASML</b>	<b>ASML</b> is a global manufacturer of semiconductor microchip-making equipment and is headquartered in the Netherlands. Its mission is to invent advanced technology for high-tech lithography (transferring patterns or shapes to silicon wafers), metrology (measurement) and software solutions for the semiconductor industry. This enables the advancement of 'Moore's law' towards ever smaller, cheaper, more powerful and energy efficient semiconductors: this, in turn, results in increasingly powerful and capable electronics that enable the world to progress within a multitude of fields, including healthcare, technology, communications, energy, mobility, and entertainment. ASML is the leader in 'extreme ultraviolet lithography', which is expected to propel the semiconductor industry to the next generation of chips.
	<b>Autodesk</b>	<b>Autodesk</b> is the global leader in design software used by architects and engineers worldwide, and is a provider of software to product designers. Autodesk's solutions aim to empower customers to optimise the environmental and social impacts of their designs. This can encompass producing designs that dramatically reduce energy needs, provide resilient and environmentally sustainable infrastructure, or allow new approaches to product development and manufacturing. Customised goods that are created locally with less materials waste are of benefit to a sustainable economy.
	<b>Blackbaud</b>	<b>Blackbaud</b> is a cloud software company that provides technology tools and services to the social good community, which includes non-profits, foundations, corporations, educational institutions, and healthcare institutions. The company's vision is "to power an ecosystem of good that builds a better world" and its solutions are targeted at improving the operational productivity of mission based organisations, from fund raising through to award management and performance analytics. Just a 1% increase in fund raising effectiveness could drive close to \$4bn more every year towards social good program work.
	<b>Cadence</b>	<b>Cadence Design Systems</b> is a provider of system design tools, software, internet protocol solutions, and services. It is the only company to offer the full suite of products required for the entire electronics design chain, from chip design to chip packaging to boards and to systems. It provides the resources semiconductor companies need to develop highly differentiated products within the automotive, cloud datacentre, consumer, industrial, Internet of Things (IoT), and mobile industries. Its solutions help speed the design of innovative electronic products that transform the way people live and work.
	<b>Cognizant</b>	<b>Cognizant</b> is a global IT consultant headquartered in North America. It specialises in helping its clients transition their business models to capture the benefits of the digital economy. It provides technology strategy consulting services, complex system development, data warehousing, and business intelligence. Its franchise is particularly strong in healthcare, banking, insurance and retail, where it is helping clients improve end customer service offerings via intelligent use of big data analytics and implementation of mobile and digital technologies. It also helps clients manage cyber security risks and to ensure their operations comply with tightening regulations.
	<b>Informa</b>	<b>Informa</b> is a leading global business intelligence, academic publishing, knowledge, and events business, headquartered in the UK. Its products and services provide knowledge, insight, analysis, and connections and networking, helping businesses and professionals drive progress across multiple industries all around the world. Informa has a positive impact on both the environment and society, principally through the information it produces, which informs debate, aids decision-makers, and encourages research and development.

# Positive impact companies

THEME	COMPANY	POSITIVE IMPACT
	<b>Lam Research</b>	<b>Lam Research</b> is a global supplier of fabrication equipment and services to the semiconductor industry. Nearly every advanced semiconductor chip in the world is built with Lam technology. Lam's products are essential to driving innovation in silicon, which is the foundation of all technological progress. As we enter a new age of advanced computing and connectivity, Lam is contributing to the revolutionising of our lives with new devices and applications enabled by the Internet of Things becoming widespread in connected homes, connected vehicles, and connected cities; from digital energy and greater efficiency to new consumer and medical technologies.
	<b>Microsoft</b>	<b>Microsoft</b> is a global provider of software and technology services, headquartered in North America. Its strategy is to "build best-in-class platforms and productivity services for a mobile-first, cloud-first world". It is one of the world's leading cloud computing providers and its Azure cloud platform, which is hosted on carbon neutral datacentres, can be used in many different ways for the benefit of the environment and society. With its partners, Microsoft has developed solutions spanning energy, water, buildings, infrastructure, and transportation to help modernise cities in sustainable ways that will minimise their resource use and environmental impact. Azure is also being used for open source artificial intelligence (AI) and big data applications. The other beneficial impact arising from Microsoft's carbon neutral datacentres is that it enables businesses to shift their energy consumption to low carbon sources.
	<b>Orange</b>	<b>Orange</b> is one of the largest operators of mobile and internet services in Europe and Africa, and is headquartered in France. Telecom network providers stand to play a pivotal role in the upcoming era of ubiquitous connectivity through the IoT, via the roll-out of 5G networks. Digital connectivity is a powerful tool for economic and social development. In developed economies 5G networks will enable societies to capture productivity gains from smart cities, mobile working and autonomous driving and 4G networks are already transforming the lives of people with mobile banking services, education, and health services and e-commerce opportunities.
	<b>Salesforce</b>	<b>Salesforce</b> is a global enterprise software company with a leading franchise in customer relationship management (CRM) software. Its products are enabling clients to transform their businesses for the digital age, forging deeper relationships with their customers and facilitating a more efficient allocation of resources. Salesforce pioneered a new technology model based on the cloud and a subscription-based business model. In addition to commercial and technology advantages for its clients, there are material environmental benefits to this model given Salesforce has a commitment to run all its operations on renewable energy. By enabling clients to shift energy-intensive computing operations into the cloud there is a significant carbon footprint reduction. Recognised as a leader in sustainability, Salesforce also has an integrated corporate philanthropy model that leverages the resources of the company to help improve the state of the world.
	<b>SAP</b>	<b>SAP</b> headquartered in Germany, is a leading global software company, providing solutions for enterprise resource planning, database management and business intelligence. Its services help businesses to adapt to digital transformation and to run their operations more efficiently, thereby increasing efficient use of resources. SAP is also transitioning its customers to cloud computing infrastructure and its datacentres are powered by renewable energy. This has a beneficial environmental impact because it enables businesses to shift their energy consumption to low carbon sources. Datacentres are amongst the heaviest users of energy in the economy.
	<b>Texas Instruments</b>	<b>Texas Instruments</b> is one of the world's largest semiconductor design and manufacturing companies. Its primary area of focus is on developing analogue chips and embedded processors, which are fundamental building blocks of a more connected world. Examples of the wide variety of end customer applications include renewable energy technology, healthcare diagnostics equipment, factory automation, smart meters, security systems, battery management systems, autonomous driving, and smart irrigation.
	<b>Wolters Kluwer</b>	<b>Wolters Kluwer</b> is a global provider of professional information, software solutions and services for clinicians, nurses, accountants, lawyers and tax, finance, audit, risk, compliance and regulatory sectors. It provides services that support the strength and smooth running of governmental, regulatory and public service institutions. Its services focus on the world's most critical areas helping to protect people's health and prosperity and contributing to a safe and just society.


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# Positive impact companies

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 Quality of Life	<b>Costa Group</b>	<b>Costa Group</b> is Australia's largest grower of fresh fruit and vegetables. Its portfolio consists solely of fresh healthy produce and its main products are berries, avocados, citrus, tomatoes and mushrooms. It supplies all the major Australian supermarket chains as well as independent grocers and it also exports to Asia, North America and Europe. It has adopted leading sustainability initiatives in its agricultural operations, including smart irrigation and vertical farms and is recognised for its high labour standards.
	<b>Gildan Activewear</b>	<b>Gildan</b> is a North American textile manufacturer, headquartered in Canada. It is renowned for its high social and environmental standards. It has invested in advanced manufacturing facilities, which enable it to produce higher quality goods at a lower cost, while at the same time minimising the environmental impact of its operations and providing industry-leading working conditions. Customers are attracted by Gildan's ability to provide assurance about the ethical integrity of its supply chain.
	<b>McCormick</b>	<b>McCormick</b> is a leading global manufacturer of herbs and spices, headquartered in North America. In 2015, the US Dietary Guidelines Advisory Committee specifically recommended greater use of herbs and spices as part of a healthy diet and as a way to reduce sodium intake. Demographic trends are also resulting in higher demand for herbs and spices as millennials increasingly choose to cook at home. McCormick has a robust sourcing programme in place, working with producers from all over the world to improve the sustainability of farming practices.
	<b>Nike</b>	<b>Nike</b> is the world's largest supplier of shoes and clothing. It has the stated mission of bringing inspiration and innovation to every athlete in the world. Alongside the health benefits of its products, Nike is a leader in sustainable manufacturing and is moving towards a low impact, closed loop model that uses reclaimed materials at the start of the manufacturing process. Additionally, Nike is targeting using 100% renewable energy in its owned and operated facilities by 2025.
	<b>Nintendo</b>	<b>Nintendo</b> is a Japanese consumer electronics and video game company. It is a company with strong principles and its mission is to find unique ways to explore play with the aim of putting smiles on the faces of everyone Nintendo touches. Nintendo's products are family focussed and demonstrate a strong social element. It is very different to other gaming companies in this respect and we feel any company that sees its purpose as bringing joy to as many people as possible, irrespective of age, gender or ethnicity, has a strong place in the portfolio. Studies have also shown that gaming improves reading & mathematics, multi-tasking, perseverance, and fine motor skills. We are encouraged that Nintendo has developed technology which allows parents to remotely monitor and control a child's usage and is taking steps to minimise the negative impacts from overuse.
	<b>Walt Disney</b>	<b>Walt Disney</b> is one of the best known media and entertainment companies in the world. Since its founding in 1923 it has always been associated with family friendly entertainment and today it owns the rights to some of the most globally recognised characters, from Mickey Mouse to Luke Skywalker. Disney makes live-action and animated films, television shows and sports content, and operates theme parks around the world. Its mission is to inform and inspire people around the globe through the power of unparalleled storytelling, reflecting iconic brands, creative minds and innovative technologies.


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# Positive impact companies

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 Safety	<b>Intact Financial</b>	<b>Intact Financial</b> is Canada's largest insurer for cars, homes, and businesses, with a market share of nearly 20%. Like US firm Progressive, it is using digital technology and data analytics to attract lower risk customers by rewarding safer driving habits or the adoption of other loss prevention measures. Digitalisation also improves customer experience and retention. Intact Financial is recognised as one of Canada's best employers.
	<b>Legrand</b>	<b>Legrand</b> is a global specialist in electrical and digital infrastructure for buildings, and is headquartered in France. From smart meters to cable management, power distribution and voice-data-image (VDI) systems distribution, Legrand provides a host of solutions designed to manage lighting, energy, networks and building access. Its products improve building efficiency and enhance electrical safety. Legrand also designs assisted living systems to help people live longer and better lives in their own homes.
	<b>Murata Manufacturing</b>	<b>Murata Manufacturing</b> is one of the world's largest manufacturers of passive components for electronic devices, such as capacitors, acoustic filters, ultrasonic sensors, communication modules, power inductors and lithium-ion batteries. These types of components are necessary for the safe and effective functioning of all electronic circuits, being used to control electric flow, store electricity and enable wireless communication. There is strong growth in demand from electric vehicles, 5G communications technology and renewable energy, as well as any market where electrification is accelerating.
	<b>Progressive</b>	<b>Progressive</b> is one of the largest car insurance companies in the US and is also expanding into home insurance. Progressive considers itself a data science company focused on the insurance industry. The company uses data analysis, including tracking driving habits, to identify and attract lower risk drivers, which in turn allows it to offer lower insurance rates. This encourages safer driving practices amongst its policy holders.
	<b>Shimadzu</b>	<b>Shimadzu</b> is a Japanese manufacturer of analytical and measuring instruments. It specialises in liquid chromatographs and mass spectrometers, where improved instrument performance is resulting in a growing number of applications related to food and environment safety testing, healthcare services, and drug discovery. It has a strong franchise in China and India, where drug quality control and environmental analysis are key demand drivers.


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 Sustainable Transport	<b>Aptiv</b>	<b>Aptiv</b> , headquartered in North America, is a leader in the automotive technology industry. Aptiv is unique in being able to offer auto manufacturers complete solutions, comprising both hardware and software, to develop smart vehicle architectures. In addition to enhancing safety, Aptiv's technology is a key building block in enabling the development of driverless vehicles. The result should be fewer accidents and the creation of new transportation business models.
	<b>Getlink</b>	<b>Getlink</b> manages and operates the Channel Tunnel between Britain and France. This is the safest and most environmentally friendly way of crossing the English Channel: dug below the seabed the tunnel avoids any interaction with the marine ecosystem, and the choice of trains and electric power represents a major factor in reducing the carbon footprint of moving people and goods between Britain and France. There is still scope for increased utilisation of this infrastructure asset.
	<b>Knorr Bremse</b>	<b>Knorr Bremse</b> is one of the top global manufacturers of subsystems and components for the rail and commercial vehicle industries. Its technology is focused on improving safety and efficiency, and reducing environmental impact. For example, it has leading capabilities in braking systems and driver assistance technology, which includes lane departure warning and blind spot assistance.
	<b>Shimano</b>	<b>Shimano</b> is the leading global manufacturer of bicycle components, and is headquartered in Japan. It is renowned for its high quality craftsmanship, and its components can be found on a full range of bicycles, from daily users to those used by the world's top racing teams. As well as being an environmentally sustainable method of transport, cycling is also recognised for its health benefits and it enjoys government support in many regions of the world.
	<b>TE Connectivity</b>	<b>TE Connectivity</b> is the global leader in the connectors and sensors industry. It designs and manufactures devices that connect and protect the flow of power and data inside a wide variety of industrial and consumer products such as subsea communications networks, factory automation systems, electric cars, and wearable fitness trackers. Its sensors also play a critical role in improving healthcare, being incorporated into medical devices with applications from diagnostics and therapeutics, to imaging and surgery. TE Connectivity's technology enables customers to make products that are more reliable, safe, and energy efficient and which improve people's lives.
	<b>Tesla</b>	<b>Tesla</b> , headquartered in North America, is a world-leading manufacturer of electric vehicles, lithium-ion batteries, and solar power systems. Its mission is to accelerate the world's transition to sustainable energy. It is also leading the race in the development of autonomous driving technology. Its electric cars have won numerous accolades for their high performance, best-in-class safety, and low running costs. By adopting a strategy that incorporates the entire clean technology value chain from solar energy generation to power storage to electric mobility, Tesla's potential impact reaches across many different industries. The advantage of solar and batteries is the ability to offer a truly distributed power system, avoiding the need to build power plants and electrical grids. This promises to have a transformational impact on the lives of poor communities in developing countries.
	<b>Wabtec</b>	<b>Westinghouse Air Brake Technologies (Wabtec)</b> , headquartered in North America, is one of the world's largest providers of equipment and components to the global freight and transit rail industries. Its products are focused on safety and efficiency, including driver control systems, collision-avoidance systems, braking equipment, signalling technology and low emission locomotives with enhanced fuel efficiency. Railroads are the most environmentally sound way to move freight over land, while public transit systems also have a positive environmental and social impact.


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# Positive impact companies

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 Sustainable Property & Finance	<b>AIA Group</b>	<b>AIA</b> is a pan-Asian insurance provider headquartered in Hong Kong. It has a presence in 18 different countries and provides a wide range of products, including retirement savings plans, life insurance, and accident and health insurance. Protection products in developing and emerging Asia are relatively under-penetrated, especially in Thailand, Malaysia, India, China, and Indonesia. At the same time, the lack of a social safety net for the population in emerging and developing markets also underpins the need for health and pension products. Conversely, in developed markets, the ageing population is driving life insurance penetration as individuals spend larger proportions of their wealth on protection and health.
	<b>Aon</b>	<b>Aon</b> is a global provider of risk management, insurance, reinsurance brokerage, and human resource consulting. As one of the leading repositories of risk and insurance placement data, Aon uses big data analytics to help clients manage complex risks. There is growing demand for insurance given the emergence of new risks such as the environmental consequences of climate change, cyber risk, and the risks associated with the provision of retirement and healthcare services to an ageing population.
	<b>Equinix</b>	<b>Equinix</b> is a real estate investment trust that develops and operates interconnected data centres. It is the largest operator in the world, with more than 180 data centres in 44 markets across five continents. Data centres are the backbone of the internet and a more connected world – with advances in the Internet of Things and Artificial Intelligence there should be continued growth in demand for efficient and secure storage and transmission of data. Equinix has a long-term goal to use 100% renewable energy to power its operations and should therefore have a positive impact on lowering carbon emissions by enabling customers to move energy-intensive computing processes into the cloud.
	<b>ING Groep</b>	<b>ING Groep</b> is one of the largest banks in Benelux, but it also has a large and growing international footprint, being present in more than 40 countries. Its franchise is solely focused on retail and wholesale banking activities – providing essential financial services to consumers and businesses. It is embracing digital transformation to provide superior customer service and drive capital efficient growth outside of its home markets. It is also one of the leading banks with respect to integrating sustainability considerations into its operational and risk management processes.
	<b>Intuit</b>	<b>Intuit</b> is a financial technology company that develops software for small businesses, accounting professionals and consumers, covering areas such as tax, payroll processing and personal finance. Its mission is to power prosperity around the world and it does this by providing the tools to help small businesses and consumers manage their financial resources more effectively. Intuit's QuickBooks franchise also provides loans, further helping small business formation.
	<b>Marsh &amp; McLennan</b>	<b>Marsh &amp; McLennan</b> is a global provider of risk management, risk consulting, and insurance programme management services to businesses, governments and individuals around the world. Marsh & McLennan utilises data to help clients understand and manage complex risks. There is growing demand for insurance given the emergence of new risks such as the environmental consequences of climate change, cyber risk, and the risks associated with the provision of retirement and healthcare services to an ageing population.
	<b>Mastercard</b>	<b>Mastercard</b> operates a global payments processing network in more than 200 countries around the world. Its mission is to make payments safe, simple and smart and it is regarded as a leader in the field of electronic payments innovation. There are many benefits to the electrification of payments including security, convenience and also economic development and financial inclusion. Mastercard has numerous initiatives around the world focused on providing affordable financial services and programmes to promote inclusive growth.
	<b>PayPal</b>	<b>PayPal</b> is a financial technology company that provides electronic payment solutions to merchants and consumers worldwide. No longer simply a digital wallet for online commerce it has expanded its suite of financial services to include merchant payment processing, money transfer and lending. It has been expanding into international markets such as India, South America and Africa with financial inclusion at the heart of its strategy.
	<b>Walker &amp; Dunlop</b>	<b>Walker &amp; Dunlop</b> is a full service commercial real estate financing company in the United States, originating loans, servicing mortgages and providing asset management services. It has a particular focus on multi-family properties (apartment buildings) and it has a leading share of mortgage originations with the government-sponsored agencies Fannie Mae (Federal National Mortgage Association) and Freddie Mac (Federal Home Loan Mortgage Corporation). Walker & Dunlop has specialist expertise in helping clients comply with government regulations and programmes concerning the provision of affordable housing and green lending, as well as healthcare, senior living and student properties.

These are the manager's views as at 31 March 2019. The stocks listed are for illustrative purposes only and are not indicative of historical or future performance. This document does not qualify as an investment recommendation. References made to individual securities do not constitute or form part of any offer or solicitation to issue, sell, subscribe or purchase the security. Past performance is not a guide to future performance. The value of an investment and the income from it may fall as well as rise and you may not get back the amount originally invested.

# Positive impact companies

THEME	COMPANY	POSITIVE IMPACT
 Water Management	<b>AO Smith</b>	<b>AO Smith</b> is a global leader in water technology, encompassing products from energy efficient water heaters to water purifiers and commercial water treatment solutions. AO Smith's patented technology can increase the output of fresh water from reverse osmosis residential water treatment products (which remove contaminants from water) by 50%. Climate change and environmental pollution are having a negative impact on the availability of clean water. AO Smith's products and solutions help to address this.
	<b>Evoqua Water Technologies</b>	<b>Evoqua Water Technologies</b> is a water technology company, with a sole focus on water treatment. Its core technologies are focused on purification; removing impurities from water, rather than neutralising them through the addition of chemicals. It serves municipal and industrial customers and its solutions span the entire water life cycle from extraction and purification to waste treatment and reuse. Evoqua's treatment systems and services enable customers to achieve lower costs from the more efficient use of water, as well as ensuring their ability to meet regulatory compliance requirements and environmental sustainability objectives.
	<b>Xylem</b>	<b>Xylem</b> is a global water infrastructure and technology company headquartered in North America. Its corporate mission statement is "let's solve water". It has a broad portfolio of products and applications for the water and wastewater, agriculture, industrial, residential and commercial end markets. Climate change is having a disruptive impact on the global water cycle; at the same time that demand for fresh water continues to increase due to population growth and urbanisation. Xylem's solutions range from flood recovery services to water conservation and treatment services.

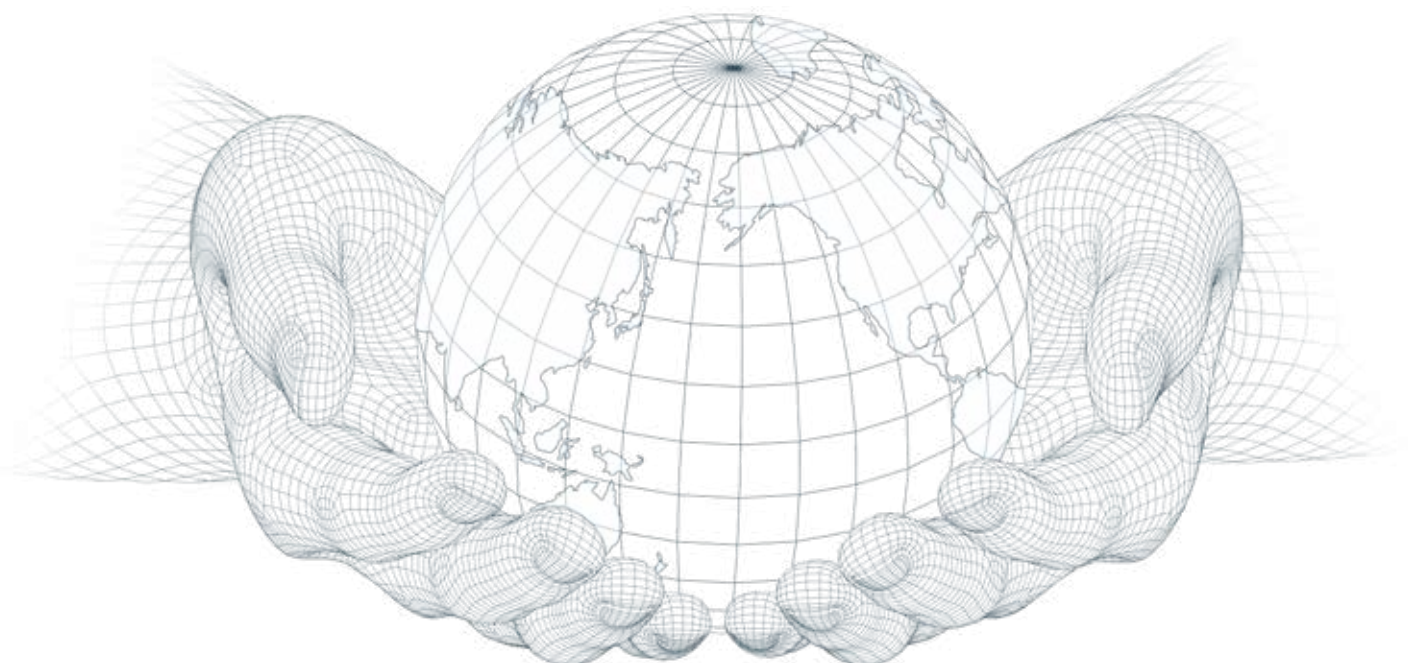
Source: Janus Henderson Investors, information correct as at 31 March 2019.

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# Positive impact companies

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INVESTORS

#### Important Information

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