

JULY 2021

# ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) CORPORATE STATEMENT

Active because active matters

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# OUR APPROACH

Being a global asset management organisation comes with important responsibilities. As an active manager, this means that integrating Environmental, Social and Governance (ESG) factors into our investment decision-making and ownership practices is fundamental to delivering the results clients seek. An issue as pressing as ESG investing demands active and ongoing engagement and we are committed to maintaining focus on long-term sustainability and returns. We also recognise that the ESG investment world is evolving and we seek to partner with clients and act as a guide on that journey.

- ▶ At a corporate level, ESG principles influence our people, our culture, and our choices, helping to make us a better company.
- ▶ At an investment level, we have integrated ESG factors into our analysis and processes, helping us identify opportunities and risks, and influence positive change as we engage with companies.
- ▶ Recognising that there is a lack of consistency in ESG implementation and articulation across the industry, we seek to be clear in our communication as well as providing insight and education for our clients.

“ ESG investing and considerations are evolving quickly; so is our thinking. Our heritage and expertise allow us to partner with clients on this journey and contribute to a sustainable future for generations to come.”

**Dick Weil, Chief Executive Officer**

## Corporate Social Responsibility

We value and engage with our employees, communities and the wider world.

Both the ethical and practical values of ESG have always been at the heart of what Janus Henderson stands for. The biggest change we have seen, and welcome, is the increased appetite of clients, and the industry in general, to talk about and act on ESG considerations. The drive to assess more than just financial returns reflects a broad, cultural change within the industry, and perhaps a generational shift within society. We welcome this change and support the increased demand for corporate commitment to ESG standards.

## Our People

Diversity and Inclusion (D&I) is imperative to our development. Our core offering to clients is our intellectual capital, and this offering is strengthened by diversity of thought and varied perspectives. To that end, we foster an environment that values the unique talents and contributions of every individual within a culture of inclusivity.

While we and the industry still have much progress to make related to D&I, we have a strong foundation on which to build.

We believe in organic evolution to cultivate and empower change by bringing in the right people at the right time, and have set D&I targets to encourage continued progress.

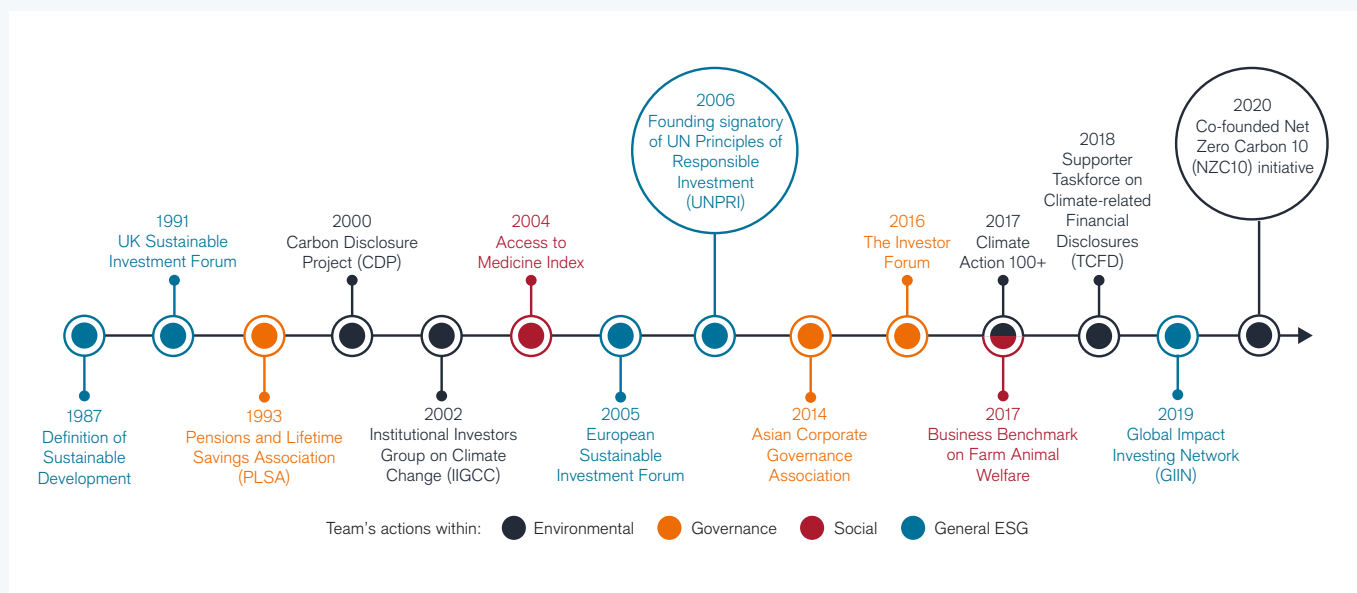
- We scored 100% in the Human Rights Campaign Corporate Equality Index 2021, for our transparent and inclusive practises. We were also proud to be recognised in this assessment as a best place to work for LGBT+ equality.
- We were named among 380 firms across 44 countries and regions on Bloomberg's 2021 Gender-Equality Index for transparency in gender reporting and advancing equality for women.
- We are a signatory of the Women in Finance Charter for the UK workforce. This is a commitment by the UK government and signatory firms to work together for gender balance across the financial services industry. Our 2023 goal is aligned with the charter.

We seek to maintain an inclusive workplace that respects, supports and encourages the development and retention of all our colleagues. This includes a wide range of Employee Resource Groups including: Ethnic & Cultural Diversity Network, Janus Henderson 50+, Janus Henderson Veterans Network, Janus Henderson Pride, Women of Janus Henderson and Working Parents.

## Environment

Environmental sustainability is an ethical and a commercial imperative. Managing our environmental footprint often goes hand in hand with our strategic priority to operate efficiently. We are proud to have a strong heritage of involvement with carefully selected sustainability-related organisations and initiatives. These relationships allow us to advance broader industry-wide initiatives and help set related public policy. As such we will continue to engage and collaborate in ways that we consider most meaningful.

- We serve as a member or in an advisory capacity with 16 (at end 2020) carefully selected ESG organisations and initiatives.



\*Net Zero Carbon 10 applies to the Janus Henderson Global Sustainable Equity Team.

## Climate Risk

Our commitment to tackling climate change at a corporate level is evidenced by the fact we have been CarbonNeutral®\* since 2007, currently maintaining a net zero carbon emissions footprint across our 25 global offices. This goal was achieved through a combination of measures including minimising consumption; purchasing renewable energy or energy off-set certificates; and purchasing carbon credits from independently certified carbon emission reduction projects.

- We committed to reducing our carbon footprint by 15% per full time employee over three years based on 2018 consumption. This target was reached, and we are working to agree our next commitment.

\*CarbonNeutral® certification applies to Janus Henderson Investors since 2017 and Henderson Global Investors prior to this date.

## Community

By contributing to the communities where we live and work through local initiatives, as well as through our investment activity and corporate engagement, we are fulfilling what we view as our civic responsibility to set a positive example.

Education has long been a pillar of our community engagement and support. The Janus Henderson Foundation, our primary charitable giving arm, has a major focus on helping young people achieve their full potential through access to better educational opportunities, as well as supporting local communities and organisations, including:

- A partnership with Junior Achievement to support financial literacy and empower the global JA Titan Programme through a US\$1.6 million commitment. Young people deserve to achieve in business, worldwide.
- A number of education programmes focused on developing fundamental math and literacy skills in children from less well-served communities and teacher development and talent pipeline initiatives. Improved education is an important step towards increased diversity in the investment community.

## Governance

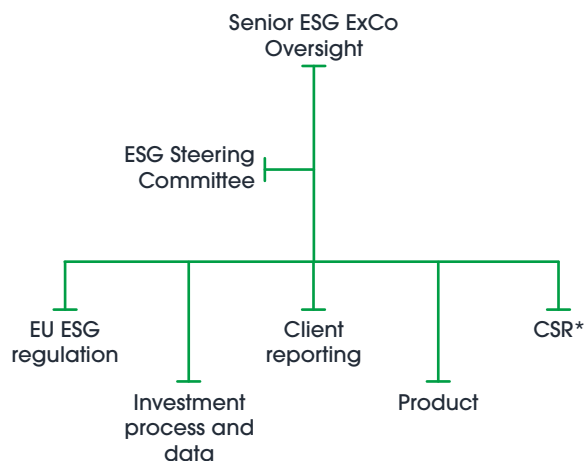
Governance is foundational to good business and all aspects of ESG. Our commitment to good corporate governance is evident in our policies and practices, which include a robust ESG governance structure with a policy group reporting directly to our CEO. We have always been comfortable being held to the highest standards by our Board of Directors and our stakeholders.

The Janus Henderson Group Board comprises a Non-Executive Chairperson, a Non-Executive Deputy Chairperson, one Executive Director, and seven other Non-Executive Directors. The Board has delegated specific responsibilities to four standing Committees of the Board: Audit, Compensation, Nominating and Corporate, and Risk.

Within the firm, ESG governance resides with an Executive Committee, comprised of senior business leaders from across the organisation, with ultimate oversight by our CEO, Dick Weil. The mandate of the Oversight and ESG Steering Committees is to:

- Provide oversight of all corporate ESG activities and issues
- Monitor and evaluate firm-level adherence to policies and regulation
- Further develop corporate resources to facilitate ESG integration
- Advise on the development of our ESG solution strategies
- Oversee our involvement in external initiatives and partnerships

Collaboration is one of our core organisational values, and we recognise the importance of partnering with other investors to promote higher ESG standards across the globe.



\*CSR – corporate social responsibility

## Ratings

As a founding signatory of the UN-supported Principles for Responsible Investment (PRI), we have been a proud and engaged member since 2006 and rank highly with UN PRI and MSCI for our commitment to ESG. Scores with other ESG research providers vary.

## ESG Resource Commitment

Our current infrastructure includes an established base of ESG-focused experts. Our Head of ESG Investments, Paul LaCoursiere, and our Global Head of Product Strategy & ESG within Distribution, Kelly Hagg, work closely together to formulate our ESG strategy and supporting programmes. They are meaningfully strengthening the support framework.

ESG investment support: a specialist model is employed with skillsets grouped into three pillars:

- **Governance & Stewardship** – the long-standing Governance & Responsible Investment Team, which supports investment teams on governance, proxy voting advisory and ESG company engagement, is being enhanced and will additionally lead on thematic engagement.
- **ESG Investment Research** – this new team will implement a consistent methodology for evaluating the ESG performance of issuers across opportunity sets with a focus on financial materiality.
- **ESG Strategy & Development** – a newly created team consisting of specialists focusing on data, content, product design and investment desk support across all asset classes.

ESG client solutions: building out a team within Distribution of seven ESG specialists, which includes a Director of Product Strategy & ESG, ESG Research Analyst, ESG Regulatory Specialist, and ESG Distribution Generalist in both the US and EMEA.

## Conclusion

We understand that ESG investing continues to evolve and mature. We are committed to maintaining an open dialogue with our clients, shareholders, employees, industry groups and other relevant parties as we seek to meet their expectations and hold true to our values as a steward of our clients' capital. We seek to ensure clients fully understand our approach and objectives. We also seek to share our investment thinking and maintain an open dialogue with clients throughout the investment journey.

“ We are committed to sharing our insight and analysis on the ESG themes impacting our world and portfolios as part of our Knowledge Shared approach.”

**Kelly Hagg, Global Head of Product Strategy and ESG, Distribution.**

FOR MORE INFORMATION, PLEASE VISIT [JANUSHENDERSON.COM](https://www.janushenderson.com)

**Janus Henderson**  
— INVESTORS —

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