

2022

IMPACT REPORT



INVESTING IN A BRIGHTER FUTURE TOGETHER

PURPOSE

Investing
in a brighter
future together

MISSION

We help clients define and achieve
superior financial outcomes through
differentiated insights, disciplined
investments, and world-class service

STRATEGY

PROTECT
& GROW
OUR CORE

AMPLIFY
OUR
STRENGTHS

DIVERSIFY
WHERE WE
HAVE THE RIGHT

VALUES

CLIENTS
COME FIRST
– ALWAYS

EXECUTION
SUPERSEDES
INTENTION

TOGETHER
WE WIN

DIVERSITY
IMPROVES
RESULTS

TRUTH
BUILDS
TRUST

A YEAR IN REVIEW

Welcome to the Janus Henderson Impact Report, which this year begins by introducing our new company strategy and Mission, Values, and Purpose (MVP). The combination of our strategy as our roadmap and MVP as our north star is the key driver behind how we will achieve our client, shareholder, employee, and stakeholder ambitions. These important elements combine to create our Purpose: Investing in a brighter future together. Our MVP is an evolution of our longstanding view that, together, Janus Henderson and its clients can build a better future. Our MVP is intended to be both reflective of how Janus Henderson acts, as well as serve as an aspirational motivator. It was developed with input from over 1,650 survey responses, 25 one-on-one interviews, seven focus groups, and more than 75 employees and key stakeholders, and is being embedded throughout our organisation, our processes, and our culture.

Our MVP encompasses two aspects of impact for Janus Henderson as an asset manager. The first is our own corporate responsibility. We expect the companies we invest in to display high corporate responsibility standards as a key driver of financial performance, and believe our own standards should mirror those expectations. The second is responsible investing. At Janus Henderson, we believe integrating environmental, social, and governance (ESG) factors is instrumental to fulfilling our fiduciary duty to our clients. Global environmental challenges such as climate change, biodiversity loss and pollution, and societal issues such as wealth and income inequality, access to education and healthcare, and cyberwarfare represent substantial long-term material risks to investor portfolios. We believe integrating ESG considerations into our investment decisions and stewardship processes allows us to better manage these risks to achieve the best outcomes for our clients.

As you read through the rest of the report, you will find in-depth commentary about the steps we have taken to embed and improve these two components of responsibility – corporate responsibility and responsible investing – across our business. The report also provides details about the development of our people through the results of our annual employee engagement survey and highlights the diversity, equity, and inclusion (DEI) metrics we have established for the firm. You will also be able to read about our passion for and commitment to investing in our communities.

Responsibility starts at home. In order to be responsible investors, our own behaviors need to reflect what we demand of our portfolio companies. Our Impact Report starts with our own Governance, People, Communities, Environment, and Responsible Investing as that is the foundation of our responsibility efforts. As we bring our Purpose to life, we hope you enjoy reading about the impact Janus Henderson is making for our colleagues, our clients and their clients, and the communities where we live and work.



ALI DIBADJ

Chief Executive Officer



TIPHANI KRUEGER

Global Head of Human Resources,
President of the Janus Henderson Foundation



ROGER THOMPSON

Chief Financial Officer



MICHELLE DUNSTAN

Chief Responsibility Officer

HIGHLIGHTS



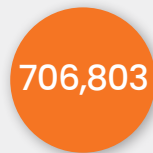
Carbon Neutral for 15 years



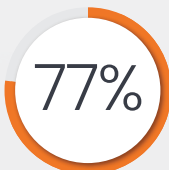
of Janus Henderson Group plc Board members are women



of Janus Henderson Group plc Board members identify as ethnically diverse



Students reached through the Janus Henderson Foundation since inception



Employee engagement score



DEI engagement score



Founding signatory of the Principles
for Responsible Investment



ESG-focused company engagements in 2022



ESG thought leadership articles
published in 2022



Voted proxy proposals in 2022

2022

6

GOVERNANCE

Explore our Environmental, Social, and Governance (ESG) identity and the governance structure that reflects our commitment.

7

OUR PEOPLE

Delve into how we live out our Employee Value Proposition and demonstrate our dedication to creating an inclusive culture focused on equitable opportunities.

18

OUR COMMUNITY

Examine the innovative giving initiatives that reflect the passions of our employees and the work of the Janus Henderson Foundation.

25

OUR ENVIRONMENT

Learn how environmentalism and sustainability are at the heart of our business.

31

RESPONSIBLE INVESTING

Discover how we embed ESG across our business and in our investment processes.





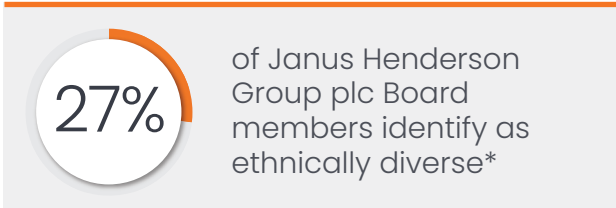
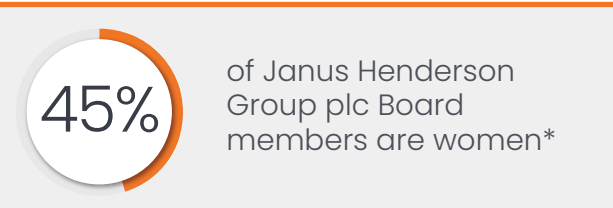
GOVERNANCE AT JANUS HENDERSON

As an organisation dedicated to the management of risk, Janus Henderson is involved in all relevant aspects of governance and overall risk management. Our commitment to good corporate governance is evident in our policies and practices and held to the highest standards by our Board of Directors and our stakeholders. The Janus Henderson Group Board comprises a Non-Executive Chair, an Executive Director, and nine other Non-Executive Directors. The Board has delegated specific responsibilities to four standing committees of the Board: Audit, Compensation, Nominating and Corporate Governance, and Risk. The Board and its Committees receive regular updates on ESG and related matters during meetings throughout the year.

Our commitment to ethics

The most important asset that Janus Henderson manages on behalf of its clients and its shareholders is their trust. We have a number of policies and practices that explain how we act with integrity and honesty, including our financial crime and inducements policies. These policies cover anti-money laundering and anti-bribery and corruption, among others. We have continued to significantly strengthen our risk and control environment by simplifying and enhancing our approach to managing risks that exist across our business.

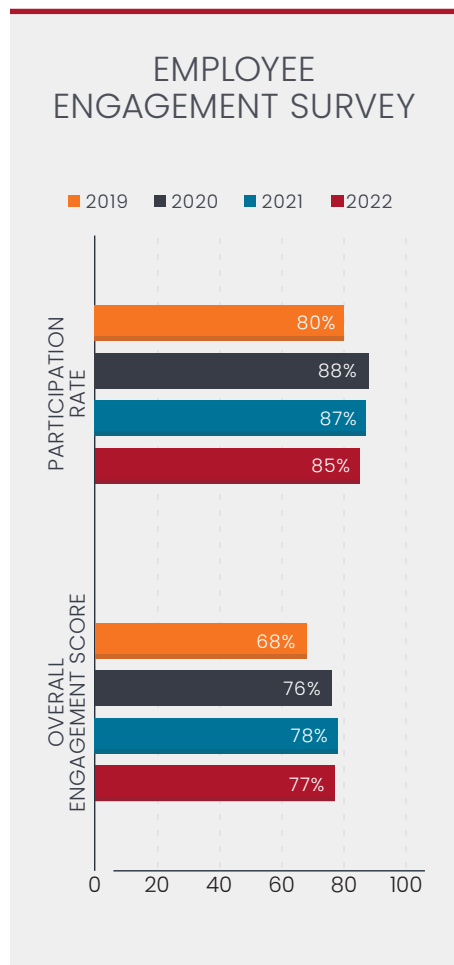
All employees and officers are required to conduct annual mandatory training covering such topics as IT security, code of ethics, anti-money laundering, anti-bribery and corruption, and fraud prevention. In addition, we proactively onboard new employees with clear guidance on ethical conduct requirements by scheduling regular New Joiner meetings to explain the Personal Code of Ethics rules and provide an overview of employee compliance requirements.



*Data as of 31 December 2022.

OUR PEOPLE

Our global community is comprised of more than 2,000 diverse, results-oriented, and inspired people whose values and actions align with our Purpose. Our people-driven culture is anchored in trust, accountability, diversity of thought, and collaboration. We invest time and resources in supporting the ambitions of our people by reflecting their values and priorities in our work. Our commitment to supporting the personal and professional goals and development of our people is one of the firm's fundamental principles and demonstrates how we connect our employees to what matters. We are and will continue to invest in our people because it is central to our way of life at Janus Henderson.



Employee engagement score

We understand the importance of cultivating an environment where employees feel empowered to share their thoughts and opinions. Each year, we leverage our employee engagement survey to measure overall employee sentiment regarding our workplace. Given the transition to our hybrid working model and recent leadership changes, this year's results felt especially important.

Our 2022 participation rate dropped slightly from the prior year to 85% but is still well above the external benchmark of 75% and in line with the strong level of response we've seen in the past. The overall Engagement Index score, which measures factors such as job satisfaction, how valued colleagues feel, and how likely our people are to recommend working at Janus Henderson to someone else, was 77%, which is consistent with the 2021 score. We also made some positive progress in areas like supportive management; diversity, equity, and inclusion (DEI); and overall intent to stay with the firm. Work-life balance was identified in 2021 as an area of opportunity, and we are pleased to report that we saw a 4% improvement in this metric in 2022, which is statistically significant for a firm of our size.

While we should acknowledge and celebrate what is going well and where we have shown improvement, we must also focus on the areas where we can and should do better, such as interdepartmental communication and having more leaders articulate an inspiring and motivating vision for the future. This includes what Janus Henderson stands for and what makes us different from other firms. The lower scores received in this area can be explained, in part, by the organisational changes that occurred throughout the year.

As a result of the constructive feedback provided by our employees in the 2022 survey, each business area began action planning on their individual department results, which we believe will bring about further positive changes and the future improvement of the firm. Our leadership team has also worked diligently on our new strategy and our Mission, Values, and Purpose (MVP) to ensure it reflects our path forward.

Our total rewards

We strive to provide a comprehensive total rewards package that supports the distinct needs of our employees and their families.

Financial well-being

Planning and preparing for retirement is a shared responsibility between our people and the Company. We understand the common challenges our employees face and carefully design plans that help them invest and save for their future. Janus Henderson provides employee share plans to enable employees to share in the wealth creation of the business. We also provide risk benefits such as Life Assurance, which gives employees protection against the financial impact of catastrophic life events. In addition, sessions and resources are available throughout the year to help employees manage their finances and take control of their financial future.

Health and mental well-being

We are committed to improving the well-being of our employees by providing various resources and programmes that enable employees to prioritise their health and well-being. Coverage for mental health services is included in our medical plans where possible. Where it isn't possible, we have identified other means to support the mental health of our employees. The Employee Assistance Programme (EAP) is a free and confidential service delivered by a network of professionals who are equipped to help with a broad range of issues such as managing stress or change, navigating through trauma or major life events, relationship challenges, addressing addiction, legal matters, and tax issues. Employees may also choose to contact one of our Mental Health Champions in complete confidence; these employee volunteers are trained to listen impartially and connect employees with resources that provide them support and guidance.

Highlights

- ClassPass – a flexible fitness and wellness membership that lets users book gym time, studio classes, on-demand classes, and massage and spa appointments – is now available in most countries in which we operate.
- Complimentary subscriptions for the mindfulness app Headspace have been provided to all staff.
- Employees were provided with options for Back-Up Care, which is designed to be used when usual arrangements to care for child or adult dependents are not available, or for emergency cover. All UK and US employees receive 10 complimentary days of Back-Up Care each year to support balancing work and family life.
- We launched a new benefit from 1 January 2023 that provides employees a global lifetime allowance of \$50k (or local currency equivalent) for costs associated with adoption, surrogacy, fertility, and gender affirmation (where these services are not covered under existing health plans).

EMPLOYEE FINANCIAL WELL-BEING PLAN PARTICIPATION RATE

55%

for the US employee stock
purchase plan

61%

UK Buy as You Earn (BAYE)

36%

Global employee stock
purchase program

97%

401(k) participation rate

97%

UK pension scheme
participation rate

100%

Pension scheme
participation rate outside
of US and UK

50%

UK SAYE

Janus Henderson, as of 31 December 2022.

LINKING
TO THE
SUSTAINABLE
DEVELOPMENT
GOALS (SDGs)



Diversity, equity, and inclusion at Janus Henderson

Diversity, equity, and inclusion (DEI) is critical to our overall business success. With the increased focus on ESG, it is important to provide tangible results to demonstrate our commitment to this work. As we integrate DEI into our operations, key stakeholders must understand their roles and responsibilities, as outlined in the examples below:

- **Board and CEO:** Set the tone and affirm the organisational commitment to DEI.
- **Executive Committee:** Demonstrate our commitment and enhance leadership accountability, review progress on our internal and external metrics, and increase diversity by incorporating DEI indicators into their people strategy.
- **DEI Committee:** Establish the global DEI strategy and hold the organisation accountable for delivering on the strategy. Mitigate risks and channel senior leadership interests in managing DEI objectives into real results.
- **Human Resources:** Embed DEI in HR processes to attract, retain, and develop talent, ensure equitable benefits and compensation, monitor metrics, and ensure data integrity.
- **Business:** Create an inclusive culture, participate in internal and external DEI initiatives, facilitate the development of employee resource groups and mentoring programmes, assist with employee career-pathing, and increase diversity within our departments and among business suppliers.

We are committed to fostering inclusion, promoting cultural awareness, and establishing equitable policies, benefits, training, recruiting, and recognition practices that support our people and our DEI goals.

ADVANCING THE SDGs



Measuring success

OUR GOALS



Respect and honour our differences and maximise the value to our clients and our business



Improve our insights by taking advantage of learning opportunities that deepen our understanding



Attract and retain talented employees who bring different perspectives and experiences



Monitor our company DEI and supplier diversity metrics compared to industry best practices



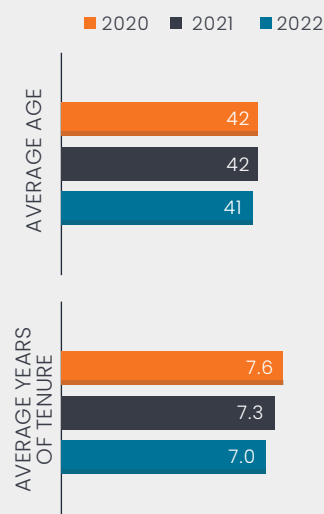
Seek to understand our biases and not allow them to influence our decision-making process

It is important to use qualitative and quantitative diagnostic data to monitor our overall DEI impact. To measure and drive results, we use activity metrics such as the number of employees that participate in DEI-related events. Process metrics are evaluated to determine gaps that could occur in our performance management and recruitment efforts. We leverage lagging indicators such as representation data and employee engagement scores. Leading indicators such as talent pipeline and predictive metrics such as mentorship participation rates and development opportunities help provide insight into our inclusion and equity efforts. DEI at Janus Henderson is more than counting people; it is ensuring that every person counts so we can make full use of the brilliance our employees have to offer.

2022 DEI highlights

- Recognised the past five years by Bloomberg Gender-Equality Index and Human Rights Campaign Index for our inclusive practises.
- Received the LGBT Great Gold Standard designation for our inclusive policies and increased our employees that identify as LGBT+ from 4% to 5%.
- JHI's DEI Employee Engagement score was 85%, 2% higher than the 75th percentile industry benchmark.¹
- Met our goal for ethnically diverse employees in senior management, increased from 11% to 17% compared to 2021.
- Increased global DEI self-ID demographic disclosure rate to 69%.
- Introduced new DEI initiatives, including required diverse interview panels and candidates for open roles, conversion strategy for entry-level talent, and additional training for low employee engagement scores.
- All departments created a DEI strategy that ties to their overall people strategy.
- Employees with disabilities increased from 5% to 7% of overall workforce, and we created the Ability Alliance Employee Resource Group.
- Moved to a Disability Confident Level II employer.
- Continued to support early career partnerships with #10000Black Interns, Greenwood Project, Investment 2020, Imperial College, and College Track.
- Implemented a hybrid working model to address the diverse needs of our employees.

2022 DEI UPDATES



85%
DEI employee
engagement score

22%
Women in senior
management

50%
of JHI employees
are diverse*¹

Janus Henderson Investors, as of 31 December 2022, global employee population.

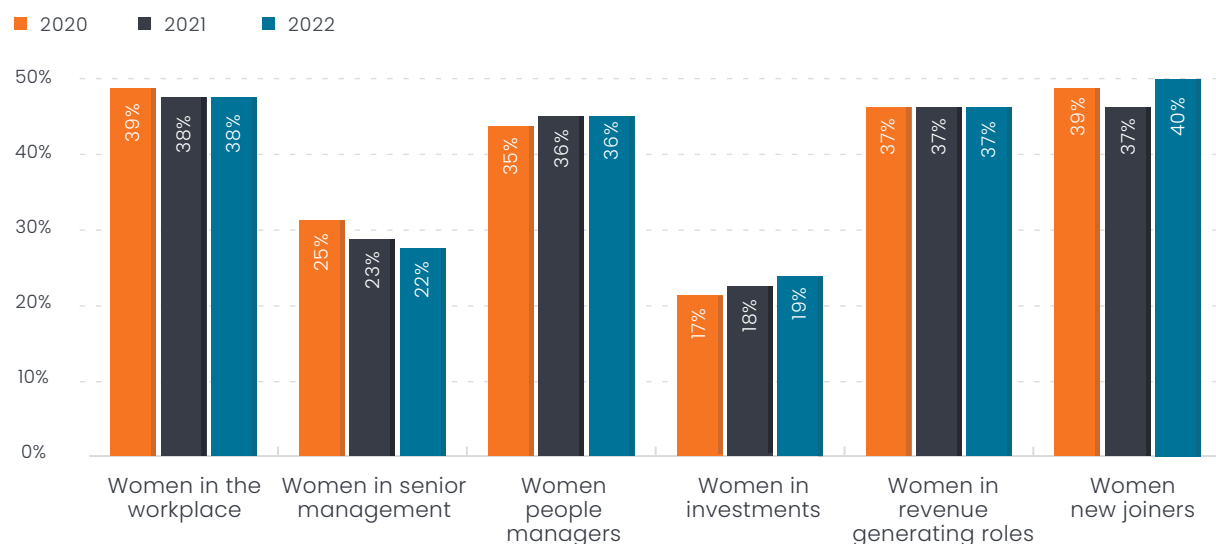
*Note: Data above reflects DEI Demographic Questionnaire participants (69%), not entire population.

¹ Janus Henderson Investors, as of 31 December 2022. Diverse is defined as employees that identify as women, ethnically diverse, former military professionals, LGBT+ and employees with a disability.

2022 DEI highlights cont.

- Evaluated our Tier 2 and Tier 3 suppliers to understand the diversity of our business suppliers and increased the number of approved diverse brokers.
- Over 600 employees participated in Global Diversity Awareness Month activities, designed to connect, educate, and engage employees on DEI topics.
- Engaged with our Board of Directors on DEI through roundtable discussions and educational webinars.
- Increased the number of female new joiners from 37% to 40% compared to 2021.
- Increased the number of women investment professionals by 1% compared to 2021.
- The percentage of Janus Henderson plc Board Member seats held by women increased from 30% to 45% and the seats held by ethnically diverse Board Members increased from 20% to 27% in 2022.

GENDER DIVERSITY TRENDS, YEAR-OVER-YEAR COMPARISON



Source: Janus Henderson Investors, as of 31 December 2022, Global Employee Population.

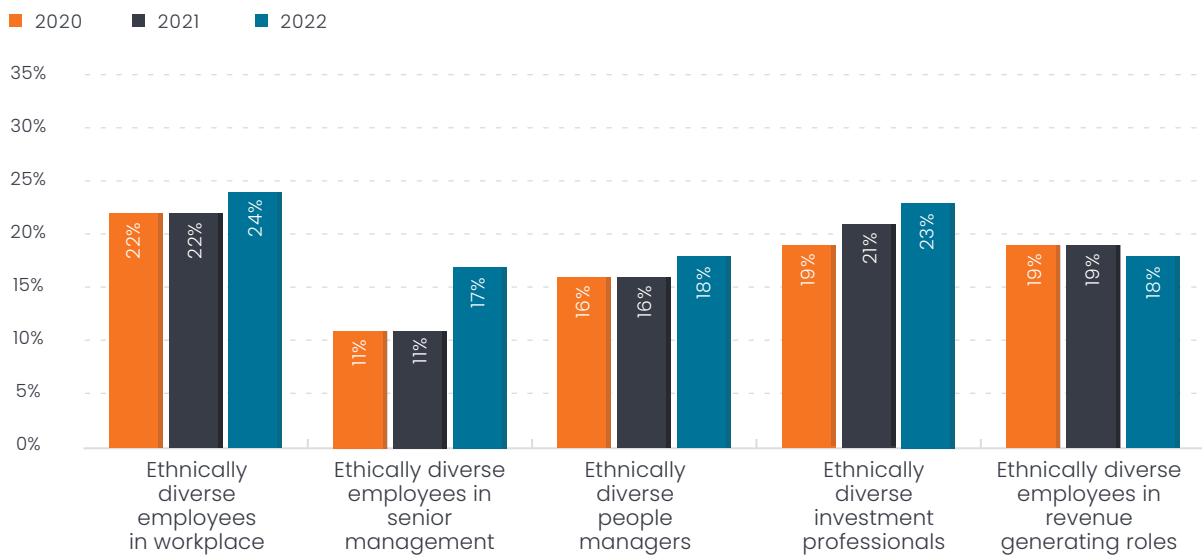


RACIAL/ETHNIC GROUP REPRESENTATION OF GLOBAL EMPLOYEES (%)

| | Asian | Black or African American | Hispanic or Latino | White | Other |
|---------------|-------|---------------------------|--------------------|-------|-------|
| All employees | 12% | 4% | 3% | 76% | 5% |

Note: Data above reflects DEI Demographic Questionnaire participants (69%), not entire population.

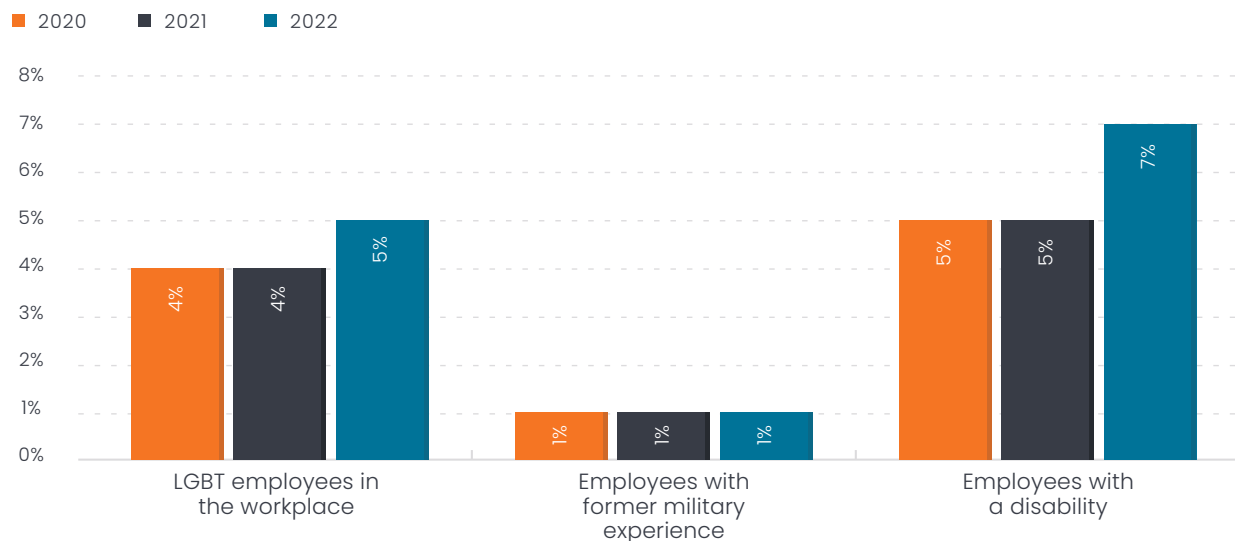
ETHNICALLY DIVERSE TRENDS, YEAR-OVER-YEAR COMPARISON



Source: Janus Henderson Investors, as of 31 December 2022, Global Employee Population.

Note: Data above reflects DEI Demographic Questionnaire participants (69%), not entire population.

DEMOGRAPHIC TRENDS, YEAR-OVER-YEAR COMPARISON



Note: Data above reflects DEI Demographic Questionnaire participants (69%), not entire population.

BUILT A PIPELINE OF DIVERSE TALENT THROUGH ENTRY-LEVEL TALENT PROGRAMMES IN 2022:

15 Trainee & Apprentices (UK)

26 Summer Internship (US)

7 Summer Internship (UK)

100% of those eligible to be converted into a full-time role identified as diverse

Supporting diversity, equity & inclusion in leadership

As part of our efforts to foster greater diversity in our company and industry, Janus Henderson sponsored employee participation in two key programmes – *Connected Leaders Academy* and *Women in Leadership* – which focused on developing, diversifying, and supporting our current and future leaders. While each programme had a unique focus, they both had a cohort-based approach, enabling employees to form new connections that last long beyond the duration of the programme.

Connected Leaders Academy, hosted by McKinsey & Company, was offered to cohorts of Black leaders, Hispanic and Latino leaders, and Asian leaders at mid-career or senior levels. Six colleagues participated in the Management Accelerator programme, committing over 40 hours to virtual workshops and small-group-based activities. The programme focused on helping people build or expand their core management and leadership capabilities while learning new skills and developing strong networks. In the *Executive Leadership Programme*, six employees devoted more than 24 hours to building the executive leadership capabilities needed to drive transformational change within organisations. Each participant had an internal executive sponsor that helped increase connectivity and networking at a senior level.

Women in Leadership offered an opportunity for 41 senior women to share their leadership experiences and unique challenges in a learning environment with female peers across the globe. The women went through four group modules – Know Yourself, Know Your Impact, Know Your Message, and Know the Playing Field – and had the benefit of individual coaching sessions between each module.

The future of DEI at JHI

As we refine our work in this space, we have identified some key takeaways for how our organisation could be more successful in fostering a culture of diversity, equity, and inclusion. Although we have already reached one out of the four goals, we are actively addressing the decline in women in the workplace and women in senior leadership roles. Through our analysis, we were able to attribute this decline to many factors such as organisational changes and firm restructuring. We will focus on reevaluating our DEI targets and timeline, and we will determine if the goals are the right goals for our business in the future.

Gender pay gap 2022

Our base-pay gender pay gap has continued to improve year over year. Fixed pay rates for male and female employees increased across the board, with slightly higher salary increases for females. Our bonus gap has remained broadly the same.

As in previous years, our gender pay gap is driven by a greater proportion of men in the highest paying positions. Our pay gap is marginally higher in Australia, Japan, and Europe; this is due to a higher percentage of males in front office positions, coupled with low headcount. However, once again our pay gap is lower among New Joiners, reflecting our robust recruitment process.

We strive to ensure our compensation and reward programmes are competitive and internally equitable to attract, motivate, and retain our employees.

UK GENDER PAY GAP:

Pay gap and bonus gap – both mean and median:

| 2022 | MEAN | MEDIAN |
|-----------|-------|--------|
| Pay gap | 20.9% | 22.7% |
| Bonus gap | 69.3% | 37.7% |

Proportion of men and women receiving bonuses:

| 2022 | ALL EMPLOYEES | ELIGIBLE* EMPLOYEES |
|-------|---------------|---------------------|
| Women | 81.7% | 94.3% |
| Men | 86.2% | 95.5% |

*Per JHI policy, permanent employees and fixed-term contractors hired before 1st October 2022 are regarded as bonus eligible.

Proportion of men and women by pay quartile:

| | LOW QUARTILE | 3RD QUARTILE | 2ND QUARTILE | HIGH QUARTILE |
|-------|--------------|--------------|--------------|---------------|
| Women | 50% | 47% | 41% | 22% |
| Men | 50% | 53% | 59% | 78% |

Note: Annual gender pay gap reporting for UK-based employees is a regulatory requirement.

GLOBAL GENDER PAY GAP:

| | MEAN | MEDIAN |
|-----------|-------|--------|
| Pay gap | 22.9% | 26.5% |
| Bonus gap | 74.2% | 42.1% |

Key messaging

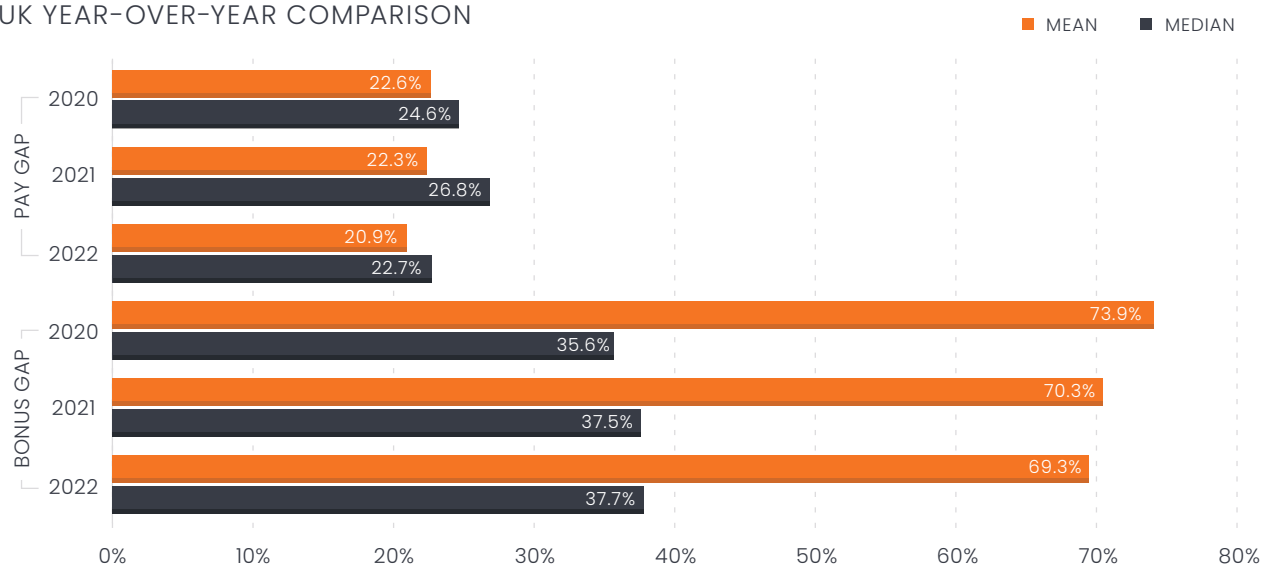
Gender representation impacts us all, and we have an unwavering commitment to improving gender balance in our higher-paid roles. However, we understand that it takes time to improve our overall metrics.

- We make a genuine effort to ensure our managers identify and mitigate their own biases. We provide high-quality data and information when the most important pay decisions are made, such as at the time of hire, when career progression or promotions occur, and each year during the annual pay round.
- All hiring managers are provided with a diversity scorecard to ensure they understand the gender and cultural diversity within their organization and can consider how they might improve diversity at the time of hire.
- We ensure competitive offers to New Joiners are based on their unique skills, experience, and specific qualifications.
- We benchmark positions annually to stay abreast of changing market information and carefully evaluate compensation as careers progress and when promotions occur to keep pay competitive over time.
- Pay is reviewed within an overall framework of meritocracy, which is central to our performance-driven firm. Gender analytics are integral to this process; we review these in advance of the annual pay round and again during calibration to create awareness and discover any unintended results in real time.

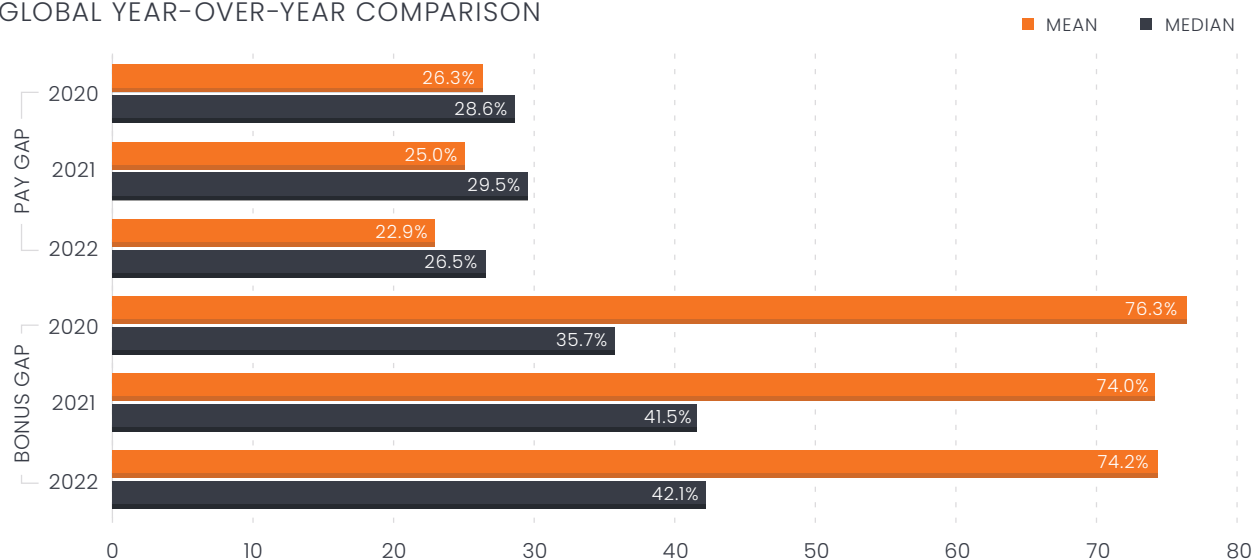


Year-over-year comparisons

UK YEAR-OVER-YEAR COMPARISON



GLOBAL YEAR-OVER-YEAR COMPARISON



Definitions

The gender pay gap is a measure of the difference in the average pay of women and men regardless of the nature of their work. It is different from an equal pay comparison, which would involve directly comparing the pay of two or more people who do the same, similar, or equivalent work.

- 'Pay gap' is the difference in 'ordinary earnings' (e.g., base salary, allowances, etc.) between men and women, expressed as a percentage of men's earnings. This is measured during a single pay period covering April 2022.
- 'Bonus gap' is the difference in annual variable pay (e.g., cash bonuses, commissions, etc.) between men and women, expressed as a percentage of men's variable pay, including the cash element of annual variable pay, share vesting, and commissions. This is measured over a full year (April 2021 – March 2022).

Talent development

Career Week – Supporting and investing in our employee's ambitions

Following a successful Career Day pilot in 2021, we expanded our focus on personal and professional development by launching an annual Career Week in 2022. Career Week, which took place over five days in March, was designed to empower employees to own their careers and provided access to tools, techniques, and best practices supporting employee growth at all levels. Over 1,000 employees participated, and 36 unique sessions were facilitated by internal and external experts. Topics included career planning, coaching, resilience and change, hybrid working, and more, and the event featured panel discussions with experts and colleagues.

Here's what employees had to say about their experience.

“ Such a good reminder, post-pandemic, of how we can reintegrate with co-workers and become involved in groups that can promote meaningful change.”

Top-rated sessions included:

1. Thriving Personally and Professionally (external)
2. Professional Brand and Presence – Career panel discussion
3. Navigating Change and Career Mobility – Career panel discussion
4. Everyday Coaching Techniques and Career Coaching for Managers
5. Increase Self-awareness and Awareness of Others Through DiSC

Most well-attended sessions included:

1. Imposter Syndrome – from Self-doubt to Self-assurance (external)
2. Working in a Hybrid World
3. Effective Career Conversations and Career Action Plans
4. Return on Energy (external)
5. Professional Brand and Presence – career panel discussion

LEADERSHIP ACADEMY:

61 Learning to Lead total participants **29** participated in Aspire to Lead **18** participated in LEAD

↳ **42** participated in Manager Bootcamp globally → **19** participated in Manager Fundamentals

108 total across all Leadership Academy

REQUIRED TRAINING (defined as: all employees)

- | | | |
|------------------------------------|----------------------|---------------------------------------------------|
| ▶ Anti-Bribery and Corruption | ▶ Cyber Security | ▶ Tax Evasion – EMEA only |
| ▶ Anti-Money Laundering | ▶ Data Privacy | ▶ Unconscious Bias |
| ▶ Business Resilience | ▶ Fraud Awareness | ▶ Workplace Respect and Anti-Harassment – US only |
| ▶ Conduct, Ethics & You | ▶ Operational Risk | |
| ▶ Conduct Rules (SMCR) – EMEA only | ▶ Records Management | |

100% completion rate as of 31 December 2022.

Note: Not included in the numbers above: We piloted a new leadership cohort-based program focused on our expectations of leaders at JHI (Engaging Leader, Inclusive Leader, Transparent Leader, and Accountable Leader). 20 leaders from our Operations function piloted the four-day program in Q4 and we will be implementing the concept companywide in 2023.

OUR COMMUNITY

At Janus Henderson, we put our passion and commitment to work to help people reach their goals through our investment products as well as our investments in the community. In both cases, our purpose is the same: to invest in a brighter future together. Our people are involved, inspired, and invested through our employee-led giving and philanthropic efforts.

Involved

Month of Service

During the month of May, colleagues came together to help organisations in their communities around the world.

Our Month of Service highlights include:

- Taught financial literacy concepts to students at the Boys and Girls Club.
- Educated students on a range of important concepts about business and entrepreneurship, from pricing goods and services and international trade to competition and interview skills through our partnership with Junior Achievement.
- Built and donated 48 bikes and helmets to second-grade students through Wish for Wheels.
- Rallied together to support Refettorio Felix's efforts to feed the vulnerable in West London, as well as to create awareness and motivate local communities and families to volunteer in different ways to help the vulnerable gain back their dignity and their place in society.
- Assisted Dress for Success with front-of-house services as well as behind the scenes, sorting and organising clothing donations, handling administrative tasks, and offering clients interview guidance.
- Cleared an overgrown area at Lavender Pond Nature Reserve in East London in partnership with the Conservation Volunteer.
- Renovated a playground in need of repair by partnering with Childhood Trust.
- Volunteered at the Willing Hearts Soup Kitchen in Singapore and prepared and distributed meals that help the elderly, disabled, low-income, and poverty-stricken.
- Prepared meals at Our Big Kitchen for distribution to those in need across Sydney, Australia and made a monetary donation to the organisation.

SDGs ADVANCED THROUGH OUR OUTREACH





PRIDE PARADE

Janus Henderson colleagues, friends, and family members gathered in downtown Denver for the 2022 PrideFest parade. Almost 60 marchers represented Janus Henderson in this year's record-breaking parade, which had over 120,000 attendees.

As one of the top-10 PrideFest events in the US, an estimated 535,000 people attended the two-day Denver festival, which marked the first fully in-person Denver Pride event since before the pandemic.



WALK TO FIGHT SUICIDE

Janus Henderson colleagues, families, and friends from around the globe took part in the Annual Global Virtual Walk to Fight Suicide in support of the American Foundation for Suicide Prevention (AFSP). We walked to fight suicide in Hong Kong, Singapore, the UK, and US. Team Janus Henderson raised \$7,710 with the help of the Janus Henderson Foundation.



CHARITY AUCTION

Our Australia Community Champions have 34,268 reasons to be proud. What started out as a fundraising event due to the pandemic in 2021 has evolved into an annual fundraising auction that benefitted 59 local charities and raised \$24,268 in 2022. The Janus Henderson Foundation provided an additional \$10,000 match to four standout charities: Lifeline Australia, Sydney Children's Hospitals Foundation-Bear Cottage, Pets for the Homeless, and Musicians Making a Difference.

Community Investment Time

2,007

Number of volunteer hours logged by our employees

Donations for Doers

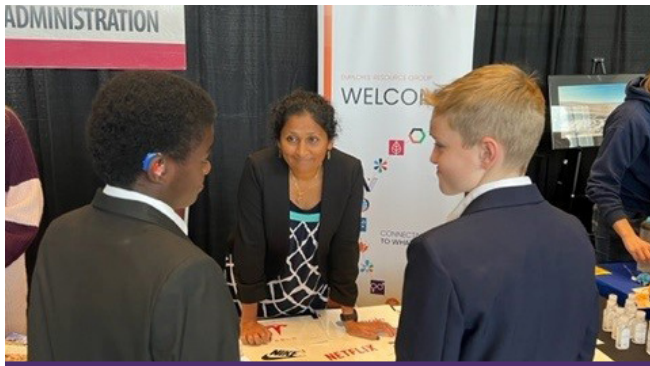
Our colleagues are inspired to give their most precious gift – time – to charities in our community. Our Donations for Doers programme supports our colleagues' regular volunteer work by providing a donation based on volunteer hours. Our employees recorded 589 volunteer hours in 2021 when the programme launched and increased their volunteering to 731 hours in 2022.

Chapter One (formerly known as TutorMate)

Learning loss for students was one of the hard realities of the pandemic. High-frequency tutoring and enrichment programmes are critical pieces of helping students achieve academic success. Our employees understood the need to step up and give back, and over 70 employees volunteered their time each week during the school year to tutor students in schools in Denver and London. These employees work with students to ensure they have the fundamental literacy skills needed to keep up with the academic rigor of their school curriculum. In addition, Janus Henderson donated books to all the students in each location for their personal home libraries so they can continue to build upon the skills they learned in the classroom.

Chapter One announced that at the conclusion of the first year of a four-year study, 68% of the students in the treatment group met the end-of-year kindergarten benchmark, compared to 32% in the control group.

The Stanford University Annenberg Institute National Student Support Accelerator study was one of the largest randomized control trial studies and demonstrated how Chapter One's high-impact tutoring model substantially increased students' phonics skills, putting students on a path for future reading success.



JANUS HENDERSON FOUNDATION

As the philanthropic giving arm of Janus Henderson Investors, the Janus Henderson Foundation invests in innovative educational programmes that ensure all students have access to equitable educational opportunities to help them succeed. We pride ourselves on providing the seed capital needed for non-profits to artfully transform the traditional classroom curriculum to ensure it meets the diverse needs of students while providing them with the skills needed to be the leaders of tomorrow. Since the inception of the Janus Henderson Foundation, we have reached 706,803 students and supported more than 1,512 schools.

Junior Achievement – JA Titan

Currently in year four of a six-year partnership with JHI, JA Titan is a simulation-based programme in which high-school students compete as business CEOs in the phone industry, experiencing firsthand how an organisation evaluates alternatives, makes decisions, examines the outcomes of those decisions, and then plans what to do next. With a focus on financial literacy and insights into the workforce, JA Titan brings business economics to life. In 2022, they:

- Executed the first virtual national competition with 89 students competing on 29 teams
- Created eight user videos to help JA Areas train their educators and volunteers
- Developed and released several new key features to improve the user experience

JA Titan was delivered to 11,318 students in 432 classrooms during the 2021-2022 school year – a 59% increase in students from the previous school year. As the effects of the pandemic continue to wane, JA expects its student reach to continue to increase.

Colorado Gives Day

Janus Henderson was a proud sponsor of Colorado Gives Day, an annual effort to celebrate and increase online philanthropy for Colorado non-profits. In partnership with Community First Foundation and FirstBank, we encouraged all Coloradans to 'Give Where You Live' by donating to local non-profits. The Janus Henderson Foundation donated \$50,000 to the state-wide incentive fund, which was used to match donations made by the community. In addition, we encouraged our employees to take part in a corporate challenge that encouraged them to make donations to their favourite charity. Through this collective impact initiative, Colorado Gives Day raised \$53 million for 3,336 non-profits in 2022. There were 10,909 donors and 246,600 donations.



Musicians Making a Difference

Creating Pathways: Alternative Education for At-Risk Youth, supported by Janus Henderson and designed by Musicians Making a Difference (MMAD), has been an important entry-level programme for those who are new to MMAD, an Australian charity that aims to transform young lives through music. MMAD delivers in-person and online creative support to engage, inspire, educate, and empower young people through the power of music and mentoring.



This year, participants achieved significant growth, overcoming personal trauma, addictions, and challenges to find their place in the world. At the conclusion of the programme, the Subjective Wellbeing Normative Group Score increased to 75.83, indicating the significant positive impact of participating.

59.7% overall participant increase in personal growth

62.5% increase in rates of feeling connected with resources

149% increase in mental well-being

43.2% increase in interpersonal relationships

62.5% increase in young people asking for help

150% increase in embracing referral pathways through the use of resources

116% increase in breaking negative cycles and sustaining positive change

37% increase in doing things away from home

Source: Musicians Making a Difference



The Centre for Financial Capability

Janus Henderson has been a long-time supporter of The Centre for Financial Capabilities (TCFC). In 2022, TCFC continued to build upon their mission of ensuring every child receives high-quality and effective financial education. Our annual contribution enables TCFC to fund expert-led money lessons in schools administered by MyBnk, a UK-based non-profit providing 3,000 young people with tools, knowledge, and confidence to manage money.



Debate Mate

Janus Henderson supported Debate Mate Schools with a grant for £21,600 towards the delivery of Debate Mate's core program of after-school debating and inter-school Debate Mate Cup competition. The funding supported schools in East London. Our partnership with Debate Mate is another example of how we are equipping our youth to be future leaders.



Charity Challenge

The Charity Challenge continues to be the largest employee-led giving initiative at Janus Henderson. In 2022, we received many compelling entries and contributed \$167,600 to employee-nominated charities. Since inception, we have donated over \$1,521,800 to 312 charities around the world based on nominations from our employees.

GRAND PRIZE – \$75,000 MAGIC BREAKFAST

This winter, rising prices and record high inflation will plunge over a million extra people into poverty. With more families living on the brink, providing the basics is now an everyday struggle for many. Four million children (almost a third of the UK's child population) are now at risk of starting the day hungry. Hungry children cannot concentrate and are in danger of missing out on their education.

Thanks to Janus Henderson Foundation's donation, Magic Breakfast has been able to ensure that, for a whole academic year, the equivalent of 1,600 hungry children in eight partner schools across the UK are provided with breakfast each morning. Breakfast might seem like a small thing, but its effect is far reaching: a filling and nutritious start to the day is the trigger for a series of positive outcomes.

“ These kids only have one chance at childhood, and one chance at education. Education is going to be their best way out of poverty. By feeding and valuing them, Magic Breakfast makes a practical difference to these children every single day.”

Teacher, Magic Breakfast Partner School

FIRST RUNNER UP – \$40,000 MURDERED ABROAD

Murdered Abroad is committed to providing support for families, partners, and friends of the victims of murder and manslaughter abroad. They provide peer support and have a dedicated action group working for change in the UK to improve the support and resources families receive following the death of a loved one.

2022 REGIONAL PRIZE WINNERS

- ▶ Colorectal Cancer Alliance - \$10,000
- ▶ Keys for Life - \$10,000

OTHER CHARITY CHALLENGE FINALISTS – \$5,000

- ▶ American Cancer Society – ResearchHERS
- ▶ Bright Spaces
- ▶ Sarcoma UK



CORPORATE SUSTAINABILITY

Climate change, biodiversity loss, and pollution are some of the greatest challenges we as a society face today, and Janus Henderson recognises that urgent action is imperative to prevent irreversible consequences to the planet. We are committed to reducing our environmental impact and embedding sustainable practices throughout our business.



Carbon neutrality

Janus Henderson was a pioneer of sustainability, becoming one of the first asset managers to go carbon neutral in 2007 by offsetting our emissions through the CarbonNeutral® certification.

Through this process, we have invested in a variety of offset projects around the world, delivering financial support to essential renewable energy, forestry, and resource conservation projects that support reductions in greenhouse gas emissions.

All projects we support have been classified as 'additional' by an independent third party, meaning that they would not happen without the sale of carbon credits.

We have maintained CarbonNeutral® status* every year for the last 15 years and see this as an important way of not only offsetting our unavoidable operational emissions, but also contributing to sustainable projects around the world.

* CarbonNeutral® certification applies to Janus Henderson Investors since 2017 and Henderson Global Investors prior to this date. We currently maintain a carbon neutral emissions footprint across our global offices and from business travel.

Our offset portfolio highlights

Through our carbon offsetting portfolio, we contribute to high-quality, independently verified emission reduction and removal projects, as well as advancing the UN Sustainable Development Goals. Below are some of the projects we support.



Morocco

KHALLADI WIND POWER

Generating wind power, contributing to the reduction of more than 144,000 tonnes of CO₂ emissions per year, and powering local communities.



United States

SENECA MEADOWS LANDFILL GAS

Reducing the environmental impact of a landfill site through methane capture, electricity generation, and wetland enhancement.



United States

TRUCK STOP ELECTRIFICATION

Reducing the environmental impact of engine idling through Truck Stop Electrification technology.

SDGs ADVANCED THROUGH OUR OFFSET PORTFOLIO



Case study

Solar water heating, India

Solar water heaters provide households, small- and medium-size enterprises, and institutions with an in-house hot water supply fuelled by renewable energy rather than carbon-intensive grid electricity.

The project is primarily focused on serving urban areas throughout the country and manufactures, distributes, installs, and maintains solar water heaters for a variety of residential, commercial, and community buildings.

Distributing solar water heaters to domestic households helps to meet the energy needs of a growing population, while also promoting low-carbon development.

SDG 9 – Industry, innovation and infrastructure

Facilitates installation of energy infrastructure, including the required supporting structures and piping to enable the solar technology to scale.

SDG 3 – Good health and well-being

Reduces the concentration of sulphur dioxide and nitrogen monoxide.

SDG 4 – Quality education

Provides several training and capacity building programmes to plumbers of the region, bringing additional skills and income to the local community.

SDG 5 – Gender equality

Seven of 30 managerial positions are staffed with women, above average for the country.

SDG 12 – Responsible consumption and production

Sponsors and provides educational programmes in schools and colleges, running workshops and driving awareness about global warming.

Our 2022 operational emissions

In 2022, our total operational upstream emissions totalled 5,030 tonnes of carbon dioxide equivalent (tCO₂e). Although this was an expected increase from 2021 levels, after liftings of COVID-19 lockdowns and a return of office workers, it was a decrease of 60% from our 2019 baseline. Our Scope 1 emissions rose due to extreme cold weather conditions that affected our US offices. However, our Scope 2 emissions fell by over 96% from our baseline. This was due to our procurement of renewable energy, which in 2022 constituted 94% of total energy consumption, as well as to energy saving initiatives such as LED lighting, energy efficient blinds, and light sensors. We see renewable energy procurement and energy saving initiatives as important aspects of transitioning to a low-carbon economy.

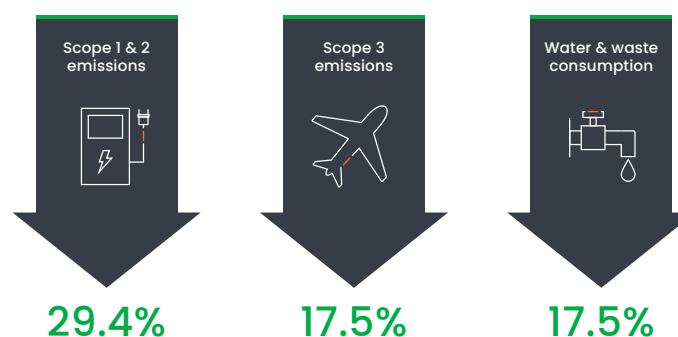
| EMISSIONS CO ₂ E TONNES | | 2022 | 2021 | 2020 | 2019 BASELINE |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------|--------------|--------------|---------------|
| Scope 1 All direct emissions (natural gas) | Market-based | 144 | 52 | 63 | 57 |
| | Location-based | 144 | 52 | 63 | 57 |
| Scope 2 Electricity, cold water cooling | Market-based | 156 | 2,759 | 4,934 | 4,997 |
| | Location-based | 3,397 | 3,551 | 4,782 | 4,764 |
| Scope 3 (upstream) Business travel (air, rail, road, hotels), couriers (air, road), water (withdrawal, discharge), waste, paper, electricity transmission & distribution, fugitive gases, working-from-home emissions | Market-based | 4,730 | 1,554 | 3,034 | 7,540 |
| | Location-based | 4,534 | 1,350 | 2,865 | 7,604 |
| Total | Market-based | 5,030 | 4,365 | 8,031 | 12,594 |
| | Location-based | 8,075 | 4,953 | 7,710 | 12,425 |
| Total MWh energy use (including converted fuel) | | 10,486 | 10,746 | 12,580 | 10,631 |

We measure our carbon footprint through third-party software Greenstone+, which uses the latest emission methodologies relevant to each country, time period, and data source. GHG emissions have been calculated and analysed in accordance with the international GHG Protocol framework, for our UK operations we use emissions factors provided by Defra, we also use IEA and EPA factors for our international offices. To ensure data integrity, all Scope 1, 2 and 3 upstream operational emissions are independently verified in accordance with the International Organization for Standardization (ISO 14064-3) by a third-party. The data is also separately verified by a third party for compliance with the CarbonNeutral[®] protocol. The carbon reporting year is 1 January – 31 December, in line with our financial reporting year. In 2022 we changed from a location-based to a market-based method of reporting to account for our procurement of renewable energy. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (this includes renewable energy procurement). In 2022, we expanded our upstream Scope 3 categories to include Working-From-Home emissions, Fugitive Gases and Electricity Transmission and Distribution. We have estimated these categories for 2019 and 2021 by headcount for consistency in reporting. Working-from-home emissions were estimated by occupancy rates. Due to changes in our office spaces (such as the removal of two Intech offices), we have updated our baseline and 2021 figures to remove them from our reporting boundary. In August 2023 we updated our figures to reflect a more accurate Scope 3 footprint and have added our 2020 emissions for completeness. Please see our CDP submission for further information on our energy initiatives.

Our targets

In 2021, we reached our 3-year target to reduce our carbon footprint by 15% per full-time employee (FTE) from 2018 levels. In 2022, using guidance from the Science Based Target Initiative, we set ambitious new 5-year reduction targets:

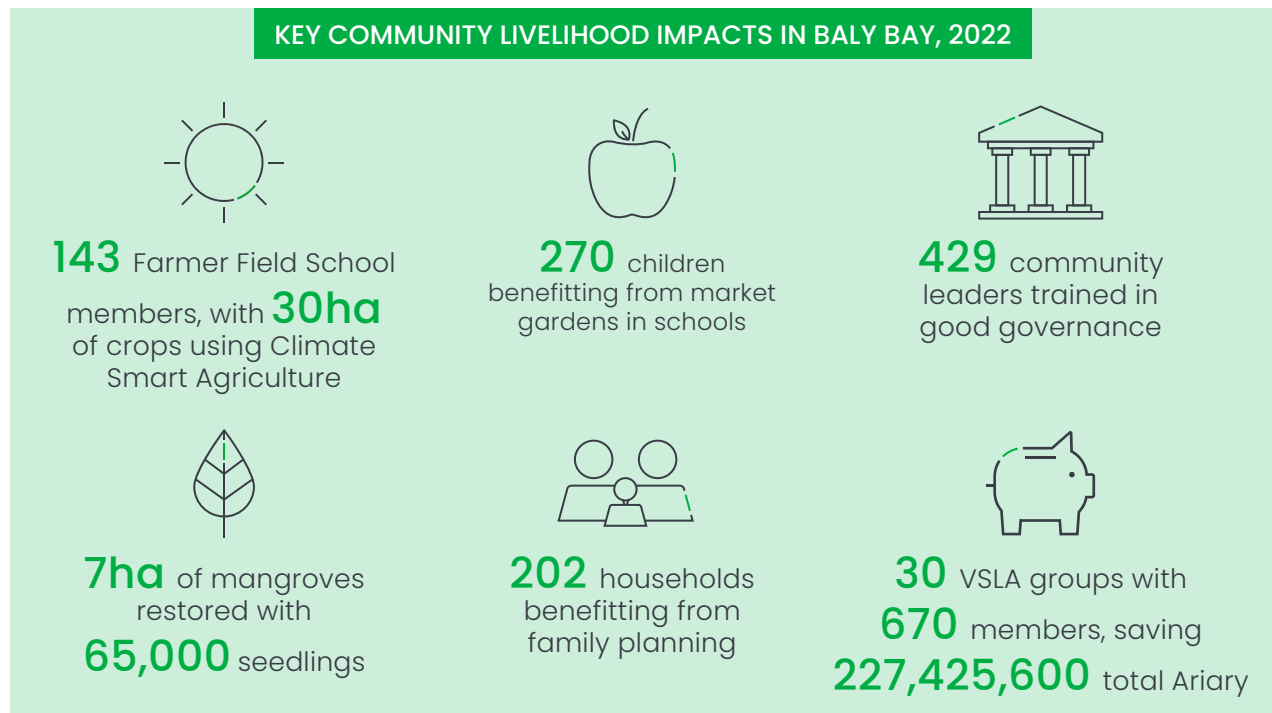
- Reduction target of 29.4% in Scope 1 (fuel) and Scope 2 (electricity) emissions
- Reduction target of 17.5% in Scope 3 (business travel, freight, paper, water, waste, etc.) emissions
- Reduction target of 17.5% on water and waste consumption by FTE



Employee engagement

In April 2022, concurrent with Earth Day, JHI hosted its first-ever Green Week themed 'Invest in Our Planet'. JHI hosted a variety of events around sustainability and the environment, including:

- **The Durrell Foundation:** In 2021, Janus Henderson donated \$60,000 to Durrell Wildlife Conservation, one of the world's leading conservation charities. Our donations supported Durrell's continuing efforts to save critically endangered species from extinction as part of their 'Rewild our World' strategy. Our donation was specifically earmarked for Baly Bay National Park in northwest Madagascar. In 2022, we made an additional donation to their work in connection with our Green Week initiative. Durrell has been able to use our funding and funding from others to make the following impacts:



Source: Durrell Wildlife Conservation Trust.

- We also donated to the Greenway Foundation to help plan and implement physical enhancements to local parks and trails and improve the water quality in the South Platte River and other urban regional greenways in Colorado.
- In partnership with the Marine Conservation Society (MCS), Janus Henderson employees came together to clean up Folkestone Beach in the UK, collecting over 14kg of litter.
- Colleagues logged 38 days of going plastic-free, which resulted in a donation to the Durrell Foundation.



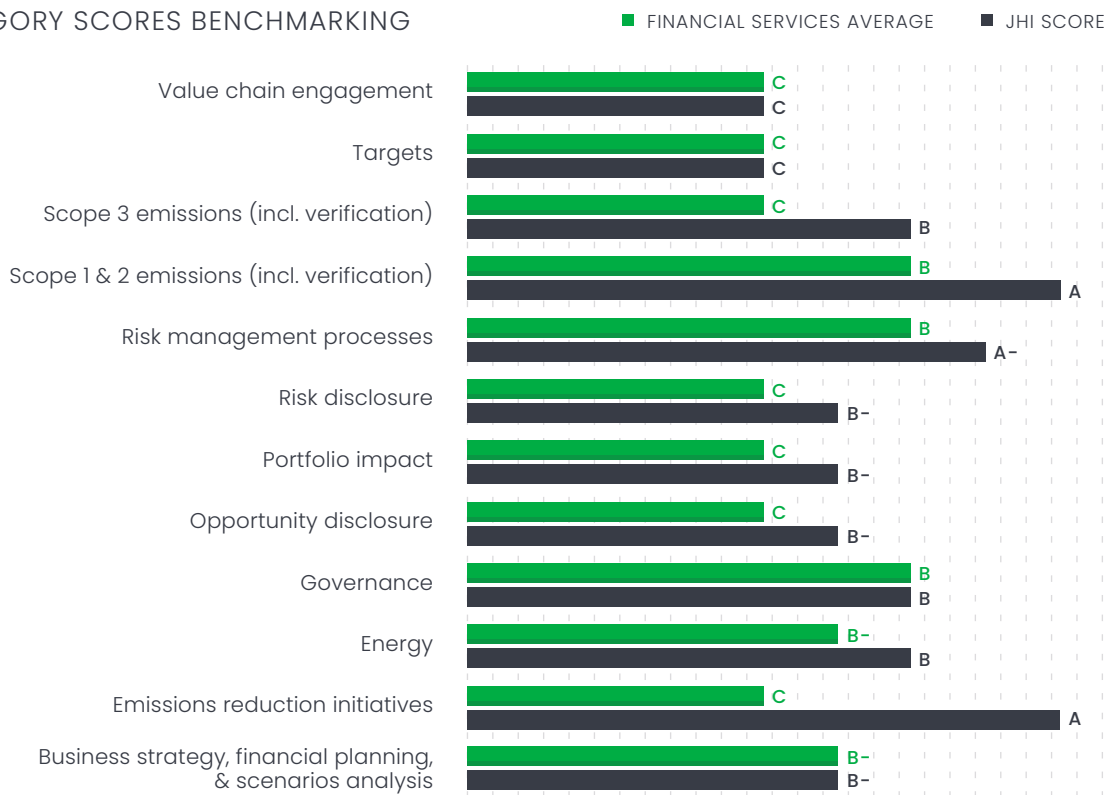
CDP

We are proud to be an investor signatory to CDP, a non-profit charity that runs a global disclosure system to help investors, companies, cities, states, and regions to manage their environmental impacts. We have been reporting to CDP since 2010 and see it as an important tool to encourage transparency, comparability, and consistency in sustainability reporting.



In 2022, we achieved a 'B' score, outperforming our peers in over half of CDP's scoring categories, as well as scoring higher than the Financial Services and Global Average. A 'B' Score is in CDP's 'Management' band, indicating that JHI has addressed the environmental impacts of our business and ensured good environmental management.

CATEGORY SCORES BENCHMARKING



OUR CDP SCORE

B

AVERAGE PERFORMANCE

B-

Financial services

B

Europe

C

Global average



Highlights

- On 6 Oct 2022, JHI hosted 'Networking for Career Success' by the Women In Sustainability Network at our London office. The event was open to employees as well as the public and focused on how to create, nurture, and utilise networks.
- In November 2022, we introduced a new waste management system in London and provided waste training across the London office. The new categorisation is aimed at minimising non-recycled waste. No waste in London is sent to landfill and all takeaway packaging in the canteen is 100% biodegradable Vegware. Through these initiatives, we have saved over 963,500 of plastic items such as coffee cups, containers, and other boxes since 2018.
- In the US, we offset our paper consumption by planting trees through PrintReleaf, planting 944 trees to date.
- In 2022, the lighting in the London office was upgraded to LED fittings, significantly reducing our energy consumption and saving an estimated 110 tonnes of carbon emissions.
- In 2022, we started a composting program in our Denver office with collection points in all kitchen locations.



RESPONSIBLE INVESTING ACROSS OUR BUSINESS

At Janus Henderson, we believe integrating environmental, social, and governance (ESG) factors is instrumental to fulfilling our fiduciary duty to our clients. Global environmental challenges such as climate change, biodiversity loss and pollution, and societal issues such as wealth and income inequality, access to education and healthcare, and cyberwarfare represent substantial long-term material risks to investor portfolios. We believe integrating financially material ESG considerations into our investment decisions and stewardship processes allows us to better manage these risks to achieve the best outcomes for our clients.

Stewardship is an integral part of Janus Henderson's long-term, active approach to investment management. Strong ownership practices through engagement with company management and voting proxies can help protect and enhance long-term shareholder value. We expect our investment teams to engage with the issuers in which they invest to improve performance on material sustainability issues, with a particular focus on our three core engagement themes: climate change; diversity, equity, and inclusion (DEI); and corporate governance.

Our ESG milestones

In 2022, we made progress in our efforts to embed ESG at the heart of our value proposition through further investments in ESG personnel, data, infrastructure, and fund capabilities.

- STRENGTHENING OUR ESG AND CLIMATE INVESTMENT CAPABILITIES
- EXPANDING OUR ESG INVESTMENT TEAM
- DIVERSIFYING OUR SUITE OF ESG PRODUCTS

RESPONSIBLE INVESTING HIGHLIGHTS IN 2022

1,100+

ESG-related
engagements

5,900+

Meetings voted

40

ESG thought leadership
and educational articles

90%+

of client-facing Distribution personnel across the US, EMEA, and Asia obtained an ESG certification and all personnel associated with an SFDR Article 8 or 9 Fund undertook mandatory ESG training, including material on ESG data and third-party vendors, climate data, and climate scenario analysis.

31

Article 8 and Article 9
fund conversions under
the EU's SFDR

Source Janus Henderson Investors,
as of 31 December 2022.

Evolving our ESG Proposition

Our fundamental belief is that ESG considerations can have a material impact on the financial outcomes of our investments. We believe these financially material considerations are vital to our ability to generate long-term risk-adjusted returns. For clients with separate accounts interested in excluding specific issuers or sectors, building climate-aware portfolios, investing in sustainability themes, or focussing on best-in-class issuers, Janus Henderson can offer various solutions to cater to clients' ESG requirements.

ESG INVESTMENT PRINCIPLES FOR LONG-TERM INVESTMENT SUCCESS

- ▶ Investment portfolios seek to maximise long-term, risk-adjusted returns for our clients.
- ▶ Evaluation of financially material ESG factors is a fundamental component of our investment processes.
- ▶ Corporate engagement is vital to understanding and promoting business practices that position the companies we invest in for future success.
- ▶ Investment teams should have the freedom to interpret and implement ESG factors in the way best suited to their asset class and strategy objective, as they do for any fundamental investment factor.

We continually strive to strengthen our ESG capabilities to enable our clients to benefit from leading ESG research, data, and tools. In addition, we aim to equip clients with the latest insights from our Investment and ESG teams in the form of thought leadership, educational guides, and annual reports, including our Investment Outlook report.

ESG investment policy implementation

In 2022, we implemented our ESG Investment Policy, which sets out our approach to ESG investing and ESG Governance and Oversight. The ESG Investment Policy highlights our core stewardship themes of climate change; diversity, equity, and inclusion; and corporate governance, and details baseline exclusions that apply on a firmwide basis. These exclusions cover current manufacture of, or minority shareholding of 20% or greater in the manufacturer of:

- Cluster munitions
- Anti-personnel mines
- Chemical weapons
- Biological weapons

Expanding our specialist ESG resources

In 2022, we created the position of Chief Responsibility Officer to work with Janus Henderson's ESG teams to define the optimal approaches and frameworks for our responsible investing and corporate responsibility efforts.

Our centralised ESG Investment Team continues to operate along three pillars: Governance and Stewardship, ESG Investment Research, and ESG Strategy & Development. The team's mission is to promote ESG integration across Janus Henderson and serve as a resource for all investment teams.



In 2022, we completed the second phase of our hiring. The ESG Strategy & Development team was expanded with the addition of new members in Denver and Edinburgh who are working with the investment teams on ESG integration, with a focus on ESG data and tools and product development.

Governance Update

To reflect our commitment to corporate responsibility and responsible investing, we appointed a Chief Responsibility Officer to oversee all elements of our responsible investment strategy. To emphasise the importance of our responsibility efforts and ensure they are embedded across our entire firm, the Chief Responsibility Officer will report directly to the CEO and be a member of the Strategic Leadership Team. Michelle Dunstan, an experienced leader in ESG strategy and investing, assumed this position in January 2023 and will guide and shape our ESG efforts and governance structure in 2023 and beyond.

In support of our strategic goals, we have created individual initiatives to ensure that ESG is appropriately reflected in our client experience, that our Funds and mandates respect emerging regulation pertaining to ESG, and that the ESG operating model within Investments continues to evolve.

Additionally, we have integrated the management of ESG risks into management committees and established a dedicated ESG Oversight Committee responsible for ensuring that the Investments framework to manage ESG-related risks is adequate and effective.

Strengthening our ESG data and tools

Over the year, we continued to develop a centralised ESG data solution – a cloud-based tool that will ingest raw third-party ESG provider data and inform downstream Janus Henderson applications and users. Once the build-out is complete, it will support ESG product and solution design, client and regulatory reporting, and risk management and oversight, among other things.

In 2021, we selected MSCI as our strategic ESG data provider, and in 2022, we focused on onboarding MSCI and integrating ESG data with our systems and infrastructure. A Sustainability Risk Dashboard was developed to enable oversight of ESG portfolio risks.

Internal ESG training program

In 2021, we embarked on a campaign to upskill our colleagues' ESG knowledge and expertise. By early 2023, over 90% of client-facing Distribution personnel across the US, EMEA, and Asia obtained an external ESG certification. All investment personnel associated with an SFDR Article 8 or 9 Fund undertook over four hours of mandatory ESG subject matter training. These included teach-ins on ESG data and third-party vendors, climate data, climate scenario analysis, financial materiality, DEI, and human capital management, delivered by our ESG Strategy and Development team.

All colleagues across the firm – including those for whom ESG is not a part of their core role – continue to be offered 4-5 hours of general ESG online training. They are also free to upskill by taking an external certification (paid for by the firm) and to do any of the more specialised ESG trainings offered to Investment teams.

The centralised ESG Strategy and Development team continues to provide support to investment desks on understanding ESG and climate data. The team also assisted with use cases for climate data and tools and wrote relevant guides on topics such as Climate Value at Risk (CVaR).

Biodiversity loss is emerging as a key ESG issue and can be a financially material risk for investors, particularly in certain sectors. In June, Janus Henderson arranged a two-day research trip to the Durrell Wildlife Conservation Trust, one of the world's leading conservation charities. Members of our Global Sustainable Equities, Global Natural Resources, Global Technology Leaders, UK Responsible Income, and Environmental, ESG Investment teams spent time expanding their knowledge of biodiversity loss and the role of investors in contributing to nature's protection and restoration.

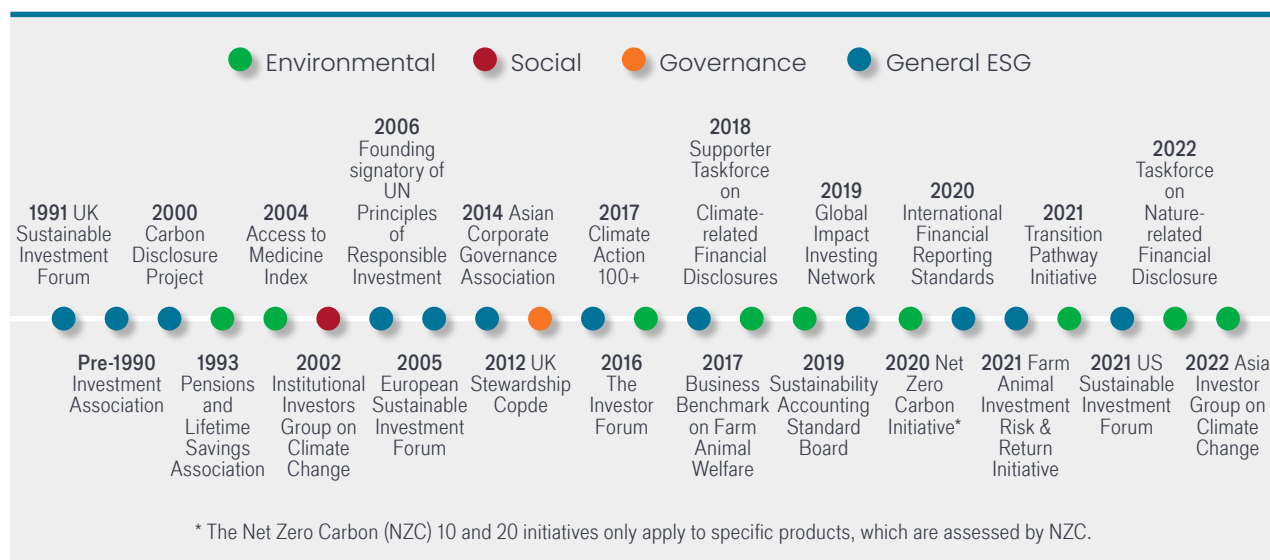


Participating in select ESG industry initiatives

In 2022, we joined the Taskforce for Nature-related Financial Disclosures (TNFD) as a Forum Member. We are following the evolution of the TNFD framework closely.

We also joined the Asia Investors Group on Climate Change (AIGCC), an initiative to create awareness and encourage action among Asia's asset owners and financial institutions about the risks and opportunities associated with climate change and net-zero investing.

Janus Henderson has a strong heritage of involvement with sustainability-related organisations and initiatives. As part of our commitment to responsible investment, we are involved in a wide range of ESG-related initiatives as a member, supporter, or in an advisory capacity:



ESG-focused fund developments

In 2022, we expanded and diversified our suite of products that incorporate ESG or sustainability factors. Driven by client interest and following regulatory guidance, Janus Henderson continued to align products with the European Union's Sustainable Finance Disclosure Regulation (SFDR). In 2022, we transitioned 28 Funds to Article 8 status and three Funds to Article 9 status (31 funds in total).

Janus Henderson's ESG Fund activity in 2022 focused on versatility, providing our global clients with a diverse range of ESG solutions. In the US, we introduced a suite of sustainable model portfolios to advisors and the Janus Henderson Sustainable Multi-Asset Allocation Fund to our Direct platform. We also oversaw a strategy change in our US-based Dividend & Income Builder Fund and Managed Account which is now the Janus Henderson Responsible International Dividend Fund and the Janus Henderson Responsible International Dividend ADR Managed Account.

Following the launch of our sustainable ETF suite in 2021, we made our US Sustainable Equity Strategy available to European clients and our Net Zero Natural Resources Strategy available in Australia.

ESG research capabilities

The ESG Corporate Research team at Janus Henderson is a central resource generating ESG-focused research and tools to partner with the investment desks and facilitate ESG integration.

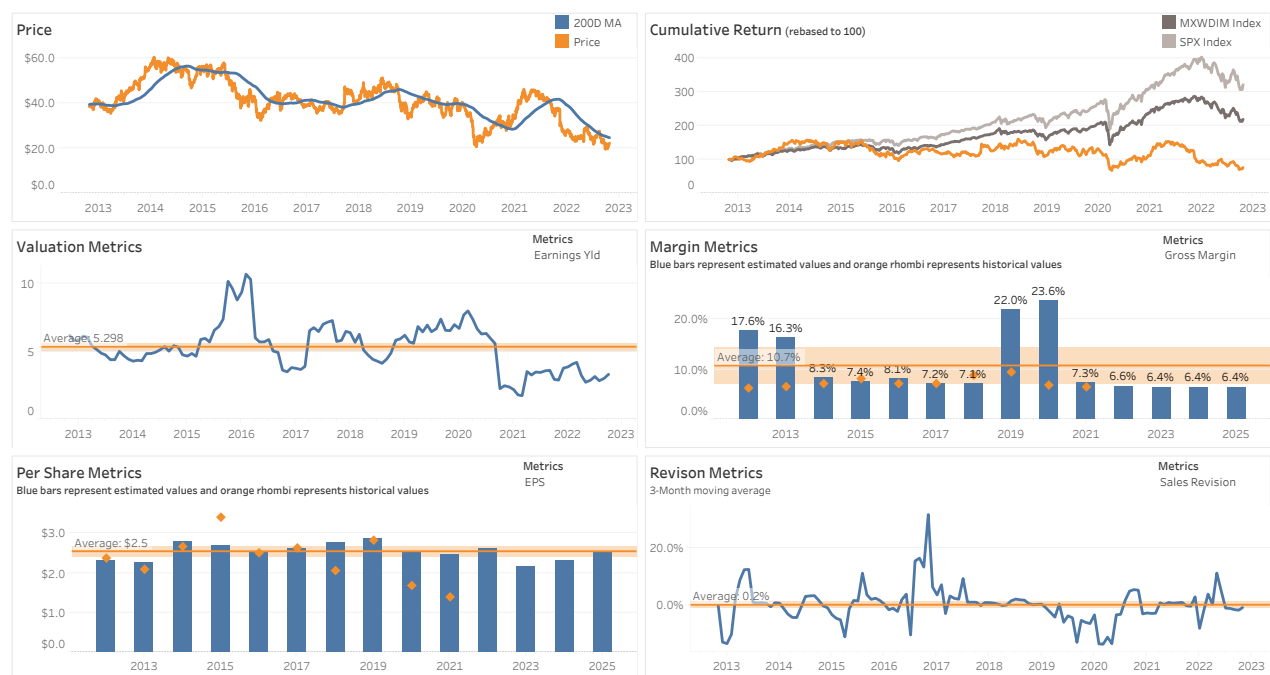
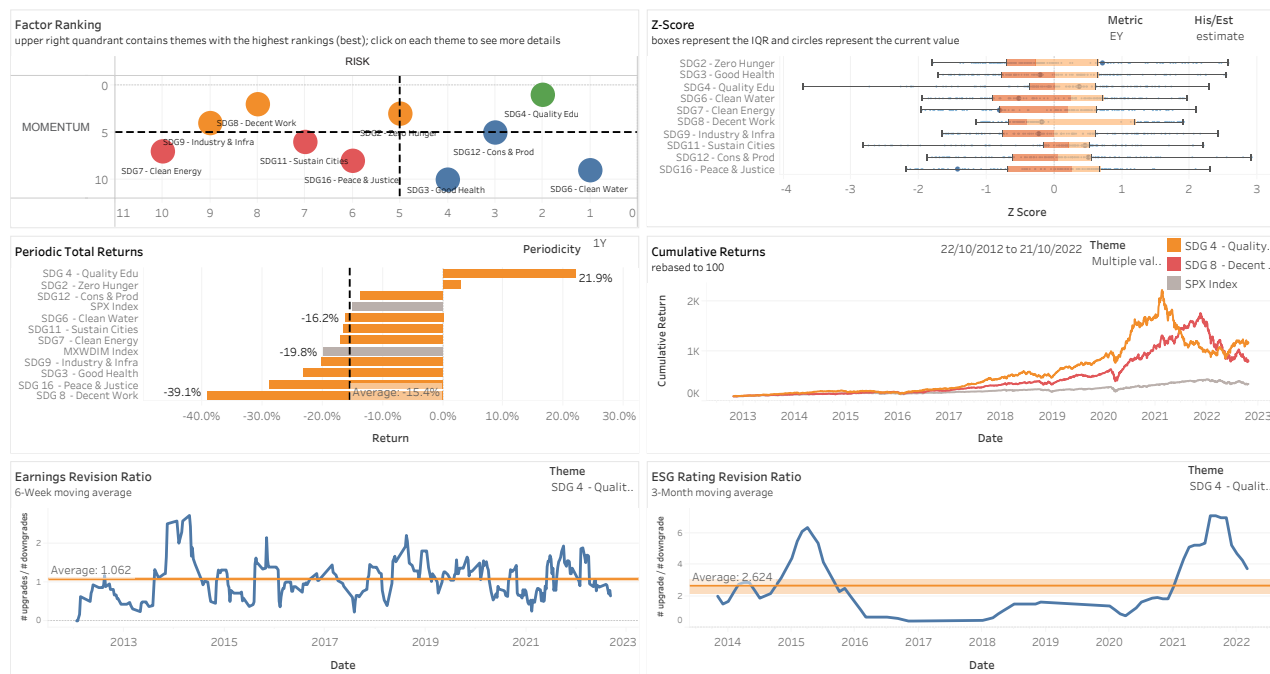
In its inaugural year of 2022, the team generated a body of thematic research covering a wide range of sectors and topics. Notable topics include analysis of nuclear energy, cybersecurity, trends in anti-trust and regulation of internet mega caps, climate stress tests in banking, physical climate risks and renewable energy opportunities in real estate, and an assessment of the acreage requirements for variable renewable energy technologies. Most recently, the team's analysts covered China's ESG agenda following the 20th National Congress.

The ESG Research team also developed an interactive tool to highlight investment ideas aligned with a comprehensive array of sustainability themes which was rolled out to investment desks across the business in the latter half of 2022. The tool supports ESG-themed idea generation by mapping over 2,000 issuers to three dozen ESG themes and ranking the highest-scoring issuers across those themes. Sustainability themes are also evaluated using various financial and ESG metrics.

Below are two examples of analysis available to investment desks to help evaluate characteristics of sustainability themes; the first is thematic, and the second is company specific:

United Nations Sustainable Development Goals (UN SDG) themes analysis

Bottom-up company analysis



ESG insights

As part of our commitment to advancing the industry dialogue around ESG, we seek to make the thinking of our investment teams widely available to our clients, shareholders, and other stakeholders through a variety of content, including white papers, articles, podcasts, videos, and panel debates.

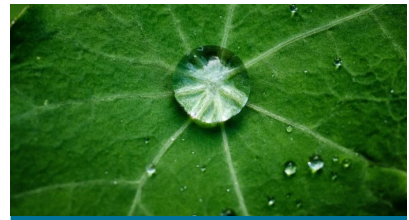
In 2022, we generated approximately 40 thought leadership and educational pieces on ESG topics. The insights included portfolio manager-specific views related to sustainable investment themes, with key contributions from our Global Sustainable Equities, Global Natural Resources, and Global Technology Leaders teams. Our investment teams also produced broader papers and debates on the investment implications of climate change and reaching net zero, nuclear energy, green hydrogen, biodiversity loss, deforestation, and the outlook for ESG investing.



► **Biodiversity Loss: The other systemic Crisis**



► **Deforestation: Seeing the Wood for the trees**



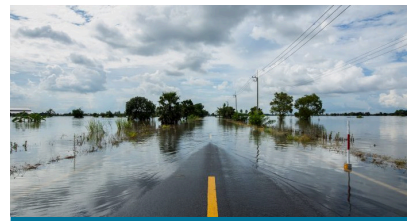
► **Is green hydrogen a net zero game changer?**



► **ESG Investment Outlook: Sailing through rough seas in 2023**



► **COP27 – 10 key takeaways for investors**



► **Governments must lead on climate action**

COP27 attendance

In November 2022, JHI representatives attended the COP27 climate talks in Egypt and took the opportunity to discuss key climate issues with our peers as well as government officials, contributing to the debate on climate change solutions. Following the conference, we shared our thoughts and perspectives with clients in the form of various articles providing key takeaways for investors.

Active ownership for improved standards and better outcomes

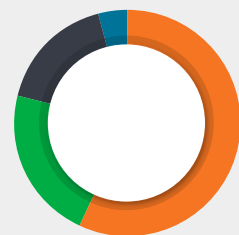
As a responsible steward of capital, Janus Henderson aims to maximise long-term value for our clients. We are committed to engaging with investee companies and voting proxies to increase long-term value, including encouraging issuers to mitigate material ESG risks as appropriate.

2022 STEWARDSHIP HIGHLIGHTS

- We recorded more than 1,100 company engagements in 2022 in which ESG topics were part of the discussion.
- We voted at over 5,900 meetings with over 62,000 items where ESG topics were part of the discussion.
- For the second year, we attained signatory status of the Financial Reporting Council's UK Stewardship Code 2020.

| ENVIRONMENTAL | SOCIAL | GOVERNANCE |
|---------------------------------------------|--------------------------------|------------------------------------|
| Climate Change | Human Capital | Capital Allocation & Strategy |
| Recycling/Plastics/Packaging/Waste | Workforce Diversity & Equality | Management Remuneration |
| Land Use & Biodiversity | Supply Chain/ Human Rights | Board Independence & Composition |
| Sustainable Design & Products | Communities | Audit, Accounting & Risk |
| Water | Data Security & Privacy | Succession Planning |
| Chemical/Pollution | Consumer & Products | Management Change |
| Real Estate Sustainability | Access to Medicine | Business Ethics, Culture & Purpose |
| Green Bonds/ Green Financing/ Green Revenue | Food, Nutrition & Health | Board Oversight of ESG |

2022 COMPANY ENGAGEMENTS BY TYPE



- MULTIPLE ESG TOPICS 57%
- GOVERNANCE (G) 22%
- ENVIRONMENTAL (E) 17%
- SOCIAL (S) 4%

Stewardship is an integral and natural part of Janus Henderson's long-term, active approach to investment management. Strong ownership practices such as management engagement can help protect and enhance long-term shareholder value.

We support several stewardship codes, such as the UK and Japan stewardship codes, and broader initiatives around the world including the UN Principles for Responsible Investment. In 2022, we successfully remained a signatory to the Financial Conduct Authority's UK Stewardship Code 2020, regarded as a benchmark in investment stewardship.

We continue to partner with investment teams to proactively engage on our three core sustainability themes: climate change, DEI, and corporate governance where we see material investment risk.

“ Stewardship is an integral and natural part of Janus Henderson's long-term, active approach to investment management.

Engagement case studies

We believe in the importance of investing for financial performance today without borrowing from our collective future. We expect our investment teams to engage with a proportion of the issuers they invest in to improve performance on sustainability issues, with a particular focus on core engagement themes, and to minimise undesirable externalities associated with their economic activities.

To illustrate our approach, below are case studies that highlight some of the themes on which we have engaged in 2022, including climate change, biodiversity loss, and DEI.

| ENGAGEMENT THEME | SAY-ON CLIMATE PROPOSALS AT BANKS AND FINANCIAL SERVICES FIRMS |
|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sector | Banking, financial services, and insurance (BFSI) |
| Rationale for the engagement theme/topic | Climate risk continues to be a core engagement theme across our investments and is linked to United Nations Sustainable Development Goals (UN SDGs) 3, 7, 13 and 15. For many financial institutions, climate change has emerged as a material financial risk. These firms' proposals were of varying nature – some were very detailed others were very basic, making it difficult to decide whether to support them or not. Accordingly, we decided to engage with these firms directly, as banks and financial services firms play an important role in supporting the transition to a net-zero economy. |
| What did we do? | During the first half of 2022, we engaged with these banks and financial services firms or participated in UK Investor Forum-facilitated meetings to gain insights about say-on climate proposals. |
| Outcome and next steps | The engagement allowed us to understand each bank's rationale for proposing a shareholder vote, the feedback received from various stakeholders on the plan, and each firm's intentions in the medium and long term. We learned that their plans were subject to various factors, including evolving technology, regulatory frameworks, transition plans adopted by in-scope customers, and available climate-related data. We also challenged banks which were either too late in setting climate action plans or that had insufficiently detailed plans. The investments teams leveraged the engagement to support and push management on the proposed climate action plan. We will continue to monitor these firms to see how their climate action plans evolve. |

ENGAGEMENT THEME

BIODIVERSITY LOSS AND DEFORESTATION

Sector

Consumer discretionary

Rationale for the engagement theme/topic

We engaged with a US home improvement retailer regarding a shareholder proposal on deforestation. The focus of the discussion was to understand why the company was opposing this proposal and what were appropriate next steps. Unlike the other shareholder proposals put forward to the company, this was not a widespread blanket proposal – it has been specifically targeted due to the materiality of this issue. The financial downside risk is large and we wanted to make sure this issue was being taken seriously.

What did we do?

We encouraged the company to disclose to Carbon Disclosure Project Forests; however, this is seen as a good 'first step' and we encouraged further disclosure and transparency to shareholders, specifically on the 'how' and operationalisation of its no-deforestation and wood sourcing policy. Representatives at the company stated that they favour Forest Stewardship Council (FSC)-certified wood products but do not require FSC certification. We discussed the nuances of FSC certification at length and encouraged this type of rationale and disclosure to be published publicly so shareholders are able to see the thoroughness of engagement with suppliers and thoughtfulness regarding FSC certification. The company agreed that, regardless of whether the proposal passed, it would subscribe to CDP Forests and disclose the relevant data. We encouraged the company to use this opportunity to be a leader, and to work with shareholders to make progress in this space.

Outcome and next steps

This proposal subsequently passed, with 65% of shareholders voting for the company to produce a report disclosing its impact on primary forests. We will have a follow-up conversation with the company to understand what progress has been made.

ENGAGEMENT THEME

DIVERSITY, EQUITY & INCLUSION IN ASSET MANAGEMENT COMPANIES

Sector

Asset management

Rationale for the engagement theme/topic

Diversity of thought is an key driver of long-term shareholder and bond-holder value creation. It is linked to UN SDGs 5 and 10. Within the UK asset management industry, we conducted proactive engagements with two companies to understand the steps taken to foster DE&I within their organisations. This was done to assess how these asset management firms aim to increase workforce diversity and compare their DE&I practices to peers.

What did we do?

In 2022, calls were arranged with the relevant executives at each of the asset management firms. Discussions were focused on company policies and practices in talent management, diversity-related disclosure, and future commitments to improve diversity across the organisation.

Outcome and next steps

While diversity in terms of gender and ethnicity continues to be lacking across the asset management industry as a whole, the companies identified DE&I as a material issue and are taking steps to address the imbalance. It was encouraging to see improved policies on maternity and paternity leave and reverse mentoring, as well as efforts to reduce turnover levels and gender pay gap disclosures.

Discussions also allowed us to push companies lagging in this area and understand challenges faced in terms of recruitment and monitoring. The consensual view amongst the asset managers surveyed is that in order to improve diversity, significant steps must be taken at the graduate intake level. This will allow more diverse employees to enter the industry and help broaden the employee base. Ongoing engagement with these firms will seek to continue to further improve their DEI reporting and performance.

Proxy voting update

Corporate governance regimes vary significantly depending on factors such as the relevant legal system, extent of shareholder rights, and level of dispersed ownership. Janus Henderson varies its voting and engagement activities according to the market and pays close attention to local market codes of best practice. However, we consider certain core principles to be universal:

- Disclosure and transparency
- Board responsibilities
- Shareholder rights
- Audit and internal controls

A key element of our approach to proxy voting is to support these principles and to foster the long-term interests of our clients. We also recognise that, in some instances, joint action by shareholders has the potential to be more effective than acting alone. This is especially true when shareholders have a clear, common interest.

Where appropriate, we proactively collaborate with other investors on governance and wider environmental and social engagement issues, directly and through industry bodies. Janus Henderson has a Proxy Voting Committee, which is responsible for positions on major voting issues and creating guidelines to oversee the voting process.

The Committee is comprised of representatives of investment portfolio management, corporate governance, accounting, legal, and compliance. Additionally, the Proxy Voting Committee is responsible for monitoring and resolving possible conflicts of interest with respect to proxy voting. Public links to our voting records are available on company websites in applicable jurisdictions.

Adapting to regulatory developments

ESG considerations have become front and centre of the legislative agenda for many regulators worldwide. Initially, all regulators shared a similar goal with regards to ESG products and services, which was to prevent clients from being mis-sold products that were badged as “ESG” but not being managed in that fashion.

“ We are convinced that ESG-related regulation can be a driver of positive change.

Today, many regulators worldwide are concurrently seeking to implement ESG legislation that goes beyond mis-selling concerns. We have seen laws emerge regarding how asset managers should incorporate ESG-related risks into their risk management processes, as well as rules requiring asset managers to disclose how they manage ESG-related risks at a corporate level. Although all of these ESG laws have tended to start with environmental issues, we are now witnessing a planned expansion of regulatory frameworks to focus more explicitly on social and governance issues.

The volume and pace of ESG-related regulatory change that asset managers with a global footprint like Janus Henderson are managing on behalf of our clients is unprecedented. This has led to some challenges for regulators and the industry as a whole when sequencing legislation, including concerns around data availability. Efforts by regulators to tackle these challenges are well underway.

At Janus Henderson, we expect the pace of change to continue as regulatory frameworks are refined and improved. We remain hopeful that a consistent approach can develop over time for what are essentially global challenges. Above all, we are convinced that ESG-related regulation can be a driver of positive change, as it can help our clients understand critical factors and the impact that it has on their investments, as well as society and the environment.

FOR MORE INFORMATION, PLEASE VISIT JANUSHENDERSON.COM

Janus Henderson

INVESTORS

The views presented are as of the date published. They are for information purposes only and should not be used or construed as investment, legal or tax advice or as an offer to sell, a solicitation of an offer to buy, or a recommendation to buy, sell or hold any security, investment strategy or market sector. Nothing in this material shall be deemed to be a direct or indirect provision of investment management services specific to any client requirements. Opinions and examples are meant as an illustration of broader themes, are not an indication of trading intent, are subject to change and may not reflect the views of others in the organization. It is not intended to indicate or imply that any illustration/example mentioned is now or was ever held in any portfolio. No forecasts can be guaranteed and there is no guarantee that the information supplied is complete or timely, nor are there any warranties with regard to the results obtained from its use. Janus Henderson Investors is the source of data unless otherwise indicated, and has reasonable belief to rely on information and data sourced from third parties. Past performance does not predict future returns. Investing involves risk, including the possible loss of principal and fluctuation of value.

Not all products or services are available in all jurisdictions. This material or information contained in it may be restricted by law, may not be reproduced or referred to without express written permission or used in any jurisdiction or circumstance in which its use would be unlawful. Janus Henderson is not responsible for any unlawful distribution of this material to any third parties, in whole or in part. The contents of this material have not been approved or endorsed by any regulatory agency.

Janus Henderson Investors is the name under which investment products and services are provided by the entities identified in the following jurisdictions: (a) Europe by Janus Henderson Investors International Limited (reg no. 3594615), Janus Henderson Investors UK Limited (reg. no. 906355), Janus Henderson Fund Management UK Limited (reg. no. 2678531), Henderson Equity Partners Limited (reg. no. 2606646), (each registered in England and Wales at 201 Bishopsgate, London EC2M 3AE and regulated by the Financial Conduct Authority) and Janus Henderson Investors Europe S.A. (reg no. B22848 at 2 Rue de Bitbourg, L-1273, Luxembourg and regulated by the Commission de Surveillance du Secteur Financier); (b) the U.S. by SEC registered investment advisers that are subsidiaries of Janus Henderson Group plc; (c) Canada through Janus Henderson Investors US

LLC only to institutional investors in certain jurisdictions; (d) Singapore by Janus Henderson Investors (Singapore) Limited (Co. registration no. 199700782N). This advertisement or publication has not been reviewed by Monetary Authority of Singapore; (e) Hong Kong by Janus Henderson Investors Hong Kong Limited. This material has not been reviewed by the Securities and Futures Commission of Hong Kong; (f) South Korea by Janus Henderson Investors (Singapore) Limited only to Qualified Professional Investors (as defined in the Financial Investment Services and Capital Market Act and its sub-regulations); (g) Japan by Janus Henderson Investors (Japan) Limited, regulated by Financial Services Agency and registered as a Financial Instruments Firm conducting Investment Management Business, Investment Advisory and Agency Business and Type II Financial Instruments Business; (h) Australia and New Zealand by Janus Henderson Investors (Australia) Limited (ABN 47 124 279 518) and its related bodies corporate including Janus Henderson Investors (Australia) Institutional Funds Management Limited (ABN 16 165 119 531, AFSL 444266) and Janus Henderson Investors (Australia) Funds Management Limited (ABN 43 164 177 244, AFSL 444268); (i) the Middle East by Janus Henderson Investors International Limited, regulated by the Dubai Financial Services Authority as a Representative Office. This document relates to a financial product which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA"). The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with this financial product. Accordingly, the DFSA has not approved this document or any other associated documents nor taken any steps to verify the information set out in this document, and has no responsibility for it. The financial product to which this document relates may be illiquid and/or subject to restrictions on its resale. Prospective purchasers should conduct their own due diligence on the financial product. If you do not understand the contents of this document you should consult an authorised financial adviser. No transactions will be concluded in the Middle East and any enquiries should be made to Janus Henderson. We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

Janus Henderson, Knowledge Shared and Knowledge Labs are trademarks of Janus Henderson Group plc or one of its subsidiaries. © Janus Henderson Group plc.